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SITTING DAYS—2006

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- MELBOURNE 1026 AM
- ADELAIDE 972 AM
- PERTH 585 AM
- HOBART 747 AM
- NORTHERN TASMANIA 92.5 FM
- DARWIN 102.5 FM
FORTY-FIRST PARLIAMENT
FIRST SESSION—SIXTH 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>Wakelin, Barry Hugh</td>
<td>Grey, SA</td>
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<td>Washer, Malcolm James</td>
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<td>Wilkie, Kim William</td>
<td>Swan, WA</td>
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<td>Windsor, Antony Harold Curties</td>
<td>New England, NSW</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
Minister for Trade and Deputy Prime Minister
Treasurer
Minister for Transport and Regional Services
Minister for Defence
Minister for Foreign Affairs
Minister for Health and Ageing and Leader of the House
Attorney-General
Minister for Finance and Administration, Leader of the Government in the Senate and Vice-President of the Executive Council
Minister for Agriculture, Fisheries and Forestry and Deputy Leader of the House
Minister for Immigration and Multicultural Affairs
Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues
Minister for Families, Community Services and Indigenous Affairs and Minister Assisting the Prime Minister for Indigenous Affairs
Minister for Industry, Tourism and Resources
Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service
Minister for Communications, Information Technology and the Arts and Deputy Leader of the Government in the Senate
Minister for the Environment and Heritage

The Hon. John Winston Howard MP
The Hon. Mark Anthony James Vaile MP
The Hon. Peter Howard Costello MP
The Hon. Warren Errol Truss MP
The Hon. Dr Brendan John Nelson MP
The Hon. Alexander John Gosse Downer MP
The Hon. Anthony John Abbott MP
The Hon. Philip Maxwell Ruddock MP
Senator the Hon. Nicholas Hugh Minchin
The Hon. Peter John McGauran MP
Senator the Hon. Amanda Eloise Vanstone
The Hon. Julie Isabel Bishop MP
The Hon. Malcolm Thomas Brough MP
The Hon. Ian Elgin Macfarlane MP
The Hon. Kevin James Andrews MP
Senator the Hon. Helen Lloyd Coonan
Senator the Hon. Ian Gordon Campbell

(The above ministers constitute the cabinet)
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<td>Senator the Hon. Christopher Martin Ellison</td>
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<td>Minister for Fisheries, Forestry and Conservation</td>
<td>Senator the Hon. Eric Abetz</td>
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<td>Minister for the Arts and Sport</td>
<td>Senator the Hon. Charles Roderick Kemp</td>
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<td>Minister for Human Services</td>
<td>The Hon. Joseph Benedict Hockey MP</td>
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<td>Minister for Community Affairs</td>
<td>The Hon. John Kenneth Cobb MP</td>
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<td>Minister for Revenue and Assistant Treasurer</td>
<td>The Hon. Peter Craig Dutton MP</td>
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<td>Special Minister of State</td>
<td>The Hon. Gary Roy Nairn MP</td>
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<tr>
<td>Minister for Vocational and Technical Education and Minister Assisting the Prime Minister</td>
<td>The Hon. Gary Douglas Hardgrave MP</td>
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<td>Minister for Ageing</td>
<td>Senator the Hon. Santo Santoro</td>
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<td>Minister for Small Business and Tourism</td>
<td>The Hon. Frances Esther Bailey MP</td>
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<tr>
<td>Minister for Local Government, Territories and Roads</td>
<td>The Hon. James Eric Lloyd MP</td>
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<td>Minister for Veterans’ Affairs and Minister Assisting the Minister for Defence</td>
<td>The Hon. Bruce Frederick Billson MP</td>
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<td>Minister for Workforce Participation</td>
<td>The Hon. Dr Sharman Nancy Stone MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Finance and Administration</td>
<td>Senator the Hon. Richard Mansell Colbeck</td>
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<td>Parliamentary Secretary to the Minister for Industry, Tourism and Resources</td>
<td>The Hon. Robert Charles Baldwin MP</td>
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<td>Parliamentary Secretary to the Minister for Health and Ageing</td>
<td>The Hon. Christopher Maurice Pyne MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Defence</td>
<td>Senator the Hon. John Alexander Lindsay (Sandy) Macdonald</td>
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<tr>
<td>Parliamentary Secretary (Trade)</td>
<td>The Hon. De-Anne Margaret Kelly MP</td>
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<td>Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs</td>
<td>The Hon. Andrew John Robb MP</td>
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<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon. Malcolm Bligh Turnbull MP</td>
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<td>Parliamentary Secretary to the Treasurer</td>
<td>The Hon. Christopher John Pearce MP</td>
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<td>Parliamentary Secretary to the Minister for the Environment and Heritage</td>
<td>The Hon. Gregory Andrew Hunt MP</td>
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<td>Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry</td>
<td>The Hon. Sussan Penelope Ley MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Education, Science and Training</td>
<td>The Hon. Patrick Francis Farmer MP</td>
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<tr>
<td>Parliamentary Secretary (Foreign Affairs)</td>
<td>The Hon. Teresa Gambaro MP</td>
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SHADOW MINISTRY

Leader of the Opposition
The Hon. Kim Christian Beazley MP

Deputy Leader of the Opposition and Shadow Minister for Education, Training, Science and Research
Jennifer Louise Macklin MP

Leader of the Opposition in the Senate, Shadow Minister for Indigenous Affairs and Shadow Minister for Family and Community Services
Senator Christopher Vaughan Evans

Deputy Leader of the Opposition in the Senate and Shadow Minister for Communications and Information Technology
Senator Stephen Michael Conroy

Shadow Minister for Health and Manager of Opposition Business in the House
Julia Eileen Gillard MP

Shadow Treasurer
Wayne Maxwell Swan MP

Shadow Attorney-General
Nicola Louise Roxon MP

Shadow Minister for Industry, Infrastructure and Industrial Relations
Stephen Francis Smith MP

Shadow Minister for Foreign Affairs and Trade and Shadow Minister for International Security
Kevin Michael Rudd MP

Shadow Minister for Defence
Robert Bruce McClelland MP

Shadow Minister for Regional Development
The Hon. Simon Findlay Crean MP

Shadow Minister for Primary Industries, Resources, Forestry and Tourism
Martin John Ferguson MP

Shadow Minister for Environment and Heritage, Shadow Minister for Water and Deputy Manager of Opposition Business in the House
Anthony Norman Albanese MP

Shadow Minister for Housing, Shadow Minister for Urban Development and Shadow Minister for Local Government and Territories
Senator Kim John Carr

Shadow Minister for Public Accountability and Shadow Minister for Human Services
Kelvin John Thomson MP

Shadow Minister for Finance
Lindsay James Tanner MP

Shadow Minister for Superannuation and Intergenerational Finance and Shadow Minister for Banking and Financial Services
Senator the Hon. Nicholas John Sherry

Shadow Minister for Child Care, Shadow Minister for Youth and Shadow Minister for Women
Tanya Joan Plibersek MP

Shadow Minister for Employment and Workforce Participation and Shadow Minister for Corporate Governance and Responsibility
Senator Penelope Ying Yen Wong

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

Shadow Minister for Consumer Affairs and Shadow Minister for Population Health and Health Regulation
Laurie Donald Thomas Ferguson MP

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

Shadow Assistant Treasurer, Shadow Minister for Revenue and Shadow Minister for Small Business and Competition
Joel Andrew Fitzgibbon MP

Shadow Minister for Transport
Senator Kerry Williams Kelso O’Brien

Shadow Minister for Sport and Recreation
Senator Kate Alexandra Lundy

Shadow Minister for Homeland Security and Shadow Minister for Aviation and Transport Security
The Hon. Archibald Ronald Bevis MP

Shadow Minister for Veterans’ Affairs and Shadow Special Minister of State
Alan Peter Griffin MP

Shadow Minister for Defence Industry, Procurement and Personnel
Senator Thomas Mark Bishop

Shadow Minister for Immigration
Anthony Stephen Burke MP

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

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

Shadow Minister for Overseas Aid and Pacific Island Affairs
Robert Charles William Sercombe MP

Shadow Minister for Citizenship and Multicultural Affairs
Senator Annette Hurley

Shadow Parliamentary Secretary for Reconciliation and the Arts
Peter Robert Garrett MP

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

Shadow Parliamentary Secretary for Defence and Veterans’ Affairs
The Hon. Graham John Edwards MP

Shadow Parliamentary Secretary for Education
Kirsten Fiona Livermore MP

Shadow Parliamentary Secretary for Environment and Heritage
Jennie George MP

Shadow Parliamentary Secretary for Industry, Infrastructure and Industrial Relations
Bernard Fernando Ripoll MP

Shadow Parliamentary Secretary for Immigration
Ann Kathleen Corcoran MP

Shadow Parliamentary Secretary for Treasury
Catherine Fiona King MP

Shadow Parliamentary Secretary for Science and Water
Senator Ursula Mary Stephens

Shadow Parliamentary Secretary for Northern Australia and Indigenous Affairs
The Hon. Warren Edward Snowdon MP
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Mr CADMAN (Mitchell) (12.31 pm)—I present the report of the Australian parliamentary delegation to the 14th annual meeting of the Asia Pacific Parliamentary Forum, held in Jakarta from 15 to 20 January 2006 and Papua New Guinea from 21 to 25 January 2006. As the leader of the delegation, I am pleased to present this report and note the presence in the chamber and gallery of my colleagues who were on that delegation—Senators Sterle and McEwen and the member for Kingston.

The APPF has great significance for Australia. It is an assembly of members of 27 national parliaments in the Asia-Pacific region which has met each January since 1993 to discuss matters of mutual concern. Its member countries include the United States, China, Russia and Japan. Australia has traditionally played a substantial role in these meetings, which provide a valuable opportunity for us, as members of parliament, to have discussions on matters of common interest with colleagues from the wider region.

The formal objectives of the forum ensure that annual meetings provide opportunities for us, as parliamentarians, to:

- deepen our understanding of the interests and policy concerns of countries in the region;
- examine the major political, social and cultural developments resulting from economic growth and integration; and
- foster the roles we have as national parliamentarians to promote regional cohesion and cooperation.

As is customary at APPF annual meetings, the agenda had a regional focus. It was framed around three main subjects: political and security issues, economic and trade issues, and regional cooperation. The delegation’s report discusses the resolutions proposed by Australia and the delegation’s contributions to debate and negotiation. The three resolutions we proposed addressed:

- international terrorism, which was debated by Senator Sterle;
- poverty alleviation and the Millennium Development Goals, covered by Senator McEwen; and
- pandemic disease, on which I spoke.

The member for Kingston spoke on cooperation on empowering the economies of the developing and least developed countries.

As well as participating in debate in the plenary, the delegation took a very active role in all formal meetings of the drafting committee and in a number of its informal meetings, where we negotiated the text of draft resolutions. The delegation also participated in a number of very successful meetings, including ones with President Yudhoyono and the Speaker of the Indonesian House of Representatives, Mr Laksono.

Apart from the APPF activities, the delegation was delighted to be able to visit a World Food Program project that operates at a primary school in East Jakarta and is supported by AusAID. We were also pleased to meet participants in an Australian-Muslim exchange delegation.

Following the APPF meeting, the delegation travelled to Papua New Guinea, where it participated in meetings and visits in Port Moresby, Goroka, Kundiawa and Mount Hagen between 21 and 25 January. Although
our time was brief, we met a range of people and gained an understanding of the issues that are important to them. We also learned something of their perspective on Australia and its relationship with their country.

We were grateful for the preparations by the APPF organising committee and staff of the Indonesian House of Representatives. Their hospitality was exceptional. On behalf of the delegation, I wish to express our gratitude to the Australian Ambassador to Indonesia, Mr Bill Farmer, and to Steven Barraclough from the Australian Embassy in Jakarta.

In Papua New Guinea we also received impressive support, and for this I particularly wish to thank the Australian High Commissioner, Mr Michael Potts, and Tim Paterson. I also wish to mention Dame Carol Kidu, who was kind enough to arrange some informal discussions and to accompany us in Port Moresby when we visited the parliament and local settlements.

The Department of Foreign Affairs and Trade helped to prepare us, with excellent advice and briefing material, as did the Parliamentary Library. I also wish to thank the Parliamentary Relations Office, which assisted with these arrangements. The delegation is grateful for the support we received from Mr Philip McDonald of the Australian Federal Police, who accompanied us in both countries. In conclusion, I wish to thank my fellow members of parliament for their support as delegation members. We were Australians through and through and worked as a great team. I want to thank them for their involvement. *(Time expired)*

**Mr Cadman—**Mr Speaker, I have here a letter from you relating to the report. I wonder whether it would be possible to have your letter, which would be helpful to future delegations of this type, incorporated in Hansard.

**The SPEAKER—**I thank the member for Mitchell. That is outside the normal guidelines but, given the relevance of the letter, I would be happy to allow that to proceed.

*The letter read as follows—*

22 MAY 2606
Speaker of the House of Representatives
The Hon David Hawker MP
The Hon Alan Cadman MP
Member for Mitchell
Parliament House
CANBERRA ACT 2600

Dear Mr Cadman

Thank you for your letter of 10 March 2006 regarding the parliamentary delegation that attended the Asia-Pacific Parliamentary Forum and conducted a bilateral visit to Papua New Guinea in January this year.

I am grateful for the feedback that you have provided on the delegation, as it will be useful in the planning of future delegation visits. I would like to respond to a few of the points you have raised.

You will be pleased to note that a bilateral visit to Indonesia has been included in the outgoing delegations programme for 2006. The bilateral visit is currently scheduled for September. Those responsible for arranging the visit program have been advised about the importance of including visits to AusAID projects.

I have also noted your suggestion about a possible visit to Australia by the Indonesian Speaker. The Parliamentary Relations Office has been in contact with the Australian Embassy in Indonesia and the advice that we have received is that Indonesia would not be in a position to send a delegation this year but is looking at a visit to Australia in the first half of 2007.

On the issue of continuity raised in your letter, I note that the practice in recent times has been for the delegation secretary to the APPF delegation to be the same for the life of the Parliament. As to continuity of delegation membership, the selection of delegates is a matter for the whips, and you may wish to raise the issue with your whip.
On the timing of the bilateral visit to Papua New Guinea, the outgoing delegations programme is developed with advice from the Department of Foreign Affairs and Trade. The Parliament is reliant on that advice in relation to suitable timing for visits, taking into consideration other visits that need to be accommodated in the year’s programme. One factor that made the visit to Papua New Guinea shorter than usual for a bilateral visit was the proximity of Australia Day and the general desire of delegates to be in their electorates on that day.

I have noted your views on the timing of visits and have informed relevant officers of your concerns. The timing of the APPF in January always makes it more difficult to conduct a bilateral visit in conjunction with attendance at the APPF. Nevertheless it has been the usual practice of the Presiding officers to provide the opportunity for a bilateral visit with this delegation, to maximise the benefits for this delegation and for the Parliament.

I share your view on the significance of Papua New Guinea to Australia’s future. I believe regular contact between parliamentarians of both countries is important. As such, I will be looking to include another bilateral visit to Papua New Guinea in the outgoing delegations programme in the near future.

Once again thank you for your letter and your valuable comments.

Yours sincerely

David Hawker, Speaker

Mr RICHARDSON (Kingston) (12.37 pm)—I am pleased to have this opportunity to speak to the report of the delegation to the Asia Pacific Parliamentary Forum meeting in Jakarta and to Papua New Guinea. The APPF has particular relevance for this parliament because it focuses on our region and the major issues it confronts. The Australian parliament has a long record of contribution to the work of the APPF. The delegation was keen to continue this active participation. Chapter 1 of the delegation’s report contains a general discussion of the role and operations of the APPF. Chapter 2 provides a detailed review of our participation at the January meeting and the meeting’s outcomes.

I would like to mention briefly the agenda item I spoke to: ‘Cooperation on empowering economies of the developing and least developed countries’. My belief is that economic growth is the best way to beat poverty. I also consider that we are working well with our regional neighbours to achieve the greatest possible degree of self-reliance, with stronger economic growth, capacity governance, service delivery and environmental integrity.

Although there was a very full formal program for the APPF, the delegation participated in several other meetings in Jakarta, and chapter 3 of the report discusses these. One particularly interesting aspect was a visit arranged with the help of the Australian Embassy and staff of the United Nations World Food Program to a project at a school in East Jakarta. AusAID supports this project, which provides nutritionally enriched biscuits each day to young children at school. It was a great experience to visit this project, which provides such practical support. We were able to speak to the children and their teachers, as well as the WFP staff. I think we were all impressed by the dedication of the teachers and the World Food Program staff. We were also made welcome by the local community as we walked in the area surrounding the school. Meetings such as this provided a unique opportunity for us to get some understanding of the lives of ordinary people in other places and to give them a sense of our goodwill and interest in their future.

After the APPF meeting ended, we travelled to Papua New Guinea, where we began our program with a visit to the Bomana War Cemetery. The sight of so many war graves had quite an impact on us, particularly as it
was so close to Australia Day when we visited. We had a number of valuable meetings in Port Moresby and were able to visit Goroka, Kundiawa and Mount Hagen. Although our visit had to be brief, we met a diverse range of people in these venues, including families of patients at hospitals, businesspeople, workers in a coffee factory and their families, and colleagues from provincial parliaments and the national parliament.

A number of people contributed to the success of the delegation’s visits. I would like to acknowledge as many as I can in the time available: firstly, the delegation leader and our Senate Labor colleagues. None of us will forget the hospitality we received in Jakarta from the President, the Speaker and the Governor of Jakarta as well as the friendliness of people we met. Nor will we forget the welcomes we enjoyed at each stage of our visit to Papua New Guinea. I also want to acknowledge the assistance we had from the Australian Embassy in Jakarta, in particular from the ambassador, Bill Farmer, and Steven Barraclough. In Papua New Guinea we received great assistance from the high commissioner, Mr Michael Potts, as well as Tim Patterson and Solstice Middleby. I also thank staff of the Australian Department of Foreign Affairs and Trade, the Parliamentary Library and the Parliamentary Relations Office, who supported our work.

The delegation worked with good humour during an extensive program. I think we continued the tradition of Australia’s substantial contribution to the APPF meetings. We also carried out a program in Papua New Guinea that developed our understanding of current issues and gave us a wonderful chance to exchange views with the people we met.

**Delegation Visit to Australian Defence Forces Deployed to Support the Rehabilitation of Iraq**

Mr BRUCE SCOTT (Maranoa) (12.41 pm)—I present the report of the Joint Standing Committee on Foreign Affairs, Defence and Trade delegation visit to Australian Defence Forces deployed to support the rehabilitation of Iraq from 22 to 28 October 2005.

Ordered that the report be made a parliamentary paper.

Mr BRUCE SCOTT—In late October 2005, a delegation of eight members from the Joint Standing Committee on Foreign Affairs, Defence and Trade visited Australian Defence Force personnel deployed on active service in the Middle East. Thanks to first-class support by both the diplomatic and Defence staffs in the Middle East, the delegation was able to meet with the following organisations or agencies: two members of the delegation conducted an operational mission with the Royal Australian Air Force Maritime Patrol Aircraft Detachment over the Northern Arabian Gulf and Southern Iraq; Royal Australian Navy personnel deployed aboard HMAS Newcastle; Royal Australian Air Force personnel conducting C130 Hercules air lift operations in support of coalition forces in both Iraq and Afghanistan; the Al Muthanna Task Group, conducting security operations and training for the new Iraqi Army in southern Iraq; the Australian Embassy in Baghdad’s International Zone hosted the delegation for a meeting with the Speaker of the Iraqi Transitional National Assembly, Mr Hajim al-Hassani, and members of the Transitional Assembly; the US Commander of Multi-National Forces Iraq, General George Casey; and the Australian National Commander, Commodore Geoff Ledger, and his staff at Camp Victory, Baghdad.
The visit to ADF units in the Middle East area of operations formed part of the committee’s wider program of inspections to Defence Force units and Defence Force industry sites. Where it is practical, the committee has also sought to visit ADP personnel while they conduct operations. In recent years the committee has visited Australian forces in Afghanistan, East Timor and the Solomon Islands. The delegation had three specific aims in undertaking the visit to the Middle East. Its primary purpose was to demonstrate the parliament’s strong bipartisan support, and the support of the Australian community, for Defence Force personnel deployed on this demanding operation.

Secondly, the visit allowed the members of the delegation to gain a more comprehensive understanding of the situation in Iraq and the tasks being undertaken by Australian personnel and the suitability of the training and equipment they receive. Finally, the delegation, in meeting with the Speaker of the Iraqi Transitional National Assembly, became the first delegation from the Australian parliament to the Transitional National Assembly of Iraq, supporting Australia’s engagement with the newly democratic nation.

The comprehensive delegation itinerary allowed the members to achieve each of these aims. Exposure to this range of issues and experiences could only be achieved as a result of a very well orchestrated program. The delegation thanks the Australian Defence Force for developing and coordinating a visit program that ensured the safety of delegates while giving them exposure to a wide range of personnel and locations. In particular, the delegation thanks the Australian National Commander in the Middle East, then Commodore Geoff Ledger, for his hosting of the delegation throughout the visit. Commodore Ledger provided the delegation the benefit of his considerable experience throughout the visit, leaving the members confident in the leadership and organisation of the Australian Joint Task Force in Iraq.

The committee would also like to thank Australian Embassy staff in the Middle East for supporting the program. In particular, the delegation thanks Dr Ralph King in Kuwait and Mr Howard Brown in Iraq. Both of these experienced officials operate under some of the most demanding conditions experienced by Australian government personnel anywhere in the world.

The committee returned from the visit extremely impressed by the dedication and professionalism of the Australian Defence Force personnel conducting operations in this demanding, often hostile, environment. Australian personnel are working closely with the emerging Iraqi institutions and personnel, showing compassion in their daily dealings with the local people and considerable restraint when called upon to apply force. They are performing with distinction and have earned the respect and admiration of both the coalition and Iraqi forces with whom they are working. All Australians should be proud of the achievements of the ADF on operations in the Middle East and the contribution they are making to the reconstruction of Iraq.

I also thank the staff of the Joint Standing Committee on Foreign Affairs, Defence and Trade who helped with the organisation and the preparation of the report.

Mr EDWARDS (Cowan) (12.46 pm)—The visit of the Joint Standing Committee on Foreign Affairs, Defence and Trade to our troops in Iraq continues a long tradition of members of this House supporting our troops on the ground and follows a similar trip to Afghanistan a couple of years ago. I have a strong view, shared by others on this side, that regardless of the deployment or its political support we should show support for our troops on deployment and for their fami-
lies back here in Australia. The ALP’s support for our troops on the ground in Iraq is without question, and I believe our recent trip to Iraq demonstrated that support. Indeed, I know our troops on the ground appreciated the parliament’s bipartisan support for them.

It was a delight for me to visit all of our troops on deployment. Navy, Air Force and Army personnel in the Middle East are doing a splendid job, and they are worthy of our praise, recognition and support. It was a particular delight for me to visit our troops at Al Muthanna and Camp Smithy and to spend a night with our troops there.

I particularly want to express my appreciation to Colonel Roger Nobel, Commanding Officer of the AMTG, for his leadership and for the manner in which he led his troops—for the very high value he placed on their safety, while at the same time doing the job. I also want to recognise Major Mick Garraway OC of the 5/7 blokes who were deployed to Al Muthanna and compliment him on his leadership and professional ability. I wish both of these soldiers long and distinguished careers in the ADF, because Australia needs men of their calibre in our armed forces.

Make no mistake: these blokes have done a great job. Certainly leadership and management of the troops and the task in Iraq has been difficult. Difficult terrain, difficult climatic conditions and man management challenges have made this a hard task. But these blokes have been up to the job—a job made more difficult because of the fact that an undermanned force was deployed initially. The Defence Subcommittee was made aware of this fact in Australia and it was confirmed to us by senior officers in Iraq.

The situation has now been addressed, but it astounded me to learn that the force that was sent to Al Muthanna was undermanned and, because it was undermanned, needlessly exposed our troops to greater danger than should have been the case. For instance, when troops were sent on leave or were otherwise unavailable for duties, the burden placed on those left to do the job became more onerous and more dangerous. As I said, our troops did the job, but in so doing they were exposed to unnecessary hardship, which could have led to greater exposure to danger and mistakes. The fact is that it is a credit to the blokes in the way that they did the job that they made up for these gaps.

It was also interesting to visit Baghdad and a great privilege to visit our close protection and other troops there. Indeed, the close protection support we received during the whole of our stay was magnificent. At no stage did I feel in danger or at risk. Our close protection troops in Baghdad are doing an absolutely magnificent job, and there is no doubt that as long as we have ambassadorial staff in Baghdad our troops will be needed to protect them. All of our troops in Iraq work in a dangerous and exposed environment, but we draw comfort for their safety because of their true professionalism, their courage, their dedication and their leadership and because they hold the highest traditions of the Anzacs close to their hearts.

Having said that, I want to see our troops brought home. It was clearly explained to us by senior Australian Defence members that the job at Al Muthanna is done. Senior officers have that view, and it is a view I share. I say: bring our troops home. I say that because it is evident to me that if our troops are not returned home then they will be redeployed to some other hot spot in Iraq. The PM said he would bring them home when the job was done. They have done the job and the PM should live up to his word and bring them home. I thank all of those members of the ADF who hosted us, made us safe and who represent Australia in such a way as
to enhance our reputation as a nation in the strongest and bravest possible way.

The SPEAKER—The time allotted for statements on this report has expired. Does the member for Maranoa wish to move a motion in connection with the report to enable it to be debated on a later occasion?

Mr BRUCE SCOTT (Maranoa) (12.51 pm)—I move:

That the House take note of the report.

The SPEAKER—In accordance with sessional order 39, the debate is adjourned and the resumption of the debate will be made an order of the day for a later hour this day.

MAIN COMMITTEE

Delegation Visit to Australian Defence Forces Deployed to Support the Rehabilitation of Iraq

Reference

Mr BRUCE SCOTT (Maranoa) (12.51 pm)—I move:

That the following order of the day be referred to the Main Committee for debate: Joint Standing Committee on Foreign Affairs, Defence and Trade—Report—Delegation visit to Australian Defence Forces deployed to support the rehabilitation of Iraq.

Question agreed to.

COMMITTEES

Foreign Affairs, Defence and Trade Committee

Report

Mr BRUCE SCOTT (Maranoa) (12.51 pm)—On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I present the committee’s report entitled Australia’s defence relations with the United States.

Ordered that the report be made a parliamentary paper.

Mr BRUCE SCOTT—The security treaty between Australia, New Zealand and the United States of America, the ANZUS treaty, which came into force on 29 April 1952 is a key element supporting Australia’s national security. The treaty has operated for more than 50 years and still remains relevant in a strategic environment increasingly challenged by terrorism and non-state actors. It is as a result of this environment that the treaty was first invoked following the 11 September 2001 terrorist attacks on the United States. Since World War II, Australia and the United States have developed strong defence relations. In particular, the last decade has seen a new level of defence relations encompassing Australian involvement in the first Gulf War and Australian involvement in the US led coalition in Afghanistan and Iraq.

Evidence given to the committee was overwhelmingly in favour of the alliance and the security that it provides for Australia. There was some discussion about the ongoing relevance of the treaty and whether there was a need to enhance it to more broadly reflect contemporary strategic needs. Whilst there was little support for renegotiating the treaty, some groups suggested that traditional alliances will need to adjust considerably to defeat the asymmetric threats faced by Western allies in the 21st century. Other groups cautioned that Australia should be more careful in how it manages the alliance to ensure Australia’s interests are not subsumed by those of its larger alliance partner.

The committee, through its inquiry, has examined how Australia’s alliance with the US impacts on the security of the Asia-Pacific region. Evidence given to the inquiry strongly supported US engagement in the Asia-Pacific region and indicated that Australia’s relationship with the US is seen by most countries as a positive influence on regional security. The committee found that Australia and the US could do more to encourage the development of democratic processes in the security forces of Indonesia.
and it has encouraged the US to lift legislative restrictions on US training assistance for the Indonesian military. The committee has also considered the impact on the Australia-US defence relationship of the emergence of a more powerful and assertive China. The committee found that Australia’s relationships with both the US and China are such that Australia has the potential to act to ease any future tensions that might emerge between these powers.

In undertaking this inquiry, the committee has received significant assistance from both the Australian and US departments of defence, including support for the delegation to the United States to seek its perspective on the alliance. During this interaction, even the most senior US military personnel have consistently reported on the excellence of the performance of the Australian Defence Force in all training and operational activities. This performance bolsters Australia’s contribution to the alliance and earns great credit for the Australian Defence Force and Australia.

The challenges faced by Australia in its region and internationally will continue to be met in concert with our US ally. Australia’s defence investment will ensure that Australia continues as an effective and reliable alliance partner as well as a self-reliant regional power.

I thank the staff of the Joint Standing Committee on Foreign Affairs, Defence and Trade for their excellent assistance in drafting this report and for their organisational help prior to the committee’s departure for the United States.

Mr EDWARDS (Cowan) (12.56 pm)—The Australia’s defence relations with the United States report of the Joint Standing Committee on Foreign Affairs, Defence and Trade confirms that Australia does indeed have a strong and ongoing relationship with the United States. This relationship was cemented during the dark days of the Second World War and has continued since. It is a relationship which in many respects is based on similar national characteristics and shared values such as a love of freedom and, of course, our commitment to the ANZUS treaty.

This report deals with a number of issues that are important for the future of Australia, our relationship with the US and the continued cooperation of our armed forces. On most of these issues there was unanimous agreement and support among the committee, whilst we agreed to disagree on other issues. Certainly there was disagreement in the case of missile defence. The summary in chapter 5 of the report deals with that issue. It states:

Opinion was divided along party lines about whether Australia should continue to participate in the US Missile Defence Program ...

Generally, the committee worked well on a non-political basis as we sought to come to grips with some very important issues of joint interest to Australia and the US. These issues included the importance of interoperability between our defence forces, an Australia-US joint training centre, combined exercises, intelligence sharing and the selection of defence equipment, which included discussion on the Abrams tank and, of course, a strong focus on the Joint Strike Fighter program. Indeed, as part of its deliberations the committee had the opportunity to visit the US and take a close look at the Abrams tank and also the JSF acquisition, which is the subject of a current inquiry by the committee. Suffice to say that at this stage there is considerable concern regarding JSF cost blow-outs, capability, time frame and other concerns, which will be dealt with in the committee’s current inquiry and on which, in due course, the committee will report to the House.
Perhaps the committee’s most important recommendation is recommendation 1, which states:
The Committee recommends that the ANZUS Alliance be maintained in its current form and that the treaty be viewed not just as a specific set of requirements, rather as a statement of shared values capable of being acted upon in the face of evolving contemporary threats.
The committee took a strong interest in the issue of interoperability. This of course flows from the fact that we are part of an important alliance with the United States and our troops are actively engaged in hostile operations in both Iraq and Afghanistan. Interoperability of equipment is important, but so too is the interoperability of troops on the ground. Joint training exercises are just as important as common equipment.

The committee also had a strong focus on the Australian defence industry. Indeed, in chapter 7 of the report we said:
Evidence to the inquiry has been supportive of the need to maintain an Australian defence industry as a vital component of defence capability.
We also discussed impediments to access the US defence market and noted that the US defence market is ‘larger than the Defence markets in the next 15 to 20 countries combined’. We also noted that impediments to accessing these markets are ‘significant’.

It is important to note that we deal with this issue in some depth in chapter 7. In 7.40, for instance, we say:
However other US Legislation appears to be designed to protect inefficient US industries, an obvious example of which is the US ship building industry. Innovative Australian companies, like Austal Ships of Western Australia or Incat of Tasmania, face significant hurdles in reaching their customers in the US ...
But we also note in the report that there is a lot of happiness with products coming out of Australia, including, for instance, the Bushmaster vehicle and Australian fast ferry designs.

In conclusion, I want to thank members of the committee staff, including Colonel Gus McLachlan for his contribution to the work of this committee, for his input into this report and also for his input into our trip to Iraq. It just goes to show that Armoured Corps soldiers, when guided by those with infantry experience, can indeed make a valuable contribution to the task at hand.

The SPEAKER—The time allotted for statements on this report has expired. Does the member for Maranoa wish to move a motion in connection with the report to enable it to be debated on a later occasion?

Mr BRUCE SCOTT (Maranoa) (1.01 pm)—I move:
That the House take note of the report.

The SPEAKER—In accordance with sessional order 39, the debate is adjourned. The resumption of the debate will be made an order of the day for a later hour this day.

MAIN COMMITTEE
Foreign Affairs, Defence and Trade Committee
Reference

Mr BRUCE SCOTT (Maranoa) (1.01 pm)—I move:
That the following order of the day be referred to the Main Committee for debate: Joint Standing Committee on Foreign Affairs, Defence and Trade—Report—Australia’s defence relations with the United States.

Question agreed to.

COMMITTEES
Foreign Affairs, Defence and Trade Committee
Report

Mr BAIRD (Cook) (1.02 pm)—On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I present the
committee’s report entitled *Expanding Australia’s trade and investment relations with North Africa*.

Ordered that the report be made a parliamentary paper.

**Mr BAIRD**—On behalf of the Trade Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I wish to make some brief comments on the committee’s report *Expanding Australia’s trade and investment relations with North Africa*. The countries of North Africa represent a market nearly eight times that of Australia. Australia has yet to fully engage with the 155 million people living in Algeria, Egypt, Libya, Morocco and Tunisia. In May 2005, the Minister for Trade asked the committee to examine our trade and investment relations with North Africa and the likely future trends in these relations. The committee was also charged with assessing the role of the government and its agencies in maximising opportunities as they emerge in the region.

In addition to holding public hearings and receiving submissions, the committee visited Algeria, Egypt, Libya and Morocco to review trade and investment opportunities for Australia in person. Two members of the committee also visited Tunisia to attend the World Summit on the Information Society. During visits to Algeria, Egypt, Libya and Morocco the committee met with senior government figures, the parliaments, government agencies and departments, and importers. The contacts made included meetings with the Prime Minister of Morocco and several senior ministers in each of the cities visited. In Morocco, Algeria and Libya there was considerable television and media coverage of our visit. The response to the committee’s visit was positive and very encouraging.

We looked to see if there were any impediments to trade in this region and what could be done to capitalise on the opportunities. Although the countries are different, they share some common characteristics which are relevant to Australia’s commercial interests. GDP growth is strong in all five nations. In the resource-rich countries of Libya and Algeria, further strong growth based on escalating oil prices can be expected. Each of the countries is going through some degree of market liberalisation and reduction in taxes and tariffs. The privatisation of companies could be seen across the board.

In the region, major infrastructure projects for roads, ports, electricity, water supply, airports and agriculture represent opportunities for Australian companies. Increased consumer demand also means further opportunities in the market for Australia. Currently, the most promising are:

- wheat and agricultural products;
- livestock and meat products, particularly lamb;
- mining and agricultural equipment;
- consultancy in a wide range of areas;
- tourism training; and
- education, particularly for postgraduate students.

Of course, the biggest potential remains in the oil and gas fields, especially those of Algeria and Libya. Australia’s biggest oil explorers continue to bid for major projects in these countries, with BHP Billiton being successful in Algeria and Woodside being successful in Libya. Iron ore production as well as aluminium smelting is also possible in Libya, with BHP Billiton interests. An Australian manganese smelter is being assessed for its possibilities in Egypt.
In summary, the potential for Australia in North Africa is significant because of the opportunities in resource development, because of the GDP growth rates of the big countries and because there is export potential to Europe through the countries where trade conventions with the EU exist. In the light of its on-the-spot reconnaissance of the region, the numerous submissions it received and the evidence from public hearings, the committee concluded that Australia should ensure that appropriate resources are allocated to these markets to encourage Australia’s access and export growth.

To pursue these aims, the committee has recommended that, at the government-to-government level, the Australian government should seek to improve access for Australian exports through negotiating lower tariffs on a bilateral basis, particularly in agribusiness. It should also initiate or continue ministerial discussions with North African trading partners to address technical access issues, particularly harmonising customs and standards requirements.

Following discussions in North Africa about visa arrangements for entry to Australia, the committee recommends that there should also be closer focus on expediting visa-processing requirements. Specifically, the Department of Immigration and Multicultural Affairs should review its visa-processing arrangements for North Africa as a priority and also consider reviewing the assessment processes for North African students sponsored by these governments.

I would like to particularly thank those people from the Department of Foreign Affairs and Trade who assisted this visit and especially Dr Stephen Dyer, who has recently announced his intention to retire from his role as secretary of this committee. He has done an outstanding job, particularly as he did not go on the visit but took up the reins in assisting to write the whole report and the inquiry report when the formal part was done by somebody else. So particular thanks go to him for his outstanding assistance and his great role with the committee, and I wish him all the best for his future.

(Time expired)

Mr PROSSER (Forrest) (1.07 pm)—As a member of the Trade Subcommittee I was one of the delegates, along with my committee colleagues, who visited the countries of Algeria, Egypt, Libya, Tunisia and Morocco during November 2005 to review the trading and investment opportunities for Australian exporters. Egypt, Morocco and Tunisia are members of the World Trade Organisation, with Algeria and Libya expecting to join shortly. Most countries have free trade agreements with the European Union—that is, Italy, Germany, France and Britain—as they are keen to take advantage of their proximity and historical ties with Europe. Most also have or are negotiating free trade agreements with the USA.

There is no doubt that the oil, gas and agribusiness sectors are Australia’s dominant investments in the region. However, there is significant opportunity to develop Australia’s exports in other areas and commodities by way of value added consumer goods, manufactured products as well as expert consultancy services. Export opportunities exist in areas such as supplying mining and drilling equipment, farming equipment telecommunication infrastructure and equipment, banking systems and information technology development and in services such as hotel management and catering; training in tourism; civil engineering; high-tech goods and services; and consultancy in a wide range of areas. Last but not least is the opportunity to expand Australian education exports. More needs to be done to attract students to Australia, as most students currently travel to France or the USA.
North Africa is a very special part of the world and its infrastructure in some countries could certainly be enhanced by Australian commercial activities exporting to the region. The economies of Algeria and Libya are dominated by the oil and gas sectors, in which are involved BHP Billiton and Woodside Energy, with its onshore and offshore exploration interests. Santos also have a strong presence in North Africa and are clearly doing very well. These three companies have been active in the market, with BHP Billiton being the most successful in winning contracts and Woodside and its partners being the second largest holders of exploration acreage in Libya. I commend all three companies for their foresight.

Algeria is the principal destination for Australian lamb and mutton, and our main competitors are the New Zealanders. Algeria would welcome Australian assistance in its infrastructure development for aquaculture and is also in need of assistance in infrastructure projects for roads, ports, airports, railways, electricity, water and housing. BHP has a major investment in Algeria. Given the opportunities for Australian companies investing in North African countries, they should use BHP’s presence as a staging post for investment export opportunities into Europe. Because of the greater sophistication of the Algerian market, and its strong ties to Europe, the committee recommends that high priority be given to the establishment of a consulate-general in Algiers.

Although Australian wheat exporters are faced with competition from Russia, which has the major share of the Egyptian wheat market, there is potential for Australian companies to supply expertise in the sectors of scientific and technical urban planning, landscape architecture, construction services, air transport and management consulting. With higher incomes and more spending power, developing purchasing habits offer opportunities in the food manufacturing area. Health and medical opportunities also exist for Australian companies to supply Libya and Egypt.

Egypt is undergoing extensive modernisation of its telecommunications infrastructure and there are emerging opportunities for information and communication technologies. Impediments are not necessarily insurmountable to the region, but perhaps the biggest impediment for Australian exporters is the distance to markets. North African countries look to France and other European countries for trade opportunities and currently enjoy more favourable tariffs. Australia’s attempts to enter new markets and existing strongholds face competition from the European Union and the USA, due partly to their domestic production subsidies and historical links with North Africa.

I support the recommendation for improved access for Australian exports to be sought by negotiating lower tariffs on a bilateral basis, particularly in agribusiness. Australia does have a good presence in North Africa, and opportunities certainly exist to grow more export markets. Once Australian export markets develop then greater opportunities for future foreign direct investment will prevail. BHP, Woodside and Santos are good examples of this. I commend the report to the House. (Time expired)

Intelligence and Security Committee Report

Mr JULL (Fadden) (1.12 pm)—On behalf of the Parliamentary Joint Committee on Intelligence and Security, I present the committee’s report, incorporating a dissenting report, entitled Review of the listing of the Kurdistan Workers’ Party (PKK).

Ordered that the report be made a parliamentary paper.

Mr JULL—I present the sixth report of the Parliamentary Joint Committee on Intelligence and Security under section 102.1A of
the Criminal Code Act 1995. In this report the committee has reviewed a new listing for the Kurdistan Workers Party, or the PKK. This is the 19th organisation to be banned under the Criminal Code.

As in previous reports, the committee reviewed both the procedures and merits of the listing. The committee advertised this review in the *Australian* on 21 December 2005 and on its website from that date. The committee took evidence at a private hearing on Monday, 6 February 2006 from ASIO, the Attorney-General’s Department, the Department of Foreign Affairs and Trade and the Federation of Community Legal Services of Victoria. In addition, the committee considered 16 submissions from the public and from legal and community groups.

The committee noted in its report that the process of consultation with the states, a matter that had been criticised in previous reports, had improved, but the time frame for such consultation is still short. The consultation between ASIO and the Department of Foreign Affairs and Trade has, however, become much more substantial.

On the matter of community consultation, at the committee’s private hearing the Attorney-General’s Department clarified that all they intended to do in this area was to provide a community information program on a proposed listing, not a consultation on the merits of a listing. The committee concurs with that intention. The committee continues to believe that an information program is important and should be instituted in any future listing.

Some additional issues were raised during this review. They included questions raised about the timing of the announcement of this particular listing.

On the merits of the listing, some members of the committee expressed reservations about the listing and the majority of members have requested that the government keep the matter under active consideration. In particular, the committee noted that, unlike many of the other listings brought before the committee, there are potentially large numbers of Australians who, while not endorsing or supporting its engagement in terrorist acts, might have sympathy for the broad aims of the PKK insofar as it promotes self-determination for Kurds in Turkey. It was because of uncertainties in this area that the committee has also asked the government to consider a proscription of the military wing alone and to take into account the fluid state of moves towards possible ceasefires.

Nevertheless, with these provisions, the committee has supported the listing.

The committee would like to thank all those who provided submissions for these reviews and hopes that there will continue to be constructive debate on the listings process. I commend the report to the House.

Mr BYRNE (Holt) (1.15 pm)—I rise also to speak on the sixth report of the Parliamentary Joint Committee on Intelligence and Security under section 102.1A of the Criminal Code Act. As a starting point, I thank the committee secretariat—the Committee Secretary, Margaret Swieringa; the Research Officer, Cathryn Ollif; and the Administrative Officer, Donna Quintus-Bosz—for their assistance in providing this report. The report deals with the listing of the Kurdistan Workers Party, or the PKK, under section 102.1(b) of the Criminal Code, where:

... the Minister must be satisfied on reasonable grounds that the organisation is directly or indirectly engaged in, preparing, planning, assisting in or fostering the doing of a terrorist act (whether or not the terrorist act has occurred or will occur)— or advocating the doing of a terrorist act, whether the terrorist act has occurred or will occur. As the chair of the committee has just
stated, this is the 19th organisation that has been banned—that is, proscribed—under the Criminal Code.

In the process of the committee undertaking its review it examined the procedures and merits of the listing. It took evidence from ASIO, the Attorney-General’s Department, the Department of Foreign Affairs and Trade and the Federation of Community Legal Centres in Victoria and took 16 submissions from public and community groups. It has been noted that most of the public and community group submissions were against the proscription, but that may reflect the nature of the respondents and their relationship with those communities they represent rather than a view that predominates in the broader Australian community about this listing.

In examining the procedures, the chair touched on the consultation period with the states and some of the difficulties with the consultation time frame between the Commonwealth and the states regarding the listing of a proscribed organisation, which has seen some improvement, but I think we would acknowledge that more needs to be done and that the communities affected by the listing need to be informed by the Attorney-General’s Department of the effects of the proscription listing.

On the merits of the listing there has been some concern expressed by committee members about the timing of the listing and the precipitating factors which led to the PKK being proscribed. Whilst the committee found that there had been no direct evidence of intervention that affected the proscription timetable, it emphasises why the government agencies like ASIO, DFAT and the Attorney-General’s Department need to provide clearly articulated, accountable and, in my view, benchmarkable reasons which are adhered to as to why proscription of organisations needs to be undertaken, to provide the measure of reassurance that the community needs when these extraordinary powers are invoked. Additionally there has been some concern expressed about the effects of proscription on those of Kurdish origin in Australia. I believe that the committee’s recommendation takes those concerns into consideration in conjunction with the fluidity of moves towards possible ceasefires.

It is noted, however, that the PKK was designated as a foreign terrorist organisation by the United States under the immigration and nationality act in 1997 and that the US has recently added the name of Kongra Gel, which is one of its offshoots, to the listing. Canada listed the PKK on 11 December 2002 under the Criminal Code Act. The United Kingdom listed the PKK under the Terrorism Act 2000. It should be noted that the PKK and/or its military wings have been identified as having been involved in the propagation of terrorism in the past and in recent times. There would be a view that some people of Australian origin who may go to Turkey may be affected by that. I believe that the committee’s recommendations in the light of the concerns raised in the evidence brought before the committee and the support of the listing are balanced. In the light of that, I commend the report to the House.

The DEPUTY SPEAKER (Hon. IR Causley)—The time allotted for statements on this report has expired. Does the member for Fadden wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr JULL (Fadden) (1.19 pm)—I move:

That the House take note of the report.

The DEPUTY SPEAKER—In accordance with standing order 39(e), the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting.
Electoral Matters Committee
Report

Mr LINDSAY (Herbert) (1.20 pm)—On behalf of the Joint Standing Committee on Electoral Matters I present the committee’s report, incorporating dissenting reports, entitled Funding and disclosure: inquiry into disclosure of donations to political parties and candidates.

Ordered that the report be made a parliamentary paper.

Mr LINDSAY—On behalf of the Joint Standing Committee on Electoral Matters, I have pleasure in presenting the committee’s first report for 2006, Funding and disclosure: inquiry into disclosure of donations to political parties and candidates.

Australia has a proud history of progressive reform in electoral matters where necessary, and funding and disclosure rules are no exception. When the system was first introduced in 1983, on the recommendations of this committee’s predecessor, it was understood that public funding would provide all political parties with an equitable basis to present their policies to the electorate and to contest elections on a level playing field. In this way, public funding contributes to a more informed electorate and a more robust representative democracy. In this report, the committee delineates the current funding and disclosure scheme’s fundamental objectives.

The committee states that:

• funding should be provided to parties and candidates as a subsidy to their costs of contesting a particular federal election campaign, and not a means by which to fund ongoing administrative costs or to provide a financial base from which to fight future elections;

• a level playing field should operate between political parties and independent candidates;

• high degrees of transparency in donations to political parties and candidates should reduce the potential for undue influence and corruption in the political system;

• disclosure provisions should not impose a cumbersome administrative burden (and unnecessary duplication) on donors, participants in the electoral process, and the Australian Electoral Commission;

• the onus for the identification of the source of political donations should be on candidates and political parties, not donors; and

• financial reporting arrangements for all entities involved in the political process and covered by the Electoral Act, should be the same in the interests of transparency and consistency.

In stating these objectives, the committee also considers three avenues of reform to best achieve them.

First, the committee argues that higher thresholds for the disclosure of political donations would encourage individuals, small businesses and other organisations to make donations to political parties and candidates.

Second, the committee considers that proposals to ban certain types of contribution, or limit the amounts that may be donated, often arise from the apprehension of a potential for corruption and undue influence. However, to date, the committee has found no evidentiary support whatsoever.

Finally, the committee proposed that a higher tax deductibility level of donations to political parties and Independent candidates would encourage more people to participate in the democratic process and decrease the parties’ reliance on a smaller number of large donations.

On behalf of my colleagues on the committee, I would particularly like to thank the committees of the 39th and 40th parliaments and also the staff of the committees, who contributed to this inquiry by taking submissions and hearing from witnesses. I also thank the members and senators of the cur-
That having been said, and on behalf of my committee colleagues, I commend the report to the House.

Mr DANBY (Melbourne Ports) (1.23 pm)—The guiding principle for the opposition on disclosure and funding is that the trail of disclosure, back to the true source of the funds, be understood by the public. ALP committee members believe that these amendments do not uphold this guiding principle.

Our dissent focuses on six aspects of the current funding and disclosure scheme: thresholds at which donations must be disclosed, tax deductibility of donations, the disclosure of donations given at fundraising events, anonymous donations, enhanced obligations and audit compliance of donation receivers, and the powers of the AEC in managing the scheme.

First of all, the underlying object of the government’s proposed changes is to make it easier, in our view, for corporate donors to give the government money without having to disclose it. The raising of the threshold to $10,000 means, for instance, that you could make eight separate donations of $10,000 without having to provide a return to the AEC. I think it is transparently against the wishes of this parliament and the Australian people that $80,000 is able to be given to a political party without it being disclosed. We reject as misleading the view, as asserted by Liberal national director Brian Loughnane at the JSCEM hearings into the 2004 federal election, that nearly 90 per cent of donations received in 2003-04 would be disclosed if the threshold were raised to $10,000. In our view, had the government’s planned changes been in place in 2004-05, roughly 80 per cent of receipts for the approximately $143 million received by the major parties would have escaped public scrutiny and, plainly, that is against the public interest.

On the issue of tax deductibility, we see no evidence for making the political system more democratic, as the member for Herbert has just claimed, by raising the threshold. The member for Casey previously criticised me, in particular, in this chamber, for saying that the ALP had previously supported this. He was obviously wrong. When individual members of committees make certain judgments on particular issues at times, they do not necessarily commit their political parties to doing that, just as the support of the member for Moncrieff and the member for Casey for four-year terms does not necessarily bind this government to it, although I wish it would.

On the issue of tax deductibility, two academic observers, Tham and Orr, submitted:

The problem with tax deduction regimes are that they are disproportionately attractive to high-income earners who benefit most from deductibility and least of an incentive to pensioners et cetera.

One of the other issues that concerns us is that the AEC has consistently recommended that all payments made at fundraising events be deemed donations and therefore required to be disclosed. From time to time, this has been a problem for both political parties. We understand that, for instance, the Millennium Forum has had major donations to the Liberal Party, yet it has never once been mentioned in a return by the Liberal Party to the AEC.

We also have issues with anonymous donations. This is clearly not within the legislation. There have been major anonymous donations where one cannot get to the source of the donors—for instance, from the Greenfields Foundation. In the National Party, we have recently discovered, the absurdly named Pilliwiiks company in 2002-
03 gave $95,000 and Doogary gave $661,000, without providing a return to the AEC. In 2004-05, Pilliwick gave $30,000 to the Victorian Nationals and Doogary gave $374,000, again without disclosing who their donors were. The far right Citizens Electoral Council has also benefited from the legislation’s failure to deal with anonymous donations. That is why we believe that, if the true source of these donations cannot be understood, anonymous donations might as well be banned.

I turn now to donations from overseas. Australia saw the enormous donation to the Liberals from Lord Michael Ashcroft of $1 million. In 2004-05 we had Kingston Investments, which is based in China, donating almost $50,000 to the New South Wales branch of the Liberal Party. This group has not filed a return with the AEC and the AEC has no way of ensuring that the group complies with Australian law. (Time expired)

The DEPUTY SPEAKER (Hon. IR Causley)—The time allotted for statements on this report has expired. Does the member for Herbert wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr LINDSAY (Herbert) (1.29 pm)—I move:

That the House take note of the report.

The DEPUTY SPEAKER—In accordance with standing order 39, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting.

BUSINESS

Mr KELVIN THOMSON (Wills) (1.29 pm)—At the request of the member for Grayndler, I fix the next sitting as the day for presenting the Avoiding Dangerous Climate Change (Kyoto Protocol Ratification) Bill 2006.

PRIVATE MEMBERS’ BUSINESS

Death Penalty

Mr BAIRD (Cook) (1.29 pm)—I move:

That this House:

(1) notes with concern:

(a) the increasing use of the death penalty as a criminal sanction in our region;

(b) the execution of Mr Van Tuong Nguyen in the Republic of Singapore; and

(c) the plight of all Australians who are currently on death row;

(2) congratulates the Governor-General, the Prime Minister and the Australian Government and Opposition for their recent efforts on behalf of Australians on death row; and

(3) calls on the Australian Government to:

(a) advocate with our regional neighbours the abolition of the death penalty or, as an interim measure, the establishment of a moratorium on executions; and

(b) encourage our regional neighbours to ratify the United Nations International Convention on Civil and Political Rights and the Second Optional Protocol.

The execution late last year of Mr Van Nguyen focused Australia’s collective mind on the horrors of capital punishment. For the first time since the execution of Barlow and Chambers in 1986, Australia collectively discussed the issue of capital punishment. Tens of thousands of Australians attended vigils, church services and observance ceremonies against Mr Van Nguyen’s execution. Within this parliament, more than 450 ministers, members and senators, together with staff, signed a petition that was presented to the Singaporean government pleading for clemency. At 9.07 am on 2 December 2005, Van Nguyen was executed. Around Australia, tens of thousands of people marked the occasion with solemnity.

Mr Van Nguyen was a criminal. He was a drug smuggler, a man who conspired to import 26,000 shots of heroin into Australia.
His criminality was never disputed and his criminal actions were not supported by anyone who called for his sentence to be commuted. Our pleas for clemency were not in support of his actions but rather a recognition that human life is sacred and that state sanctioned executions are anathema to human rights.

Life was never easy for the Nguyen family; money was tight when they were growing up and their stepfather was a violent man. Van Nguyen agreed to smuggle drugs to help his addict brother pay off drug related debts, a criminal and stupid decision, but one born out of love for his brother rather than criminal greed. After a lonely and nervous four-hour wait at gate C22 of Changi Airport, Van Nguyen prepared to board his connecting flight. As he cleared security, he inadvertently triggered a metal detector. Van Nguyen was so inexperienced as a smuggler that he began to shake and volunteered his crime to police. Nguyen pled guilty to possessing 400 grams of heroin, more than 25 times the amount at which the death penalty is mandatory. He was sentenced to death on 20 March 2004.

The Prime Minister, the Governor-General, the Leader of the Opposition and Australia’s ministers of the Crown should be commended on their efforts to help this young Australian. Appeals for a presidential pardon were made repeatedly at the very highest levels of government. Never before has an Australian Prime Minister lobbied so hard to save the life of an Australian. The official plea for clemency by the Australian government was rejected in October 2005. The Prime Minister, ministers, the opposition and this parliament continued to call for clemency, ultimately to no avail.

The execution of Mr Nguyen was a sad day, but his story is not unique. As I stand here today, there are at least four Australians awaiting execution: Mr Henry Chhin in China, Mr Andrew Chan and Myuran Sukumaran in Indonesia, and Huu Trinh in Vietnam. Many others await trial on charges that could render them liable for capital punishment.

A few decades ago, capital punishment was used in almost every jurisdiction in the world. Over the past 20 or 30 years, many countries have abolished capital punishment as barbaric and having no deterrent effect. According to Amnesty International, 74 countries maintain the death penalty in both law and practice. Eighty-six countries have abolished capital punishment completely; 11 retain it but only for extreme circumstances; and 25 maintain it for ordinary crimes but have allowed it to fall into disuse for at least a decade. Within our region, many of our neighbours either utilise capital punishment or maintain its legal status as a sanction for criminal offences. China, India, Indonesia, Taiwan, Japan, Laos, Malaysia, Sri Lanka, Thailand and Vietnam all maintain capital punishment within their criminal codes. In the Pacific region, the Cook Islands, Nauru, Papua New Guinea and Tonga have the death penalty enshrined in either statute or their constitution.

I call on the Australian government to harness the momentum from Van Nguyen’s execution. I call on the Australian government to lobby our neighbours, the countries with which we have strong aid programs or bilateral relationships, to abolish or at least place an interim moratorium on the use of the death penalty. In 1976, the International Covenant on Civil and Political Rights came into force. The covenant enshrines ‘first-generation’ civil and political rights; it enshrines the equal and inalienable rights of freedom, justice and peace, and the dignity of human life. The second optional protocol to the convention is designed solely to abolish the death penalty, which is inconsistent
with the enhancement of human dignity and the progression of human rights.

I call on the Australian government to lobby our neighbours to ratify the International Covenant on Civil and Political Rights and the second optional protocol on the abolition of the death penalty. As a member of this parliament, as a Liberal, as a Christian and as a man, I have a strong belief in the sanctity of all human life. I cannot support the ending of a human life as a suitable sanction for any crime. The death penalty is a hallmark of Third World nations, of countries with little respect for human life. I call on this parliament to support this motion. I call on the Australian government to actively lobby our regional neighbours to move forthwith to abolish capital punishment. I commend the motion to the House.

Mrs Moylan—I second the motion and reserve my right to speak.

Ms BURKE (Chisholm) (1.35 pm)—I want to thank the member for Cook and the member for Pearce for again bringing this motion before the House. It concerns an issue that we cannot forget and that we should not let go away. The issue of capital punishment should not be lost with the death of Van Nguyen. As the member for Cook has rightly pointed out, there are at least four Australians sitting on death row at the moment waiting for their eventful day.

The death penalty is abhorrent and has never been shown to be a deterrent against any crime. Indeed, in countries where the death penalty is mandatory for certain categories of crime there has been an increase in the rate of the crimes for which enforcement of the death penalty is mandatory, particularly drug trafficking and murder. Van Nguyen was executed in Singapore last year. Singapore argues that it is the strict anti-drug laws, including the death penalty, that deter drug traffickers. Yet scientific studies of crime have consistently failed to find convincing evidence that the death penalty deters crimes more effectively than any other punishment. Amnesty International says:

We are aware of no evidence from anywhere in the world that shows a decline in drug trafficking which is clearly a result of the threat, or the use, of the death penalty ... The death penalty is the ultimate form of cruel and inhuman punishment, and a violation of fundamental human rights ...

That is what Amnesty International argues, and I wholeheartedly agree with it. Indeed, the execution of Van Nguyen did nothing more than send a message to the people at the top of the drug trafficking chain that, if you use poor, innocent, naive individuals like Van, they are the ones who will be executed, not the people who are actually funding and plying the trade; that it will never get up to the top of that ring if you knock off the people further down the line. Indeed, by executing Van before he could provide information about the ringleaders in the gang that he was working for, those people will never come to trial; they will actually be protected by his execution.

Sadly, the vast majority of the world’s executions today take place in our region. The death penalty is practised in China, Singapore, Malaysia, Vietnam, Taiwan, South Korea, the Philippines and Japan. Amnesty International has recently released data on the death penalty. It has revealed that over 20,000 people across the world are currently sitting on death row waiting to be killed by their own governments. In its latest annual analysis of the use of the death penalty worldwide, Amnesty International also discloses that at least 2,148 people were executed during 2005 in 22 countries—94 per cent in China, Iran, Saudi Arabia and the US alone—and that 5,186 people were sentenced to death in 53 countries during 2005. Amnesty International cautions that these figures are only approximate because many coun-
tries, like China, refuse to publish full official statistics on execution, while Vietnam has never disclosed its figures. Indeed, one Chinese legal expert has recently been quoted as saying that the true figure for executions is approximately 8,000—that is, 8,000 people being killed by their own government.

To many these figures are just statistics, but for one of my constituents, Kim Nguyen, they are a tragic reality. I spoke to Kim last week. I often drop by her place, but nowadays she does not open the door too much. I spoke to Kim on the phone for quite a length of time. I also got a local interpreter to speak to her, and I want to thank that individual for doing that in Vietnamese. It was probably one of the hardest conversations that poor gentleman has had in a long time. Kim says she is okay but, as the tears flowed during our conversation, I know she is not. She feels that she cannot go outside nowadays. She has not felt that she can return to work. She feels that people everywhere are staring at her, that they know who she is and that they either quietly condemn her for her son’s actions or pity her. This is just tragic, but she says that staying at home is more horrific because everywhere there are reminders of her son who is now dead. Kim is extremely grateful to all those who supported her and her family during this tragic time, but now her life is just a daily struggle, a daily reminder of her lost son.

No-one ever argued that Van should not have been punished. No-one ever argued that he did not deserve some sort of penalty—indeed, a harsh penalty—for the crime he committed, but he should never have been punished by death. The tragic loss of Van’s life and the penalty that now hangs over other individuals who are on death row should give us a loud reminder that we in Australia need to do something. We need to lead the charge to ultimately end the death penalty. We need to send a strong message that it does not matter what your crime is, whether it is drug trafficking or terrorism: the death penalty is wrong. We need to send a consistently strong message that no life is worth this end, that execution has no place in society and that everyone’s life is sacred. Whether or not they are Australian citizens, Australia should be leading the charge to say that we want to end this barbaric practice because it diminishes all of us. (Time expired)

Mrs MOYLAN (Pearce) (1.40 pm)—I, too, rise in this place to support the motion by the member for Cook. I would like to acknowledge the work of the member for Cook for many years in this parliament on this issue and others, particularly his work as the chair of Amnesty International in the parliament as well as his work with the Australian Parliamentary Christian Fellowship group.

I also join with the member for Cook and the member for Chisholm in expressing gratitude to the Governor-General, in particular, to the Prime Minister, to senior ministers and to the many members, senators and staff in this place who made a tremendous effort to prevent the execution of Mr Nguyen, whom the member for Chisholm has so eloquently spoken about. I cannot help but note the increasing numbers of young people who are caught smuggling drugs and the vulnerability of young people in this regard.

I support the words of the member for Chisholm as to how much better it would be if all the authorities throughout our region, in particular, to the Prime Minister, to senior ministers and to the many members, senators and staff in this place who made a tremendous effort to prevent the execution of Mr Nguyen, whom the member for Chisholm has so eloquently spoken about. I cannot help but note the increasing numbers of young people who are caught smuggling drugs and the vulnerability of young people in this regard.

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with these countries that seem to continue to support this trade within their boundaries and do little to prosecute those responsible for it.

Our young people are simply recruited as mules, as couriers, in the distribution chain. They are way down the bottom of that chain. It seems to me that for Mr Nguyen and others to lose their lives for making a mistake as a young person is a terrible occurrence and an act that belongs in a barbaric age, not in the 21st century. So I also strongly call for our parliament, our government, to continue to advocate within our region and with our regional neighbours to abolish the death penalty—or, at least as an interim measure, to call for a moratorium on executions—knowing that, as the member for Cook has said, there are several young people awaiting the death sentence today. What a dreadful waste of young lives; what a tragedy for the families and for the communities. No crime really deserves the ultimate, which is the ending of a life.

As the motion says, I would like to encourage our regional neighbours to ratify the United Nations International Convention on Civil and Political Rights and the Second Optional Protocol. This is an important motion. I was made aware that, apart from the types of drugs that are grown, our region faces an increasing challenge in dealing with manufactured drugs—drugs that can be baked up in people’s kitchens, drugs that are much more difficult to deal with. I know that none of us speaking on this motion today sanction the trade in drugs, whether they are manufactured or whether they are grown, but we all agree that the death penalty is not—

The SPEAKER—Order! It being 1.45 pm, the debate is interrupted in accordance with standing order 34. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting. The honourable member for Pearce will have leave to continue speaking when the debate is resumed.

**STATEMENTS BY MEMBERS**

**Greenwood Hotel**

*Mr EDWARDS* (Cowan) (1.45 pm)—In the brief time available to me I want to give a bouquet to the staff and management of the Greenwood Hotel in my electorate, in Perth. I say this because the Greenwood Hotel went to a lot of trouble to plan for the big fight between Danny Green and Anthony Mundine in Sydney last Wednesday. They got police approval to put a special marquee outside; they got police support to erect that and hold a function there. Unfortunately, at the death knock they were knocked over by the City of Joondalup. Fortunately, that was quickly resolved.

I want to give this bouquet to them because their planning and their foresight avoided the problems that occurred in some hotels in other parts of Perth where the hoteliers did not go to the trouble of planning properly and catering for this event. It was a wonderful fight and a great night at the Greenwood. I am very pleased that they went to this trouble—but it was a pity that the wrong bloke won!

**Springwood VIEW Club**

*Mr BARTLETT* (Macquarie) (1.46 pm)—Last week, no doubt like all members, I attended a number of local community functions. One very enjoyable one was the 40th anniversary of the Springwood VIEW Club, a great occasion with close to 150 in attendance, including representatives from many clubs around the state. VIEW Clubs Australia—with VIEW standing for the Voice, Interests and Education of Women—have 23,000 members in 400 clubs nationwide. Their aim is to build an active support network for women, to enhance their confidence, skills and knowledge and to provide opportunities for them to contribute con-
structively and productively to our community. The principal focus of their charitable endeavours is the Smith Family, to which they donate over $1 million a year. This is an outstanding effort. From the occasion last week it is obvious that, in addition to making such a generous contribution, VIEW Club members enjoy a great time of friendship and fun in the process. Congratulations to Springwood VIEW Club on your 40th anniversary and congratulations to VIEW Clubs Australia for your ongoing work for our community.

Gorton Electorate: Education

Mr BRENDAN O’CONNOR (Gorton) (1.47 pm)—I am concerned at the recent decision by Delfin Lend Lease to provide a parcel of land for a primary school to be run by Independent Colleges Australia rather than provide it to Christ the Priest Catholic Primary School, a Catholic school in my electorate, which, as anyone who lives in Caroline Springs knows, has a very strong relationship with the community and is in high demand. Independent Colleges Australia, or ICA, is a Brisbane based company which, up until recently, was a subsidiary of ABC Learning Pty Ltd. ICA has no history of providing education to primary school children in Australia. Therefore, there are certain questions that need to be addressed. Does the fact that ABC Learning and Delfin Lend Lease share a director have any bearing on Delfin’s decision to sell the land to ICA? Does the fact that ABC Learning and ICA share two directors, one of whom is the wife of ABC Learning’s chief executive officer, mean that there are still ties that bind those two companies?

In the end all that should matter is that the families in Caroline Springs get to choose where they want to send their children. I consider Caroline Springs College—a very good state school—Mowbray College and Christ the Priest Catholic Primary School to be three great schools that should be first afforded the opportunity to expand in order to cater for the rapid growth in Caroline Springs. They should be preferred over other schools that have no relationship with the community. (Time expired)

Sutherland Shire

Mr BAIRD (Cook) (1.49 pm)—Within my electorate there are many issues that face the people of the Sutherland shire, issues which have been initiated by the state government: the threat of a desalination plant, the cancelled F6 Freeway, the choked traffic arteries, trains that do not arrive on time and are dirty, and policing problems, of which the most high-profile example is the race riots in Cronulla. To address those issues I am pleased to see that, in recent developments in the Liberal Party, Malcolm Kerr was re-endorsed to run as the member for Cronulla; Graham Annesley, a high-profile former NRL referee and executive, was pre-selected as the Liberal candidate in Miranda to run against Barry Collier and challenge the Labor Party’s poor record in the shire; and Councillor Steve Simpson was re-endorsed in the seat of Menai. These three will certainly challenge the state government and their appalling record in the Sutherland shire, a government which ignores the issues that face everyday commuters into the city and the problems of transport and policing, which are abundant and for all to see. I welcome their contribution to the debate within the Sutherland shire.

Westpoint

Mr MURPHY (Lowe) (1.50 pm)—I wish to again speak up for my constituents and all the other innocent victims of the collapse of Westpoint Construction Pty Ltd. The president of the Westpoint Action Group, Graham MacAulay, has been doing an excellent job to expose in this very serious matter the fail-
ures of both the Australian Securities and Investments Commission and the government. We all remember the collapse of HIH and One.Tel, and now we have Westpoint. Against this background, and in the knowledge that the government is awash with money, I call on the Prime Minister today to initiate a royal commission into ASIC and to fund the class action to the High Court if necessary to get justice for the innocent mums and dads who have lost all their savings to the sharks who have conned them, ASIC and the government. This case cries out for justice, and the government must act today.

I also call on the Treasurer to answer my letter, dated 28 April, on behalf of my constituents and the people affected by the Westpoint collapse. I also support the Westpoint Action Group’s calls that all financial planners must carry an individual licence. When an agent sells a financial product, the client’s copy must contain the signature of the licence holder. All licensed financial planners must carry indemnity insurance geared to the ASIC determined dollar value of the product sold, and, for the purposes of insurance, no policy should vary from the ASIC approved document. At the time of sale, a planner must supply a copy of the current insurance policy and state all commissions received by all parties in the transaction of the purchaser. (Time expired)

South Australia: River Torrens

Mrs DRAPER (Makin) (1.52 pm)—Earlier today in Parliament House I had the great pleasure and honour of meeting and talking with students from Banksia Park International High School. As well as talking about our system of democracy in Australia, we talked about the fact that on Friday Christopher Pyne, the federal member for Sturt and Parliamentary Secretary to the Minister for Health and Ageing, and the Hon. Greg Hunt MP, federal Parliamentary Secretary to the Minister for the Environment and Heritage, and I launched a petition calling on the Labor government of South Australia, led by Mike Rann, to establish a dedicated body to launch a 10-year recovery plan to clean up and rehabilitate our neglected River Torrens. The Parliamentary Secretary to the Minister for the Environment and Heritage was most disgusted at the state of our River Torrens and stated that it is ‘Australia’s most polluted urban river’.

An opposition member—You’re in government.

Mrs DRAPER—We might be in government federally, but the state Labor government, led by Mike Rann, should be looking after the Torrens River, thank you very much. We are urging all South Australians to sign our petition, which will be tabled in the South Australian parliament later this year. (Time expired)

Automotive Industry

Mr DANBY (Melbourne Ports) (1.53 pm)—I wish to speak on behalf of the great Australian car industry. Like other members, today I received a letter from Dennis Mooney, Chairman and Managing Director of General Motors Holden, about the company’s plans to turn around its fortunes in North America. We wish it well. General Motors Holden and Toyota have extensive operations in my electorate. The great Australian car industry is one of the successes of the previous Labor government; its industry plan enabled the survival of an industry that now generates massive exports. Automobiles are one of the few manufactured goods that we export large amounts of, particularly to the Middle East. Toyota, in particular, is extremely successful with its export of cars like the Camry, with its highly reliable suspension and airconditioning, to that part of the world—and long may it continue.
One thing that concerns me and people in the industry is that, in our ever cosier relationship with China and with the free trade agreement that this government is planning with that country, some people in the government, including certain Liberal members for New South Wales electorates, would like to see the end of the Australian car industry. They would like to see cheap Chinese cars being imported as a substitute for cars manufactured in Australia, a prospect which all members of this parliament should be opposed to.

Automobiles are one of the manufactured goods that Australia successfully exports to the rest of the world, and we should be doing everything that we can to support great local firms like General Motors Holden and Toyota; we should not be undermining them. The car plants, workers and management of Fishermen’s Bend and Toyota ought to be supported and not undermined by the Liberals. (Time expired)

Surf Coast and Colac Otway Shires

Mr McARTHUR (Corangamite) (1.55 pm)—I wish to acknowledge a visit made last Wednesday to the electorates of Corangamite and Wannon by the Hon. Jim Lloyd. The minister met with representatives of the Surf Coast Shire and with its mayor, Councillor Libby Mears. They put forward propositions in relation to the tourist centre at Lorne, which was funded largely by the Commonwealth with assistance from state and local government. They raised the issue of the population that does not live in the electorate and also their concern about the allocation of federal funds. They acknowledged, as did the Colac Otway Shire, what a wonderful federal government initiative the Roads to Recovery program has been, with its additional funding of $300 million.

The minister also met with members of the Colac Otway Shire and its mayor, Councillor Warren Riches. They were concerned about their agricultural industries, including the dairy industry, and tourism on the Great Ocean Road. They too were delighted with the Roads to Recovery program.

The minister then visited the Twelve Apostles and Lock Ard Gorge on the Great Ocean Road. As you know, Mr Speaker, there is some debate about where the Great Ocean Road resides; most of it resides in the electorate of Corangamite and not in the electorate of Wannon. The road attracts 2.5 million tourists annually and the minister was most impressed with it. (Time expired)

Electoral Funding

Mr GRIFFIN (Bruce) (1.56 pm)—Just before the calling on of 90-second statements, the parliament considered a report from the Joint Standing Committee on Electoral Matters on funding and disclosure. Basically, the report is a rubber stamping of earlier recommendations that came out of a report into the conduct of the 2004 election. This report effectively rubber-stamps not only that earlier report but also the recommendations contained in the legislation recently pushed through the House of Representatives by the government. For example, one of those recommendations will increase the disclosure limit required with respect to donations by companies and individuals from $1,500 to over $10,000. This will lead to huge amounts of money being hidden from public scrutiny. We will see donors who donate significant amounts of money, particularly to the coalition, being able to hide the money trail. The coalition will be able to gain huge amounts of money without there being proper public disclosure.

It is a disgrace. It is an example of the way the government work—continually trying to hide what they are about from the people of Australia while raking in the money in order to work on the next election
without properly disclosing why they are getting that money, where they are getting it from and who is donating it. The government are making these changes now after repeated attempts previously—(Time expired)

Mallee Electorate: Community Services

Mr FORREST (Mallee) (1.58 pm)—It was a tremendous delight for me to stand on Friday in the Culgoa community in my electorate, just on the Calder Highway, and open a new post office for a little town of 100 people. The story of Culgoa is an inspiration. This small community, located in an isolated region of north-west Victoria, made up its mind that it would not roll over but would instead fight back and retain its community services.

Eighteen months ago, it responded to an invitation from the government to open a rural transaction centre. The community got itself together and purchased the general store, which was the last remaining business in the Culgoa township. The township now can boast a general store that provides to the community groceries and a whole range of services that people living in cities take for granted. These people have now organised to retain their postal services, with the support of the government through its rural subsidy programs.

It was a delight to be there. I congratulate Reid Mather, the Mayor of Buloke Shire, and his wife, Kerry, who have worked so hard to retain these services that are so important to people who live in isolated rural locations. I commend the community’s fighting spirit to this chamber.

Westpoint

Mr MURPHY (Lowe) (1.59 pm)—Mr Speaker, I ask through you for the Treasurer to answer my letter of 28 April on behalf of Mr David Johnston in relation to Westpoint Construction Pty Ltd, because it is a disgrace—

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

MINISTERIAL ARRANGEMENTS

Mr COSTELLO (Higgins—Acting Prime Minister) (2.00 pm)—I inform the House that the Prime Minister will be absent from question time today, tomorrow and on Wednesday. He is on an official trip to the USA, Canada and Ireland. I will answer questions on his behalf.

I also advise the House that the Deputy Prime Minister and Minister for Trade will be absent from question time this week. He is in France to attend the OECD 2006 ministerial council meeting in Paris. The Minister for Foreign Affairs will answer questions on his behalf.

I further advise the House that the Special Minister of State will be absent from question time today. He is attending an international information technology conference in Brisbane. The Leader of the House will answer questions on his behalf.

QUESTIONS WITHOUT NOTICE

Workplace Relations

Mr BEAZLEY (2.01 pm)—My question is to the Treasurer and Acting Prime Minister. Will the Acting Prime Minister now amend the government’s so-called Work Choices laws to make it clear in black and white that employers will be permitted to agree to their workers obtaining leave to attend training by unions on occupational health and safety?

Mr COSTELLO—The Work Choices legislation actually makes it quite clear, by precluding occupational health and safety matters from the legislation, that the legislation of state governments stands and the occupational health and safety legislation that they put in place remains the law. Under state laws employers will continue to be re-
quired to meet their health and safety obligation, which includes appropriate training.

I have heard allegations, including some from the next putative Labor leader, Mr Shorten, on the weekend, that somehow trade union officials are prohibited from engaging in occupational or training courses. I have no higher authority that this is false than the member for Lilley, the shadow Treasurer. In an email—from Mike Murphy to Victoria White in the member’s office—Mike Murphy asks this question:

... the impression being given that employers are subject to fines if they send employees to union-run safety training courses—

Mr Beazley—Mr Speaker, on a point of order: the Acting Prime Minister is irrelevant.

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

Mr Beazley—He knows very well—

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

Mr Beazley—It is a matter of what can be incorporated in agreements.

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

Mr Beazley—Obtaining leave cannot be incorporated in an agreement. Now answer the question: are you going to change it?

Mr COSTELLO—I have answered it already.

The SPEAKER—I call the Acting Prime Minister, and he is in order.

Mr COSTELLO—So Mike Murphy goes to the office of the member for Lilley and asks:

... the impression being given that employers are subject to fines if they send employees to union-run safety training courses is misleading?

And Victoria White comes back and says, ‘Yes, that is correct: completely misleading.’ From the member for Lilley’s own staff:

Employees attending union-run training cannot be included in an agreement as a condition of employment but an employer can send employees to union training.

So there you have it: you have it from the legislation that the state legislation stands, and you have it from none other than the member for Lilley’s staff that they can go off to the courses—and to suggest to the contrary is completely misleading and completely false.

Energy

Mr NEVILLE (2.04 pm)—My question is addressed to the Acting Prime Minister and Treasurer. Can the Acting Prime Minister inform the House how Australia can take advantage of the surge in global energy demand and secure its energy future? Is the Acting Prime Minister aware of any alternative policies?

Mr COSTELLO—I thank the honourable member for Hinkler for his question. I can inform him that Australia is well placed to meet the increasing global energy demands, particularly those coming out of China. Listen to these figures: Australia has eight per cent of the world’s proven coal reserves, we have two per cent of the world’s natural gas reserves and we have 40 per cent of the world’s low-cost uranium resources. This places us very well indeed as a global player in relation to energy demands.

When I was in China in October last year, I raised the prospect of an ‘energy freeway’ between the south and the north of Asia by which Australia could supply the growing demands of that country and ensure that it has long-continued and reliable supply. The energy freeway will not be built by countries trying to get ownership of resources to lock other countries out. It will be built by ensur-
ing there are deep liquid markets with reliable suppliers under enforceable contracts which give certainty and security under a framework of law.

Australia has a unique role to play in the energy freeway between the south and the north of Asia. We have entered a 20-year contract for gas to China, one of the biggest export contracts we have ever had. We know about Australia’s coal contracts. But can I also suggest that Australia has a great opportunity in the export of uranium, of which we hold a larger proportion of the world’s reserves than we do in relation to gas and coal.

I cannot imagine any person interested in Australia’s economic future banning the export of uranium to countries that observe proper safeguards and nuclear standards. Such a decision would be completely contrary to the Australian national interest. Nobody in their right mind would think that we would deny ourselves export markets for gas or coal. Nobody in their right mind should deny Australia export markets for uranium, provided they are countries with safeguards which comply with international obligations. On this side of the House we believe that Australia should have the best export future it could possibly have, and our export future lies in our energy exports to a growing demand in the north of Asia.

Trade Skills Training Visas

Mr BEAZLEY (2.07 pm)—My question is to the Treasurer and Acting Prime Minister. Isn’t it the case that the trade skills training visa has a requirement that a position is unable to be filled by local recruitment but that not one of the 50 questions on the employer’s visa application form actually requires them to say if they have advertised the job? Will the government now fix this?

Mr COSTELLO—Any apprentice who was seeking a visa to undertake training in Australia could only get one if a regional certifying body certified that no suitable Australian was available.

A government member—How do they know?

Mr COSTELLO—These regional certifying bodies are set up, authorised and supervised by state Labor governments.

Opposition members interjecting—

Mr COSTELLO—Doesn’t that come as a surprise! So the state Labor governments set up regional certifying bodies. They have to be endorsed by the state Labor governments. For present purposes we believe that the state Labor governments are not failing in their duties. The regional certifying bodies have to give that certification. That being the case, no Australian would be displaced from a training opportunity by this visa. I make it clear that foreign apprentices have to pay full fees and that they are not eligible for tool kits, Commonwealth trade learning scholarships, youth allowance or any other Australian government assisted measure.

ACTU President Sharan Burrow was reported in the Australian on 15 April 2005 as saying that she did not oppose fee-paying overseas students taking up apprenticeships in regional Australia ‘as long as it is not at the expense of local students getting their opportunities’. That is why we have regional certifying bodies.

Mrs Irwin interjecting—

The SPEAKER—Order! The member for Fowler!

Mrs Irwin—You come out to the kids in Western Sydney—

The SPEAKER—The member for Fowler is warned.

Mr COSTELLO—I conclude by saying that in September 2005 there were 397,800 apprentices in training, which was a 146 per cent increase on 1996. So there has been a 146 per cent increase—a record number of
people in training—a regional certifying body which is supervised by the state Labor governments and a policy which does not cost Australian apprentices any opportunity whatsoever.

Indigenous Communities

Mr TOLLNER (2.10 pm)—My question is addressed to the Minister for Families, Community Services and Indigenous Affairs. How is the government working to overcome abuse and violence in Indigenous communities? What support have these initiatives received?

Mr BROUGH—I thank the member for Solomon for his question. I note his genuine concern for the people he represents in Darwin and the Northern Territory and his understanding of this very difficult issue. The federal government this year committed a record $3.3 billion to assist Indigenous Australians to have a better life. As we have all seen this week, horrific incidents of child abuse and domestic violence are occurring throughout Australia, which is totally unacceptable. This has occurred despite the best efforts of all levels of government of all political persuasions over a long period of time to deal with it. Today, the Co-Principal of Wadeye School in the Northern Territory reiterated how challenging this is. I remind the House that Wadeye is the site of a COAG trial where the Northern Territory government and the federal coalition government committed and spent some $40 million over the last three years on a range of programs in this community of 2,500 people. We are talking here of domestic violence programs, interventions after the event, of employment programs and of housing and infrastructure programs across both the Territory government’s and the federal government’s range of portfolio responsibilities. Despite this genuine commitment by the Northern Territory government and the federal coalition government, there is still a belief that there is no future. Let me explain by reading what the co-principal had to say to the ABC today. She said:

I’m seeing people very scared, intimidated, afraid to speak out. Shop access is blocked, therefore food supplies are restricted. The health clinic access is difficult because they can’t get there. I’ve had to offer the school as a shelter when houses have been vandalised.

Her husband is the local GP. He said he recently treated a six-year-old child who had been raped. He says that the Northern Territory Department of Health and Community Services told him not to talk to the media. Unfortunately, these are not isolated incidents. The fact is that the best of goodwill and the best of intentions will do nothing unless we are able to address the fundamental issue that every society not only demands but relies upon to be successful—the basis of rule of law and that policing be present, be visual and be trusted. That simply does not happen in these communities.

Mr Adams—More police!

Mr BROUGH—There are four police operating in the town of Wadeye. Up to 300 people have been rioting in the streets, with some $300,000-plus damage done to housing there as out-of-control youths rampaged through the streets.

This week I called for a summit of state and national leaders in order to have an action agenda that will address this fundamental issue. I have asked in goodwill that the territory and the state leaders send people to a summit with the federal government because, whilst law and order always has been and is today a state and territory responsibility, the disgusting things that are happening to the children of this nation are also a national responsibility. This government is prepared to stand up and work with state and territory governments to overcome it.
We are prepared to put resources into this issue. Last week I announced in Alice Springs a further sniffer dog team. Why? Because across the Northern Territory, South Australian and Western Australian borders there is not only drug trafficking and petrol trafficking but also abuse occurring that only further police resources will fix. People must have confidence: they must have confidence to report crime and they must have confidence to stand in a court of law and give evidence. Today they do not have that confidence.

I welcome the contribution by the National President of the Australian Labor Party, Warren Mundine, who has put partisan political views aside and has recognised that now is the time to act as a nation. I ask again all state and territory leaders to join with me to ensure that we together allow every Australian to have the right to live in their homes safely, to have faith in the criminal justice system and to know that police will be there when they need them. It is not too much to ask. This is something on which we must put party political views aside and address. It is a national disgrace. It requires a national answer. I ask all those leaders to participate in the goodwill that is intended.

**Skilled Migration**

Mr BURKE (2.16 pm)—I ask whether the Acting Prime Minister is aware of statements by officials of Perth construction company Hanssen Industries in relation to Australian workers:

The more you pay them the less they work.

And in relation to foreign workers:

We found that by using migrant labour ... they’d just follow it and do it the way we wanted.

I am not saying they are at a lower level of intelligence ... it just seemed that they can do one task and not want to do anything different until they’re told to do something different.

Does the Acting Prime Minister endorse this conduct available under the government’s so-called ‘skilled’ migration program? If not, will he now fix it?

**Mr COSTELLO**—I think that Australian workers work very hard, and they work very hard for increased wages under this government, unlike its predecessor. Real wages have increased by 16.7 per cent under this government. If there was ever an experiment in restricting wage increases, it occurred under the Australian Labor Party between 1983 and 1996.

Having said that, our country does operate a skilled immigration program and it always has. It did through the fifties and the sixties. There are a lot of people who are in this parliament today because their parents came out here in the fifties and the sixties as skilled immigrants. Skilled immigrants were welcome in Australia in the fifties and the sixties and they will be welcome now. They will be welcome if they can come to this country and bring their skills with them and contribute to the development of the Australian nation. I do not want anybody to run around here and try to impute, as the shadow minister did, that somehow skilled migrants are not welcome in Australia.

Mr Beazley—Mr Speaker, I rise on a point of order on the question of relevance. This is about temporary work visas. That is what we are talking about here—temporary work visas. What have you got to say about that?

**The SPEAKER**—The Acting Prime Minister is answering the question. I call the Acting Prime Minister.

**Mr COSTELLO**—I am giving my views on skilled migrants and skilled labour. I am asked my views about Australian workers and Australian wages and I will give my views. My views are that what Australians want more than anything else is a job, which
they are getting a lot more of today than they were under the Labor Party. What they want is a decent wage, which they are getting. In addition to that, they also welcome the fact that people with skills can come to this country and contribute. Our government has a skilled migration program, which will continue. It has been vastly improved in recent years, ever since the last government was thrown out of office.

Iraq

Mr JULL (2.19 pm)—My question is directed to the Minister for Foreign Affairs. What is the government’s reaction to the swearing in of the new government of Iraq and would the minister indicate if this reaction is agreed across the Australian political spectrum?

Mr DOWNER—First, can I thank the honourable member for Fadden. I think all members of the House know of his interest in foreign affairs. Certainly he has followed this issue very closely. The government is very pleased to congratulate Iraq and the Prime Minister of Iraq particularly, Mr al-Maliki, on the formation of a new government. This is a momentous event for the people of Iraq to at long last have their own democratic government. In reality it is probably fair to say that it is the first genuinely democratic government Iraq has had since that country was created in 1922. So it is a momentous event. It is a triumph of democracy over the forces of terrorism and violence.

There was an expression of views by the overwhelming majority of the people of Iraq—those people have shown the courage to vote and the politicians whom they elected have shown the courage to put together a government.

This is a government that brings together the different strands of the country—the Kurds, the Sunnis and the Shia. I think it demonstrates a point very clearly: that the leaders of Iraq do not want their country to break up, despite the fact that terrorists and insurgents do want it to break up. The terrorists and the insurgents are endeavouring to destroy the country. It is encouraging that the members of the parliament were able to agree on a government and the government will now be able to take that country forward.

There is no doubt that the new Iraqi government will face enormous challenges, but let them know that the government of Australia will certainly support them and will certainly support democracy in Iraq. We will not adopt the defeatist view of others, including the opposition, that it is much better just to abandon Iraq to the insurgents and terrorists and turn our backs on the 12 million people who went out and voted in that country. I think that is the wrong thing to do. This government may be a lot of things, but this government will never be called ‘defeatist’.

Economy

Mr SWAN (2.23 pm)—My question is to the Treasurer and Acting Prime Minister. Why is it that, when almost all of the world’s major commodity exporters are running a current account surplus, Australia is running a current account deficit?

Mr COSTELLO—One of the things that have worked against Australia’s exporters in recent times, as most people would know, is the exchange rate. The last time Australia was running a trade surplus the Australian dollar was at US47c. I think that today it is at about 75c, but it has been as high as 77c.
One of the reasons for that is that the Australian currency is perceived to be sensitive to commodities. That is one of the reasons why the Australian dollar is at the level it is at—and, by historical standards, since the float of the Australian dollar, that is a high level. I acknowledge the fact that this is making things more difficult for Australia’s exporters of manufactures, because they are not getting an increased price and yet are having to cope with a higher Australian dollar. We acknowledge that. That is one of the difficulties for Australian manufacturers in this country.

Mr Hockey—It’s the GST.

Mr COSTELLO—I am reminded by the member for North Sydney that one of the things that did help them was taking taxes off exports.

Mr Beazley interjecting—

Mr COSTELLO—Psychobabble followed by exaggerated laughter—that is what the Leader of the Opposition does. When he cracks a joke with no punchline, he provides the canned laughter himself. It would be more convincing if someone joined in. Taking taxes off exports was one of the things that assisted Australia’s manufacturers, but Australia’s manufacturers are at the moment dealing with a very high dollar. The good news in relation to our commodities is that more investment is going into mining infrastructure in particular than ever before in Australia’s history. That is giving us capacity, it is giving us the opportunity to exploit new markets in the north of Asia and it is one of the reasons why the Australian economy is one of the stronger economies in the world at the moment.

Budget 2006-07

Mr MICHAEL FERGUSON (2.26 pm)—My question is addressed to the Treasurer and Acting Prime Minister. Can the Treasurer inform the House of the benefits for Australians of superannuation reforms announced in the budget? Treasurer, how have these reforms been received?

Mr COSTELLO—I can tell the honourable member for Bass that the reforms announced in the budget in relation to superannuation have been overwhelmingly received in the positive. That is because this is the largest reform of superannuation we have probably ever had in this country. Some might think that is a big claim, but I draw endorsement for that claim from none other than former Hawke government minister Susan Ryan, who in the Australian on 12 May 2006 praised ‘the Treasurer’s bold gazumping of Labor’s cherished but slightly shabby superannuation property’. She said that ‘it strikes as a wonderful reform’ and ‘the ex-Labor minister backs super moves’. Under this superannuation reform there will be no tax on end benefits coming out of a taxed superannuation fund, there will be no tax on lump sums coming out of a taxed superannuation fund, there will be no tax on pensions coming out of a taxed superannuation sum, there will be no need for reasonable benefits limits, there will be no need for age based limits and there will be no need for quarantining between pre-1983 and post-1983 contributions. IFSA, the Investment and Financial Services Association, said:

The effective removal of end benefits tax and tax on super pensions is a major step towards the simplification of an overly complex superannuation regime.

The AMP said:

The proposals eliminate most of the complexity around end benefits and this will boost confidence and transparency …

Susan Ryan, in her opinion piece in the Australian, said:

Costello’s uncharacteristically bold and effective plan—

I do not agree with everything she said on 12 May—
to simplify super and reduce its taxes should be commended.

These are major changes to superannuation. Susan Ryan wrote in the Australian on 12 May:

“These are the most important changes to superannuation ever,” Peter Costello boasts. They’re even more important, he claims, than the 1992 introduction by the Keating government of compulsory super. The Treasurer can often overstate his case, but this time he’s right.

That is what Susan Ryan said in the Australian on 12 May. These reforms are warmly endorsed. They cut through the complexity of super. They give Australians the chance to save and to know how to deal with their savings. These are bold reforms and we look forward to the Labor Party announcing a position in relation to them.

Prime Minister

Mr KERR (2.29 pm)—My question is to the Treasurer and Acting Prime Minister. Pleased no doubt, as we all are, with the Prime Minister’s decision to drop in, when did the Prime Minister advise the Acting Prime Minister that he would be returning to Australia a day early to be here on Thursday for question time and did the Acting Prime Minister try to talk him out of it?

Mr COSTELLO—The Prime Minister will get a very warm reception back here on Thursday. We look forward to seeing him just as much as the member for the Northern Territory does. But every now and then you come across a political party that is demoralised. Here we are in Australia with all sorts of economic issues, where people are interested in petrol prices, interest rates and jobs for their kids, and you have some drop kick asking a question like that. If that is the level of the attack that is coming out of the Labor Party, I have but one piece of advice for you: bring on Bill Shorten.

Uranium

Mr WAKELIN (2.31 pm)—My question is addressed to the Minister for Industry, Tourism and Resources. Would the minister detail the importance of the uranium industry to Australia? Is the minister aware of alternative policies?

Mr IAN MACFARLANE—I thank the member for Grey for his question and for his strong support of not only the resources sector but particularly the uranium sector. He has been a staunch supporter also of the expansion of Olympic Dam to give South Australia some real opportunities. The uranium sector is making an important and growing contribution to Australia’s economy. According to Geoscience Australia figures, uranium exports are now worth some $573 million. With more than 40 per cent of the world’s low-cost reserves, Australia is uniquely placed to supply even more of the world’s uranium needs, and this government is working hard to see that realised, provided of course that the appropriate non-proliferation, safety and environmental safeguards are in place.

While this government is providing a clear position on uranium mining, the same cannot be said for those who sit on the other side. The member for Grayndler says that Labor has ‘essentially an anti-uranium position’ and that there is no change needed to the no new mines policy that Labor has. The member for Hunter, though, has a far more enlightened approach, describing the same policy as ‘silly’, ‘illogical’ and ‘contrary to our economic interests’. The member for Batman, of course, is well known on this issue. He says, ‘We can’t pretend we’re half pregnant on uranium’—a position supported I see today by the heir apparent, the union leader Bill Shorten.

In a situation where we need courage and strong leadership—the sort of courage and
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strong leadership we are seeing from this government—it is situation normal from the Leader of the Opposition, who is unable to make a decision and says in relation to uranium issues, ‘They’re not urgent matters before us now.’ That view is not even shared by those who sit on his side of this parliament. The member for Batman says, ‘People thinking we can put off those debates until we win government are just stupid.’ That raises the question: is the Leader of the Opposition’s policy on uranium based on stupidity or just the usual lack of ticker?

Private Jacob (Jake) Kovco

Mr McCLELLAND (2.33 pm)—My question is to the Minister for Defence. When did the minister first find out that the draft report prepared in respect of the mismanaged repatriation of Private Kovco’s body had gone missing? When did the minister first direct that Private Kovco’s family should be informed? Is it the case that the minister had no intention of informing Private Kovco’s family about the missing document until it came to the attention of the media?

Dr NELSON—I thank the member for Barton for his question. As the House would be well aware, the Chief of the Defence Force, Air Chief Marshal Angus Houston, appointed Brigadier Elizabeth Cosson, who was supported by Professor Donald Sheldon, to prepare a report into the circumstances of the unacceptable and erroneous repatriation of Private Kovco’s body to Australia. Late on Monday night last week, just after 10 o’clock, the Chief of the Defence Force phoned me to inform me that Brigadier Cosson had apparently lost the disk which contained the draft report into this unacceptable incident. I was advised that it had been thought to be lost either at the Qantas lounge in Melbourne or, alternatively, in a taxi.

Naturally, I asked the Chief of the Defence Force to do everything that could possibly be done to see that the disk was located. I understand, and I was advised, that that would also involve some discussion with the taxi company on the Tuesday. For obvious reasons, I would not inform the public or, indeed, the Kovco family until such time as I could be assured that the disk was not recoverable, because to do so would have caused an unacceptable and unnecessary degree of distress to the Kovco family. In relation to hypotheticals, they are not questions that I would answer.

Solomon Islands

Mrs BRONWYN BISHOP (2.36 pm)—My question is addressed to the Minister for Foreign Affairs. Would the minister update the House on the outcomes of his visit to the Solomon Islands and the future of the Regional Assistance Mission?

Mr DOWNER—I thank the honourable member for Mackellar for her question and for her interest. I visited the Solomon Islands on Friday and Saturday with my New Zealand counterpart, Winston Peters. The Treasurer will remember that he was once the Treasurer of New Zealand. We held talks with the Prime Minister of the Solomon Islands, Mr Sogavare, as well as the foreign minister, Patterson Oti. The Prime Minister of the Solomon Islands told us that the Solomon Islands government was committed to what we call RAMSI, the Regional Assistance Mission to Solomon Islands.

Winston Peters and I made it clear to the Prime Minister that, as the key donors to RAMSI, we did not want to see the integrity of RAMSI in anyway diluted. RAMSI is a total package, and we do not expect the Solomon Islands government to cherry pick bits off it that might be seen to be inconvenient. For example, to have the Solomon Islands government withdraw the officials
from the finance ministry who are trying to assist the Solomon Islanders to get the country’s finances into shape would be something that we would regard as unacceptable.

Of course, we are happy to finetune RAMSI here and there, in relation to it doing more tasks and doing some of the tasks that it does even better than it is doing them, but not to start downgrading RAMSI. We look forward to discussions with the Solomon Islanders, in particular on the issue of training more Solomon Islanders to do some of the tasks, in the fullness of time, that are being conducted by RAMSI. We have also made it very clear that one of the key issues for the Solomon Islands is combating corruption. We stressed the importance of that to the Prime Minister, to the foreign minister and publicly as well. Obviously, RAMSI has been doing a good job.

Let me make two final points. First of all, we do reject the criticism of RAMSI during the recent riots. I think the Australian Federal Police and state police officers who had to deal with the riots showed enormous courage. I do not think that that courage has always been properly recognised, at least in the media. I think it has been recognised by the parliament but not in the media. They showed enormous courage in extraordinarily difficult circumstances. Any suggestion that somehow they are responsible for the riots is preposterous. The people who were responsible for the riots were the people who incited and conducted the riots.

There is an allegation that two people were involved in the incitement of the riots, Mr Ne’e and Mr Dausabea. It was announced by the Prime Minister that they would be ministers. We made it perfectly clear—I am sure that every member of this House agrees with this—to the Prime Minister of the Solomon Islands government that to have people who are facing charges for inciting the riots appointed as ministers, one of them as the police minister, is, at least for us as Australians, completely unacceptable. Of course, the Solomon Islands can make up their own minds about their own government; we do not have to approve of it. And we certainly do not approve of people in those circumstances being made ministers. I am pleased that the Prime Minister of the Solomon Islands has now at least appointed acting ministers in those roles, if not abandoned those appointments altogether.

Solomon Islands has a very long way to go as a country. It has been growing quite well in the last three years, since RAMSI has been there, at around four to five per cent a year. But for the Solomon Islands to return, at least according to the IMF, to its per capita living standards of 1980, it will have to maintain its current rate of growth until 2025. That puts into some context the sheer challenge that that country faces. We are happy to help it but, ultimately, the destiny of the Solomon Islands does not rest with us—it rests with the Solomon Islands people and its government. I hope that RAMSI will be able to continue beyond 23 July, the deadline by when the mandate has to be renewed by the Solomon Islands parliament. I am confident it will be renewed. It is important that the full integrity of RAMSI remains in place.

Workplace Relations

Mrs ELLIOT (2.41 pm)—My question is to the Treasurer and Acting Prime Minister. I refer to the AWA offered to employees at Childs Family Kindergartens in New South Wales that reduces wages and sick leave entitlements and expressly removes rest breaks, annual leave loading, supervisor allowances, overtime payments beyond two extra hours work and a first aid allowance. Acting Prime Minister, how is this providing better choice
to some of Australia’s most valuable workers, workers caring for our nation’s future?

Mr ANDREWS—I thank the honourable member for her question. Whilst obviously I have not seen the document that she refers to, if past experience with the opposition is any indication, it is always very sensible to look at the document before you take on face value what someone says about it.

I indicate to the House that any agreement, whether a collective agreement or an individual agreement, must be submitted to the Office of the Employment Advocate. The Office of the Employment Advocate will ensure that that agreement contains in it the minimum standards in terms of the Australian Fair Pay and Conditions Standard. The Office of the Employment Advocate will also check that agreement to see whether a range of other protected matters are specifically referred to or otherwise in the agreement. If they are not referred to then that agreement will not meet the current requirements of the Work Choices legislation. I understand, though, from the tenor of the question, that this is just a matter that is one of discussion between the parties at the present time. No doubt there will be continued negotiations about that.

Finally, I point out that, if there are complaints about an agreement or the way the industrial arrangements operate in that business—or any other business—then they can be made to the Office of Workplace Services, which will investigate them. As we have seen in the case of a number of restaurants operating here in Canberra, where the law has not been upheld, the Office of Workplace Services will move to prosecution. The Office of Workplace Services announced again today a prosecution against a company operating in Sydney that failed to meet the requirements of the legislation.

Mr RICHARDSON (2.44 pm)—My question is addressed to the Minister for Health and Ageing. Would the minister update the House on how the government’s Strengthening Medicare package continues to lift the rate of bulk-billing across Australia and in my electorate of Kingston?

Mr ABBOTT—It is interesting, isn’t it, that it is this side of the House which is suddenly very interested in bulk-billing and that there is such silence from members opposite. The member for Kingston is understandably interested because in just one year the bulk-billing rate in his electorate has gone up by almost 13 per cent. I can inform the House that the GP bulk-billing rate went up again in the March quarter. It is the ninth successive quarterly increase and it takes the national GP bulk-billing rate up to 75.7 per cent—that is, 9.2 percentage points higher than in December 2003. That means almost nine million GP consultations a year that were previously not bulk-billed are now bulk-billed. The GP bulk-billing rate for children under 16 is up to 83 per cent. It is an all-time high. The GP bulk-billing rate in country areas is at 69.9 per cent. It is an all-time high.

Members opposite say the GP bulk-billing rate is not what it was in 1996. Let us look at overall bulk-billing rates for GPs and specialists. They were 71.1 per cent in March 1996. In March 2006 the overall bulk-billing rate was 72.2 per cent. Bulk-billing is not the be-all and end-all of Medicare, but it is important. It should be widely available, especially for pensioners and children. This government is not only the best friend that Medicare has ever had but, on these figures, the best friend bulk-billing has ever had.

Child Care

Ms PLIBERSEK (2.46 pm)—My question is to the Treasurer and Acting Prime Minister. I hope he doesn’t dog this one!
Ms PLIBERSEK—I refer to the government tender for tax-free, price controlled, guaranteed child care to be provided for staff who work at Centrelink and certain other agencies. Can the Treasurer confirm to the House that these parents will have the opportunity to pay for their child care out of pre-tax income, an opportunity not given to millions of others? Will they also receive the child-care benefit and the 30 per cent rebate?

Mr COSTELLO—No, they will not. In relation to salary packages, where people are able to access pre-tax dollars for child care, as exists at the moment, the flipside is you cannot access the child-care benefit or the child-care tax rebate. The same rules that apply to any other employees at the moment will apply to those who may be eligible to take up an offer out of the human services agency.

Ms Plibersek—It is only high-income earners who will benefit.

Mr COSTELLO—If the honourable member would like to listen, we are answering the question. You cannot go out there and pretend you are interested in all of these child-care issues and then just interject from the front bench when you get the answers. It would be advisable to actually listen.

The tender that has been released from Centrelink today to establish an employer provided child-care program is looking for an additional 40,000 places. One of the conditions of this is that it will not be taking away places from other Australians. If Centrelink does commission another 40,000 places, far from that hindering other Australians, it will be adding to the market and actually providing more child-care places—which one might have thought the Labor Party would actually be interested in. The arrangements that will be put in place are the same arrangements that apply to all other people—that is, you cannot get the benefit and the rebate if you take advantage of this. This is currently applying to other employees as well. Centrelink’s contract will not require the contractor to freeze fees for five years. Fees must be based on a user-pays system at competitive local market rates.

The government is spending $9.5 billion to support child care, and there are now nearly 600,000 funded places available. That compares with about half of that number back in 1996. Here we have a government with record places, record funding and uncapped places so that the market can rise to meet demand. We have the child-care benefit, with an additional child-care rebate coming into force, and those who do not want to take up that option may have the option of employer provided facilities. This is the biggest investment in child care that has ever been made by any Australian government. The tender that is being placed by the department of the Minister for Human Services complies with Commonwealth government salary packaging laws, complies with tax laws and complies with child-care requirements.

Occupational Health and Safety

Mr HENRY (2.50 pm)—My question is addressed to the Minister for Employment and Workplace Relations. Would the minister outline to the House the government’s measures to uphold safety standards in industry? Is the minister aware of any alternative views?

Mr ANDREWS—I thank the member for Hasluck for his question. I was delighted to be with him and quite a number of business operators in his electorate in Perth last week. There has been quite a deal of misinformation in the media over recent days about occupational health and safety and the Work
Choices legislation. Let me re-emphasise the basic point—that is, occupational health and safety is the responsibility of states and territories in Australia.

Ms Bird interjecting—

The SPEAKER—Order! The member for Cunningham is reminded that it is highly disorderly to interject when she is out of her seat. If she continues to do so, I will deal with her.

Mr ANDREWS—As I was saying, section 16(3)(c) of the Work Choices legislation specifically provides that the occupational health and safety regimes of the states and territories continue to operate. Under those state and territory laws, if an employer fails in their duty of care to provide a safe workplace, there are penalties. Where an employer fails to provide occupational health and safety training, there are also strong penalties under state and territory laws.

So it was somewhat bemusing to see Mr Bill Shorten on the television news last night declaring shamelessly that, because he had spoken about occupational health and safety at the Beaconsfield mine site, he was ‘an outlaw’. Can I say to Mr Shorten that he has not broken any law by speaking about occupational health and safety at the Beaconsfield mine site.

Mr Costello interjecting—

Mr ANDREWS—Indeed, as the Treasurer points out, he is in no danger of being declared an outlaw and not being able to take his seat in parliament. It may worry the Leader of the Opposition a little, but he will be able to get here. But neither Mr Shorten nor anybody he spoke to at Beaconsfield—or, indeed, at any other workplace around Australia—has broken the law in this matter. Of course, some members of the opposition know this, because we had the exchange of emails with the member for Perth and the member for Lilley. We had the office of the member for Lilley saying in an email, which found its way to a constituent, ‘An employer can send employees to union training.’

Mr Bowen interjecting—

Mr ANDREWS—These are words from the office of the member for Lilley. This was reinforced again this morning by the member for Perth, who spoke at a doorstop this morning. He was asked this question: ‘Why do you need those leave arrangements if employers are required to provide safety training and can do so?’ This was the reply from the member for Perth: ‘I would’ ve thought that Beaconsfield shows that one of the things which are important is leave arrangements for training to take place at the Lithgow mining rescue centre, which is jointly run by the CFMEU and the Minerals Council of New South Wales, and more than one of the people involved in the Beaconsfield rescue had training there.’ Precisely the point, Mr Speaker, from the mouth of the member for Perth.

Mr Stephen Smith interjecting—

Mr ANDREWS—The agreements which pertained to the workers at Beaconsfield did not provide specifically trade union training leave. Those agreements provided that the laws in Tasmania about occupational health and safety would be carried out—

Mr Bowen interjecting—
The SPEAKER—Order! The member for Prospect will remove himself under standing order 94(a).

The member for Prospect then left the chamber.

Mr ANDREWS—What happened in Beaconsfield in the past is precisely what can happen in Beaconsfield in the future—namely, that under Tasmanian occupational health and safety legislation, those workers can go to training, conducted jointly by the Minerals Council and the CFMEU, the relevant union. They have been able to do that training in the past; they can continue to do that training in the future. What this shows once again, and what is borne out by the email from the member for Lilley’s office, which acted on the advice—

Mr Stephen Smith—More lies!

Mr ANDREWS—‘More lies’, we hear from the member for Perth, whose advice you acted upon. What we see, is an email relying on the advice of the member for Perth and distributed by the member for Lilley. What it shows, once again, is that whilst the member for Lilley, the member for Perth and others will say one thing publicly, they can see that it is quite the opposite privately.

Occupational Health and Safety

Mr BEAZLEY (2.56 pm)—My question is to the Minister for Workplace Relations and follows the answer he has just given. I refer the minister to the advice of the senior legal manager at the Office of the Employment Advocate to Xstrata-owned Newlands Coal on 19 April this year that said, of a proposed union collective agreement:

“Bona fide union business” can include leave to attend training.

As such, I have concluded it falls within the terms of Regulation 8.5(1)(c)—that is, prohibition. Minister, doesn’t this mean that a clause for leave to attend union organised training courses for occupational health and safety matters is prohibited content in an agreement? Isn’t it the case that the OEA is right and the minister is wrong? Why did the minister mislead the Australian people on the fundamental matter of occupational health and safety in the workplace, both then and again in the answer he has just given?

Mr ANDREWS—If the Leader of the Opposition cared to ask about agreements which have been approved by the Office of the Employment Advocate, he would find that, since 27 March, there have been a number of agreements which provide for occupational health and safety training as part of those agreements. The reality is—

Ms King interjecting—

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

Mr ANDREWS—The reality is that the Leader of the Opposition, seeing his campaign and his scaremongering about Work Choices falling flat, is using more extreme examples all the time.

Mr Beazley—Mr Speaker, I rise on a point of order on relevance. A very explicit question was asked of him, in relation to whether—

The SPEAKER—The Leader of the Opposition will not debate the point of order. I will rule on the point of order. The leader asked a lengthy question. The minister is answering that question.

Mr ANDREWS—I conclude on this note: there have been a series of agreements approved by the Office of the Employment Advocate which provide in those agreements that occupational health and safety training be provided to employees. In addition to that, section 16(3)(c) of the Work Choices legisla-
tion specifically provides that state and territory occupational health and safety laws, including the right of union officials to enter a workplace, is preserved under that legislation. The Leader of the Opposition knows that. He made a foolish statement a couple of weeks ago, but he knows that the state and territory occupational health and safety laws continue to operate in Australia.

**Bruce Highway**

Mr SOMLYAY (2.59 pm)—My question is addressed to the Minister for Transport and Regional Services. Would the minister update the House on recent developments in planning work on Queensland’s Bruce Highway. Is the minister aware of any impediments to progressing this work?

Mr TRUSS—I thank the member for Fairfax for the question. The Bruce Highway is very important to his electorate; it is the main access route to Fairfax and indeed to the whole of the Queensland coast. It is a very important road, and one which the Australian government have committed to provide significant funding for under the AusLink arrangement—with a further $268 million boost for the northern sections of the highway in the recent federal budget. We are also committed to ‘four-lane’ the Bruce Highway past Gympie by 2020. Projects have been under way, particularly around Caboolture, for ‘six-laning’—to endeavour to achieve that objective.

About 18 months ago, the Australian government commissioned consultants to undertake a study on the route for the next 62 kilometres of the highway, between Cooroy and Curra. That project is well advanced. The consultants have had out for public comment six alternative routes that might be considered for the bypass of Gympie and the upgrading of the highway. There has naturally been public concern about each of those routes, because of the large number of properties that will be affected.

Imagine the shock of everybody in the region, a year and a half into this study, to find out that the Queensland government intends to flood nine kilometres of the existing highway and nearly all of the options that have been under consideration. It is going to flood the areas where we have been designing new roads. The Acting Premier, Ms Bligh, has said that the government has known about these proposed dams for a long time and that everybody should have been aware that it was going to happen. If that is the case, why didn’t the Queensland government include this piece of information in the parameters for the study? It designed the terms of reference and has been involved in the steering group, but it did not bother to tell anybody that it intended to flood nine kilometres of the area that is under study.

The questioner asked: are there any impediments to the progress of the upgrading to a four-lane highway? There is a fair bit of impediment. A lot of the area is going to be underwater. It is not just the road that is going under water; 870 properties are likely to be flooded, including Queensland’s largest dairy farm. The impact on the dairy industry will be such that Queensland will probably cease to be self-sufficient in dairy products. The town of Kandanga will go under water and will probably have to be moved entirely. At least 1,000 people will be moved out of their homes for this mega-dam that the Queensland government has just invented over recent days. I am told that drilling for this dam site has started. Armed guards are surrounding the drillers. Early word is that the dam site is likely to be unable to support a structure of this nature anyhow.

The reality is that the Labor government in Queensland is trying to hide its debacle in the health system by flooding half of its con-
stituents and putting out of business a most significant road building project for Queensland. This is an appalling example of deceit and dishonesty by the Queensland government. The reality is that there will be no capacity for us to maintain the pace on the construction of this vital highway network until we know what parts of Queensland the Labor government intends to flood next.

Child Care

Ms PLIBERSEK (3.03 pm)—My question is to the Minister for Human Services. I refer to the minister’s statement this morning:

We will not be allowing providers to kick out a child to make available a place for Centrelink ... I reject the claim that we will be squeezing out other families.

Isn’t it a fact that clause 7.3.12 of the request for tender document says:

The contractor must invoke the one month notice to vacate requirement if the place is required by a Centrelink family.

Was the tender document withdrawn from the minister’s website to cover up the fact that the minister is wrong and has misled Australian parents?

Mr HOCKEY—I am glad the member for Sydney asked me that question instead of asking the Acting Prime Minister. The Acting Prime Minister would be too humble to spruik the fact that in the budget the government abolished the cap on child-care places. Because the government abolished the cap on child-care places, we were able to remove that provision from the new tender—because now there are an unlimited number of child-care places.

Murray-Darling River System

Mr SECKER (3.05 pm)—My question is addressed to the Minister for Agriculture, Fisheries and Forestry. Can the minister advise the House what the Australian government is doing to restore the health of the Murray-Darling system so important to my electorate of Barker?

Mr McGAURAN—I thank the member for Barker, who has an intense interest in restoring the Murray River to being a healthy working river—as do a number of other members who sit in the government ranks and represent other communities. The Murray-Darling Basin Ministerial Council had its 40th, and arguably most productive and convivial, meeting last Friday. I thank my colleagues the Minister for the Environment and Heritage, Senator Campbell, and the Parliamentary Secretary to the Prime Minister, Mr Turnbull, for their constructive input.

It always helps when the Commonwealth, in conjunction with providing national leadership, brings a big swag of surplus funding to support programs, as we did. We brought the budget’s $500 million injection of funding—we injected $500 million, just to repeat the point—for the Murray-Darling Basin Commission’s work. That takes the funding for the Murray-Darling Basin work for the Living Murray to $1 billion, of which the Commonwealth is contributing $700 million. Seventy cents in every dollar spent on the Living Murray will be from the Commonwealth on behalf of taxpayers and river communities. That means that a number of infrastructure works will be sped up and a number will be able to meet their original deadline. The government will also allow up to $200 million of its contribution to the purchasing of water from on-farm efficiency savings by way of a tender system that the parliamentary secretary is working up now.

When you take into account the Commonwealth’s investment—again, on behalf of taxpayers—by way of the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality, you are seeing
billions of dollars being spent on the River Money—the River Murray.

Honourable members interjecting—

Mr McGauran—Yes, there is a significant investment, but every cent is justifiable and every cent is required. That level of investment, that amount of money, is entirely justifiable, given that the basin is producing 40 per cent of Australia’s agricultural production.

In conclusion, what is the Labor Party’s alternative; what is their plan? We do not know. There is not a single word of explanation about how they would restore the Murray, how much it would cost or where the water would come from. In contrast, the government has put in a multibillion dollar investment which preserves and enhances the economic and environmental productivity of the great River Murray.

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

PERSONAL EXPLANATIONS

Mrs Vale (Hughes) (3.09 pm)—Mr Speaker, I wish to make a personal explanation.

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

Mrs Vale—Yes, grossly.

The Speaker—Please proceed.

Mrs Vale—I refer to an article in the Sunday Telegraph of 21 May on pages 1 and 4. Page 1 had a caption under my photograph which read ‘UNBELIEVABLE: Federal MP Danna Vale, caught speeding past a Sydney school, fights the paltry $75 fine’. The heading on page 4 read ‘MP caught speeding will fight fine’.

Mr Speaker, I wish to correct a number of factually incorrect statements in this article. No. 1, the article on pages 1 and 4 states that I am fighting the $75 fine. This is completely incorrect. The matter was finalised over seven weeks ago. My cheque in payment of this fine was dated 3 April and was posted very soon thereafter.

No. 2, on page 4 the article states that the incident occurred in Gymea, where, tragically, a little eight-year-old girl was killed. It later mentions Gymea Bay Road. This is incorrect with regard to my incident. The incident for which I incurred the fine occurred on President Avenue, travelling west, near Koorabel Avenue. President Avenue is a major artery of Sutherland shire, and on President Avenue there are no entrances to the school. The school is fenced off from President Avenue by a very high steel fence.

No. 3, I consider this article not only to contain deliberate distortions and falsification of the facts; I consider it to be defamatory. It is the latest salvo of personal vilification against me by the Telegraph, and I have placed this matter in the hands of my lawyers.

The Speaker—Order! The member will not debate the issue.

Mr Kerr (Denison) (3.11 pm)—Mr Speaker, I wish to make a personal explanation.

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

Mr Kerr—Yes.

The Speaker—Please proceed.

Mr Kerr—Today in question time the Acting Prime Minister, perhaps unsettled by the excitement at the Prime Minister’s incipient return, referred to me as the member for the Northern Territory. I am not; I am the member for Denison. I live in Tasmania, my electorate is very far from the Northern Territory and my electorate deserves to know that the Acting Prime Minister is aware of where parliamentarians—
Mr STEPHEN SMITH (Perth) (3.11 pm)—Mr Speaker, I wish to make a personal explanation.

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

Mr STEPHEN SMITH—Yes.

The SPEAKER—Please proceed.

Mr STEPHEN SMITH—I claim to have been misrepresented by the Minister for Employment and Workplace Relations in question time today, the same misrepresentation he made of the Leader of the Opposition Thursday week ago and again today and repeated by the Acting Prime Minister in question time today. The minister referred to a transcript of a doorstop interview that I did this morning. What he did not quote was the following:

It’s prohibited content and unlawful for a union to seek to include in an agreement with an employer leave arrangements for occupational health and safety training. The prohibited content clearly makes it unlawful for a union to seek to agree with an employer to make occupational health and safety training part of leave arrangements. That is a clear reference to regulation 8.5(1)(C), which says:

As prohibited content, employees bound by any agreement receiving leave to attend training by a trade union.

The SPEAKER—Order! The member will not debate the point. The member will resume his seat.

QUESTIONS TO THE SPEAKER
Advertising in the Parliamentary Precinct

Mr KELVIN THOMSON (3.12 pm)—Mr Speaker, my question refers to your written reply to me following my question to you on 9 May about the debt truck being prevented from driving past the front of Parliament House on that morning. Your reply states:

I can assure you that no double standard is being applied to protests and demonstrations and on the information available to me, if permission had been sought to drive the ‘debt truck’ around Parliament House, I can see no reason why it would not have been granted.

Mr Speaker, I appreciate your reassurance concerning this matter. Since I first raised this issue with you, it has been drawn to my attention that the Minister for Defence was able to ride a motorcycle around the parliament building, despite concerns from the Federal Police, and that Senator Fielding was able to conduct outside Parliament House, with a jerry can, a protest about the price of petrol. Are you able to tell the House whether the Minister for Defence or Senator Fielding obtained prior approval from the Presiding Officers and, if not, will you investigate and report back to me or to the parliament concerning this matter?

The SPEAKER—in response to the member for Wills, I make the obvious point that whether a member or a minister drives a car or rides a motorcycle around the parliament is hardly something that would have been out of order. As to the second part of his question, I will make further inquiries and report back as appropriate.

Mr Danby—to follow on from the member for Wills, Mr Speaker: does that equally apply to the Minister for the Environment and Heritage, Senator Ian Campbell, who rode a horse around Parliament House?

The SPEAKER—I am not sure that the member for Melbourne Ports is actually seeking an answer; I think he has made his point.

MAIN COMMITTEE

The SPEAKER—I advise the House that the Deputy Speaker has fixed Monday, 22 May 2006, at 4 pm, as the time for the next
meeting of the Main Committee, unless an alternative day or hour is fixed.

PETITIONS

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

Asylum Seekers

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

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

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

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

We, therefore, the individual, undersigned attendees at Christ Church, Anglican Church Dingley VIC 3172, petition the House of Representatives in support of the above mentioned Motion.

AND we, as in duty bound will ever pray.

by Mr Crean (from 13 citizens)

Workplace Relations

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

The petition of certain citizens of Australia draws the attention of the House to the fact that Australian employees will be worse off as a result of the Government’s proposed changes to the industrial relations system.

The petitioners call upon the Government to adopt a plan to an industrial relations system based on fairness and equity.

The petitioners therefore ask the House to ensure that the Government:

(1) Guarantees that no individual Australian employee will be worse off under proposed changes to the industrial relation system.

(2) Allows the National Minimum Wage to continue to be set annually by the independent umpire, the Australian Industrial Relations Commission.

(3) Guarantees that unfair dismissal law changes will not enable employers to unfairly sack employees.

(4) Ensures that workers have the right to reject individual contracts and bargain for decent wages and conditions collectively.

(5) Keeps in place safety nets for minimum wages and conditions.

by Mr Melham (from 289 citizens)
Workplace Relations
To the Honourable Speaker of the House and Members of the House assembled in Parliament:
The petition of certain citizens of Australia draws the attention of the House to the fact that Australian employees will be worse off as a result of the Howard Government’s proposed changes to the industrial relations system.
The petitioners call upon the Howard Government to adopt a plan to produce a fair industrial relations system based on fairness and the fundamental principles of minimum standards, wages and conditions; safety nets; an independent umpire; the right to associate; and the right to collectively bargain.
The petitioners therefore ask the House to ensure that the Howard Government:

(1) Guarantees that no individual Australian employee will be worse off under proposed changes to the industrial relation system.
(2) Allows the National Minimum Wage to continue to be set annually by the independent umpire, the Australian Industrial Relations Commission.
(3) Guarantees that unfair dismissal law changes will not enable employers to unfairly sack employees.
(4) Ensures that workers have the right to reject individual contracts and bargain for decent wages and conditions collectively.
(5) Keeps in place safety nets for minimum wages and conditions.
(6) Adopt Federal Labor’s principles to produce a fair system based on the fundamental principles of minimum standards, wages and conditions; safety nets; an independent umpire; the right to associate; and the right to collectively bargain.

by Mr Stephen Smith (from 47 citizens)

Mammograms
To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament:
The petition of certain citizens of Australia draws to the attention of the House that free Breast screen services are no longer accessible by breast cancer survivors despite the increased risk of breast cancer. Access to free breast screens is also limited for those women over seventy years of age. Your petitioners therefore ask the House to ensure that mammograms are free to all women regardless of age or medical history.

by Ms Hall (from 83 citizens) and Mr Melham (from 105 citizens)

Asylum Seekers
To the Honourable the Speaker of the House and Members of the House assembled in Parliament:
This petition of certain citizens of Australia draws the attention of the House to the fact that Senator Amanda Vanstone, Minister for Immigration and Multicultural Affairs, has rejected the application of Mr T at Thang Tran, his wife and their three children for protection visas, and decided not to exercise her ministerial discretion under s417 and/or s48B of the Migration Act.
The Tran family are valuable members of the community, and make a significant contribution to the Vietnamese and broader communities in this area. The family fears persecution if they return to Vietnam, which is putting tremendous pressure upon Mr Tran, his wife and their children.

Your petitioners therefore ask the House to call upon the Department of Immigration and Multicultural Affairs to immediately review the case and ask Senator Vanstone to exercise her Ministerial Discretion under s417 and/or s48B of the Migration Act.

by Mr Albanese (from 2,254 citizens)

Breast Cancer: Herceptin
To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament:
The petition of certain citizens of Australia draws to the attention of the House a treatment available for some types of Breast Cancer.

• Some breast cancers test positive for a growth factor or protein called Her2. This Her2 tells breast cancer cells how to grow.
• A drug called HERCEPTIN stops Her2 from working, so the breast cancer cells stop growing.
• This means that Herceptin would help greatly in further reducing risk of future recurrence of breast cancer.
• However, Herceptin is NOT supplied on the Pharmaceutical Benefits Scheme (PBS) for all stages of breast cancer and incurs a cost of $66,000 for 1 year of treatment.
• This cost is prohibitive, meaning women either do not use this treatment, or they suffer tremendous financial hardships on top of their cancer struggle.

Your petitioners therefore humbly pray the House to include the drug Herceptin on the Pharmaceutical Benefit Scheme (PBS) for use by women at any stage of breast cancer who test positive to Her2.

by Mr Bowen (from 26,906 citizens)

Dental Care

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

This petition of certain citizens of Australia draws to the attention of the House, the long dental waiting lists and under funding of our public dental system.

Your Petitioners therefore ask the House to:
• Re-introduce the Commonwealth Dental Scheme and restore funding to public dental health,
• Reduce waiting times for public dental health services, and
• Train more public dentists.

by Ms Corcoran (from 48 citizens)

Taiwan and the World Health Organisation

In support of Taiwan’s application to participate in the World Health Assembly and the World Health Organisation

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

The petition of the undersigned residents of Australia draws to the attention of the House as follows:
• that the World Health Organisation’s Constitution, states “…the enjoyment of the highest obtainable standard of health is one of the fundamental rights of every human being without distinction of race, political belief, economic, or social condition.”

• that Taiwan, with a population of similar size to Australia, has been repeatedly denied participation in the World Health Organisation and World Health Assembly as a result of political pressure from China.
• that without access the World Health Organisation’s network of services severely impairs the ability of Taiwanese health authorities to respond to and assist in disease outbreaks, thereby endangering the welfare of the people of Taiwan.
• that infectious diseases such as avian flu can spread quickly by means such as international air travel, and it is the responsibility of all countries to work with the World Health Organisation to control and monitor these diseases, irrespectively of political differences.

• that while China claims it represents the people of Taiwan, China does not and cannot represent the needs of the Taiwanese people in the World Health Organisation, World Health Assembly and the United Nations, as they are not the democratically elected government of Taiwan.
• that, given Australia has repeatedly displayed to the world its determination to defend democracy (e.g. committing its troops to Iraq and leading the peace keeping mission in East Timor), our Government ought to recognise Taiwan’s democratic government and support Taiwan’s participation in the World Health Organisation at all levels.

• that Taiwan’s participation in the World Health Assembly and the World Health Organisation is paramount, not only for the safety and welfare of the people of Taiwan but also for the rest of the world.

The undersigned petitioners therefore respectfully request and plea to the House, that in the interest of fairness, equality and justice for all human beings, politics be set aside and all honourable members give their support to Taiwan’s efforts to participate in the World Health Assembly. We
further call on the Parliament and the Australian Federal Government to recognize the democratically elected government of Taiwan as a suitable representative of the Taiwanese people to the World Health Organisation. Australia and Australians are known for their respect of human rights, their ideals on democracy and freedom of speech. Please show that we stand for the ideals this country is founded upon and we truly do care by supporting Taiwan’s efforts to participate in the World Health Assembly and the World Health Organisation.

by Ms Burke (from 3,321 citizens)

Australian Broadcasting Corporation

To the Honourable the Speaker and Members of the House of Representatives Assembled in Parliament

The petition of certain citizens of Australia in the Tweed/Gold Coast area draws to the attention of the House the importance protecting the Australian Broadcasting Commission from the need to seek commercial advertising as a source of revenue. Your petitioners therefore request the House to provide an increased level of funding so that the ABC can maintain the quality of its programs, produce quality Australian drama and remain free from corporate influence.

by Mrs Elliot (from 55 citizens)

Australian Wheat Growers

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

The petition of certain citizens of Australia draws to the attention of the House the importance of the current provisions of the Wheat Marketing Act granting Australian wheat growers the ability to ensure their wheat is marketed in an orderly manner attracting significant premiums in a perverted world market skewed by the European Union’s and United States' use of subsidies, export credit programs, cynically-engineered food aid programs and the existence of import single desk monopolies.

Your petitioners therefore request the House show its support for Australian wheat growers by rejecting any attempt to remove the single desk marketing arrangements without significant reform to the corrupted international trading environment.

by Mr Forrest (from 299 citizens)

Telecommunications: Mobile Phone Service

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

The petition of residents, visitors and travelling public to the area of Wemen in the electorate of Mallee, draws the attention of the House that we are experiencing difficulty with our mobile phone network. The lack of a mobile phone tower facility results in our inability to receive suitable network coverage, our major concerns are

• Mobile coverage in the Wemen area is extremely poor;
• While there are existing Telstra phone towers at Robinvale and Hattah, their coverage does not service the Wemen area;
• This makes it extremely difficult to make or receive mobile phone calls, especially in an emergency.

Your petitioners therefore request the House to give consideration to directing Telstra to install a mobile phone tower in Wemen which will provide an adequate service to the Wemen area.

by Mr Forrest (from 187 citizens)

Shortland Electorate: General Practitioners

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

Request that the House take immediate action to guarantee the replacement of General Practitioners in the Shortland electorate which includes Lake Macquarie and the northern part of the Central Coast.

Dr Gurcharan Singh Thind who has been practising for more than 20 years in the Lake Macquarie area and has surgeries in Blacksmiths and Marks Point, is retiring on 31 January 2006. Dr Thind’s replacement is proving to be extremely difficult due to the failure of the Government to issue provider numbers.
Your petitioners therefore respectfully request that the House do everything in their power to ensure that the greatest effort is made, as soon as possible, to issue provider numbers for proposed replacements of General Practitioners in the Shortland electorate.

by Ms Hall (from 25 citizens)

**Shortland Electorate: General Practitioners**

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

Request that the House take immediate action to address the chronic shortage of doctors in the Lake Macquarie and Hunter areas.

Your petitioners therefore respectfully request that the House do everything in their power to ensure that the greatest effort is made, as soon as possible, to address the chronic shortage of doctors in the Lake Macquarie and Hunter areas.

by Ms Hall (from 16 citizens)

**Medicare**

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

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

- That the rate of bulk billing by GPs has fallen by over 15% in Shortland Electorate since 2000 and is now in serious decline;
- That this year, 7.7 million fewer GP visits were bulk billed than in 1996;
- That the average out-of-pocket cost to see a GP who does not bulk bill has gone up by 51% since 1996.
- That public hospitals are now under greater pressure because people are finding it harder to see bulk billing doctors.

We therefore pray that the House takes urgent steps to restore bulk billing by general practitioners so that all Australians have access to the health care they need.

by Ms Hall (from 20 citizens)

**Workplace Relations**

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

We the undersigned call on the Federal Government to preserve the basic rights of Australian workers, including a preservation of a basic minimum wage and award conditions and the retention of the Industrial Relations Commission. Australian workers should be protected against unfair dismissal and also have the right to reject AWA individual contracts and negotiate collectively with their employer.

Your petitioners therefore respectfully request that the House encourage employers to provide fair working conditions for their employees.

by Ms Hall (from 47 citizens)

**Workplace Relations**

To the Hon Speaker of the House and Members of the House assembled in Parliament:

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

WE BELIEVE that Australians should have basic rights at work, including decent minimum wages and awards conditions, protection from unfair dismissal and the right to reject AWA individual contracts and negotiate collectively with their employer.

WE OPPOSE the Howard Government’s plans to:

- Remove employment conditions from awards.
- Change the way minimum wages are set to make them lower.
- Use individual contracts to undercut existing rights and conditions.
- Keep unions out of workplaces and reduce workers’ negotiating and bargaining rights.
- Abolish redundancy pay and protection from unfair dismissals for the 3 million people who work in small businesses.
- Reduce the powers of the independent Industrial Relations Commission to settle disputes and set fair minimum standards at work.

by Ms Hall (from 47 citizens)
• Take away rights at workplaces that unilaterally override and weaken State industrial relations systems, awards and agreements. And we, your petitioners, ask the House to ensure that the Government upholds Australians’ rights at work and does not implement these plans that we oppose.

by Mr Melham (from 61 citizens)

Workplace Relations

To the Honourable members of the House in Parliament assembled.

The petition of the undersigned transport workers draws the attention of the House to the following matters concerning the proposed *Independent Contractors Act* and recent legislation that alters existing NSW workplace arrangements.

That the House recognises that the introduction of the proposed *Independent Contractors Act* will be to the detriment of small business.

The impact of the proposed *Independent Contractors Act* for owner drivers will be:
• No access to the Industrial Relations Commission to settle disputes;
• No contract determination to set rates and conditions;
• No contract or carriage tribunal to hear claims of goodwill;
• No ability to review unfair contracts; and
• No ability to reinstate unfairly terminated contracts.

This petition calls on members of the House to support a fair industrial relations system.

by Ms Owens (from 23 citizens)

Millennium Development Goals

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

The petition of certain citizens of Australia draws the attention of the House that the Australian Government, in 2000, signed up to the Millennium Development Goals that would halve world poverty by the year 2015. To achieve this Goal the signatory nations need to increase their Aid Programs from their present levels. We welcome the recent announcement of an increase in Australian Aid from the present 0.28% of our gross national income to 0.36% by 2010. The United Kingdom, France, Spain and Ireland have already committed to increasing their Aid to 0.5% of gross national income by 2010, and to 0.7% by 2015.

Your petitioners therefore pray that the House agree to a Goal for our Aid Program of 0.5% of gross national income by 2010, and 0.7% by 2015. We further pray that the House devote a larger share of Australia’s Aid budget to activities that directly increase the health and education of the poorer people of our region.

by Ms Roxon (from 83 citizens)

Military Detention: Mr David Hicks

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

The Petition of the undersigned shows:

As citizens of Australia and residents of the Federal Seat of Lyne in New South Wales, we deplore the lack of support and assistance offered to an Australian Citizen David Hicks by the FEDERAL COALITION GOVERNMENT and in particular the Prime Minister and the Foreign Minister.

Hicks has been held in detention at Guantanamo Bay, a U.S. Naval Base on the Island of Cuba for three years. He has been denied his basic HUMAN RIGHTS in direct contravention of the Geneva Convention on Prisoners of War (Article 5).

Your Petitioners respectfully request the House takes action immediately to assist the aforementioned detainee to gain his release and for him to be repatriated to Australia.

by Ms Roxon (from 13 citizens)

Riverland: Children’s Contact Service

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

The petition of certain residents of the Riverland in South Australia draws to the attention of the House that the Australian Government, in 2000, signed up to the Millennium Development Goals that would halve world poverty by the year 2015. To achieve this Goal the signatory nations need to increase their Aid Programs from their present levels. We welcome the recent announcement of an increase in Australian Aid from the present 0.28% of our gross national income to 0.36% by 2010. The United Kingdom, France, Spain and Ireland have already committed to increasing their Aid to 0.5% of gross national income by 2010, and to 0.7% by 2015.

Your petitioners therefore pray that the House agree to a Goal for our Aid Program of 0.5% of gross national income by 2010, and 0.7% by 2015. We further pray that the House devote a larger share of Australia’s Aid budget to activities that directly increase the health and education of the poorer people of our region.

by Ms Roxon (from 83 citizens)
of safe changeovers for children following parent-
tal separation has been an issue for some time
with many families utilising police stations for
this purpose or both parents having to travel to
Adelaide for supervised visits and changeovers.
The issue has become more pertinent in the
Riverland since the fatal shooting at the Big Or-
ge at Berri which occurred in the presence of a
child during a scheduled contact changeover.

Your petitioners therefore request the House to
advocate for funding of a Children’s Contact Ser-
vice to be established in the Riverland.

by Mr Secker (from 988 citizens)

Petitions received.

QUESTIONS WITHOUT NOTICE:
ADDITIONAL ANSWERS

Occupational Health and Safety

Mr ANDREWS (Menzies—Minister for
Employment and Workplace Relations and
Minister Assisting the Prime Minister for the
Public Service) (3.18 pm)—Mr Speaker, I
seek the indulgence of the chair to add to an
answer.

The SPEAKER—The minister may pro-
cceed.

Mr ANDREWS—I was asked a question
about a collective agreement involving the
Xstrata company. I have been advised since
question time that, significantly—and this
was not mentioned by the Leader of the Op-
position when asking the question—the pro-
posed workplace agreement contained an
entirely separate clause entitled ‘Safety in
the workplace’, which went to rights, obliga-
tions and duties in relation to safety in the
workplace, and that this clause was not—and
I emphasise the word ‘not’—prohibited con-
tent.

PRIVATE MEMBERS’ BUSINESS

Taiwan and the World Health
Organisation

Mr BARTLETT (Macquarie) (3.19
pm)—I move:

That this House:

(1) recognises Taiwan’s:
(a) world class health care system;
(b) strong commitment to improved interna-
tional health standards and international
health security; and
(c) proud record of medical assistance to
developing countries;

(2) notes that:
(a) as emphasised by Dr Jong-wook Lee,
Director-General of the World Health
Organisation (WHO), the experience of
SARS in 2003, and the ongoing threat of
Avian Influenza, show the imperative of
an internationally coordinated approach
to international health emergencies;
(b) in the same way that Taiwan’s contain-
ment and management efforts during the
SARS epidemic in 2003 were hampered
by its inability to access the expertise of
the WHO, its capacity to meet the chal-
lenges of a global Avian Influenza epi-
demic would be similarly constrained if
it continues to be denied the right to par-
ticipate in the operation of the WHO;
(c) the World Health Assembly’s (WHA)
Rules of Procedure formally allow for
the participation of observers in the activi-
ties of the organisation, without reference
to questions of sovereignty;
(d) the participation of observers in WHO ac-
tivities is consistent with the principle of
‘universal application’, given expression
in the WHO’s constitutional mandate to
“advance the health of all peoples”;
(e) there are currently six semi-permanent
WHA observers, including a sovereign
state (the Holy See), a quasi-state (Pale-
estine), a political entity (the Order of
Malta), and three international organisa-
tions, and thus the granting to Taiwan of
observer status should not be construed as
a form of political recognition;
(f) private Members’ bills in support of Tai-
wan’s bid for observer status with the
WHO were tabled in this House in both
2003 and 2004;
(g) support for Taiwan’s previous bids has also come from many other governments, including the US Government, the EU, Japan and Canada at the May 2003 and 2004 Summits of the World Health Assembly in Geneva; and

(h) there is considerable public support for Taiwan’s participation in the WHO from professional medical organisations; and

(3) supports the participation of Taiwan in the WHA as an observer, given that such participation would allow Taiwan to more effectively contribute to international health coordination, and to better protect its 23 million people from possible trans-national health emergencies, including Avian Influenza.

This is the third time in four years that I have spoken in favour of Taiwan being granted observer status in the World Health Organisation. This is because I believe it is right and fair that that happen. This is not a political issue; it is a fundamental issue of human rights.

Article 1 of the World Health Organisation states as a fundamental aim of the organisation the attainment by all peoples of the highest possible level of health. This must therefore include Taiwan’s 23 million people. There are three good reasons why Taiwan should be granted observer status. The first is the need to maximise international cooperation—that is, to integrate and coordinate approaches to tackling health issues that cross national borders. It is more and more vital due to the increased population movements, the increased levels of trade and the increased threat of the international transmission of disease, such as SARS, which we had in 2003, and the threat of the avian flu pandemic. I notice that in a resolution of the European Parliament just last week they mentioned the necessity of direct and unobstructed participation in international health cooperation networks, forums and programs for all parts of the world, especially with today’s greater potential for cross-border spread of various infectious diseases—for example avian influenza and SARS’.

The second reason is that health is a fundamental right. Taiwan’s 23 million people have a right to information and services, as do other people in the world. The non-access to the World Health Organisation limits Taiwan’s capacity to protect its people, as happened in 2003 with the SARS outbreak when Taiwan’s efforts were hampered by non-access to World Health Organisation expertise.

The third reason, conversely, is Taiwan has much to contribute to the world health effort. It did in 2003 and it is currently contributing with the avian flu issues. It has helped in many areas in recent years. In response to the tsunami, Taiwan has a proud record of help in, for instance, Sri Lanka. It has put in substantial work in recent years to overseas aid, health and humanitarian issues, giving relief to over 78 countries. It has run campaigns, for instance, to eradicate malaria, AIDS, TB and yellow fever. Taiwan has a quality health system and needs to be able to contribute freely. Again, the resolution last week by the European Parliament says:

The health care system of Taiwan is one of the best and most advanced in the region and the Taiwanese authorities wish to let their specialists participate in the World Health Organisation’s preparatory meetings of experts on the avian flu situation.

For those three reasons, it makes sense and it is fair that Taiwan be given access, as an observer, to the World Health Organisation. It is for those reasons also that Taiwan’s efforts have been supported so strongly in recent years by many professional organisations, such as the British Medical Association, the World Medical Association, the International Paediatric Association, the Lancet, the Standing Committee of European Doctors, the Philippine Medical Association, the International Congress on Traditional
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Medicine—and the list goes on. As well as that, a number of governments have supported Taiwan’s efforts, including the US congress, the European Parliament—which, again, reinforced its commitment just last week, on 18 May this year—the Central American Parliament, the Belgium Chamber of Representatives, the Council of the European Union and so on. In fact, the Council of the European Union says: Taiwan’s record in improving health conditions and the life expectancy of its population is impressive. Taiwan should be given the right and the opportunity to contribute to and benefit from the work of the World Health Organisation.

There are indisputable arguments in favour of Taiwan’s participation and there are no arguments against it. I know there is nervousness about Taiwan’s political situation and concerns that this may have implications for that country’s political status, but those concerns are misguided. Being granted observer status to the WHO would have no bearing on Taiwan’s political situation. This is a totally separate issue. It is a health issue, not a political issue. Of the World Health Organisation’s six semipermanent observers, only one is a sovereign state; therefore, Taiwan’s participation does not have to be construed in political terms. It is a health issue, not a political issue. Taiwan should be granted, without delay, observer status to the World Health Organisation. (Time expired)

The SPEAKER—Is the motion seconded?

Mr PRICE (Chifley) (3.24 pm)—It is my pleasure to second the lengthy motion moved by the Chief Government Whip, a motion that seeks to have Taiwan granted observer status to the World Health Organisation. I will go over some of the points made by my esteemed colleague. Unfortunately, it is true that we have suffered epidemics in recent times. The Chief Government Whip mentioned SARS and avian flu, and I would add that we were very lucky that Japanese encephalitis was contained within Malaysia.

The truth is that we are facing epidemics and surely we run the risk that at some time at least one will turn into a pandemic. It is when one of these epidemics becomes a pandemic that we will regret Taiwan not having been granted observer status to the World Health Organisation, in that it will not have been able to bring to that organisation its skills and expertise. Every country that we leave out increases our risk, I believe, of getting a pandemic.

Many Australians may feel that Australia is not at risk of avian flu. Every year some 13,000 illegal fishing boats land on our shores, with some of them containing birds. If there is one way that Australia will face the threat of avian flu, it is through those illegal fishing boats coming from our north. I would say that the risk is quite high; and, in containing such a disease, we would want all possible assistance from every member country of the WHO. It seems to me that leaving Taiwan out is a shame and represents a risk to all of us.

There is this issue: is this somehow giving Taiwan de facto political recognition? I believe that neither the government nor the opposition is walking away from our one-China policy. We believe that the issues between China and Taiwan are capable of being resolved—but by discussion and diplomacy, not by freezing one country out of all international organisations. I have been privileged to visit Taiwan and I am impressed with the level of skill and expertise of the Taiwanese. They would have much to contribute in fights against epidemics and pandemics.

The United Nations World Health Organisation, for the record, was established in 1948. Its objective, set out in its constitution, is the attainment by all peoples of the highest
possible level of health. I repeat: to achieve that these days is not a one-country operation. We are all interdependent in terms of health and outbreaks and in stopping epidemics becoming pandemics. The WHO has 192 members and some six observers. I believe that the World Health Organisation would be strengthened by Taiwan being granted observer status.

The Chief Government Whip pointed out, quite rightly, that the EU recently strongly supported observer status being granted to Taiwan. The EU is a considerable body of countries, countries which are not insensitive to the tensions that exist from time to time between Taiwan and China. I strongly support this motion. I sincerely hope that it will not be too long before we see observer status granted to Taiwan.

Mr BAKER (Braddon) (3.29 pm)—I rise to speak on the member for Macquarie’s motion. It is most regrettable that Taiwan, a nation of some 23 million people, continues to be frustrated in its attempts to participate in the world’s premier public health forum, the World Health Organisation. Once it is accepted that Taiwan’s application for admission to the World Health Organisation as an observer should be assessed on humanitarian grounds, and within the context of global health security concerns, it becomes impossible to maintain any objection to this application. Under its own constitution, the World Health Organisation is charged with the task of ensuring the attainment ‘by all peoples’ of the highest possible standards of health. As we know, the World Health Organisation has worked towards the achievement of this objective through a range of mechanisms. Each of these mechanisms is committed to the delivery of health services—be they in the form of alert and response networks, prevention programs, research initiatives or medical expertise projects—within the framework of this greater, non-political objective. Yet, sadly, Taiwan is continually denied access to the expertise of these mechanisms, solely on political grounds.

In spite of these ongoing difficulties, Taiwan continues to demonstrate its steadfast commitment to the achievement of optimal national and global health security. On 15 May this year, the Taiwanese government announced its voluntary early compliance with the terms of the International Health Regulations (2005). This commendable achievement is indicative of the fact that Taiwan takes very seriously its responsibilities, as a regional hub of trade and commerce, for the development and maintenance of sound public health practices.

As a member of the World Trade Organisation, Taiwan has an obligation to develop and implement such practices without disrupting international trade and traffic through its territory. It is only when the volume of such trade is analysed that the enormity of this task and the implications for Australia of Taiwan’s compliance with the International Health Regulations can be fully appreciated. For example, Taiwan is Australia’s ninth largest trading partner, accounting for more than three per cent of Australia’s total trade. In the 12 months to August 2005, some 109,000 Taiwanese tourists visited Australia, and there are over 6,000 Taiwanese students currently studying in this country. In global terms, Taiwan registers around 7½ million outbound travellers and 2½ million inbound visitors each year. Taiwan’s health administration deals with health matters relating to some 27 million international air passengers, 225,000 international flights, 51,000 international-serviced vessels and hundreds of millions of tonnes of cargo each year. Quite clearly, Taiwan has a very close trading relationship with Australia and is an integral member of the greater international trade and global transport framework. These figures only serve to strengthen Taiwan’s application
for admission to the World Health Organisation as an observer.

The threat of a worldwide outbreak of infectious disease is very real and is not curtailed by international borders or state boundaries. Taiwan’s level of integration into the global economy, combined with its geographic situation in close proximity to continental East Asia—the region from which many of the world’s deadliest infectious disease outbreaks have emanated—make it a vitally important cog in the global health protection framework of the World Health Organisation.

Many members will recall the two previous private member’s bills that were tabled in this place in support of Taiwan’s application to the World Health Organisation in May 2003 and March 2004. A significant number of members spoke in support of those bills. It is not only in this place that Taiwan’s bid for observer status with the World Health Organisation has been supported. I wish to bring members’ attention to the resolutions of support in the US congress, in the European Parliament this year and in a range of other parliaments around the world. These resolutions, combined with the vocal support for this bid coming from a range of well-respected international medical bodies including the World Medical Association, provide evidence of the widespread international support for Taiwan’s participation in the World Health Organisation. It is time that Taiwan were incorporated into the World Health Organisation. No matters of argument substantiate any claim that this not occur. I urge all members to support this motion.

The DEPUTY SPEAKER (Mr Lindsay)—Order! The honourable member’s time has expired. The member will resume his seat.

Mr Baker interjecting—
tive health programs. Moreover, and despite its exclusion from the World Health Organisation, Taiwan has sought to share its expertise in the field of health care through the ongoing provision of international aid. Indeed, Taiwan is engaged in long-term medical development projects throughout the world. If Taiwan were to be admitted as an observer to the World Health Organisation, it would have the opportunity to expand its already substantial contribution to international health care.

Taiwan has become a major regional trade and transport hub. In 2005 alone, over 27 million international air passengers, 225,000 international flights, 51,000 international-serviced vessels and hundreds of millions of tonnes of cargo were in transit through Taiwan. In the 12 months to 2005, over 109,000 Taiwanese tourists visited Australia. In an era of unprecedented global interconnectivity, the threat posed by infectious diseases such as AIDS and avian influenza has become even more acute. Given Taiwan’s level of integration into the international trading network, it would be a great and unnecessary risk to continue to exclude Taiwan from participating in, and contributing to, the global health care framework under the auspices of the World Health Organisation.

Due largely to its inability to gain access to the global outbreak and response network of the WHO during the SARS crisis of 2003, Taiwan’s capacity to respond to the spread of the disease was severely hampered, resulting in the tragic deaths of 73 Taiwanese SARS victims. We cannot allow a tragedy such as this to be repeated. We must recognise that disease knows no boundaries and that emergent diseases such as the highly pathogenic H5N1 strain of avian influenza constitute a grave threat to both the people of Taiwan and the health of the international community at large.

Taiwan has a population larger than that of 75 per cent of the member states of the United Nations. It is unreasonable for them to be denied the protection of the prevention and response networks and expertise of the World Health Organisation. Many parliaments and congresses throughout the world have passed resolutions supporting Taiwan’s meaningful and constructive participation in the WHO as an observer. These include the US congress and the European Parliament. In addition, a large number of medical professions and organisations such as the World Medical Association and the British Medical Association have expressed their support for Taiwan’s bid for observer status. It is the responsibility of the international community to ensure that all peoples throughout the world are able to enjoy the highest attainable standards of health. This is not a political issue. The obstruction of Taiwan’s bid for participation in the World Health Organisation should not, as a matter of international health security, and in the interests of the people of Taiwan, be permitted to continue.

Mrs MA Y (McPherson) (3.38 pm)—As indicated by a number of colleagues before me, the question of Taiwan’s admission as an observer to the World Health Organisation is a health issue. It is not a political issue. That point should be made perfectly clear to all members of this House. Taiwan is a thriving democracy of 23 million people. This is a population larger than three-quarters of the member states of the WHO itself. From this fact alone, denying the citizens of Taiwan the right to international health through the WHO is essentially placing a significant proportion of the world’s population at risk. For a group of 23 million people who are facing some extreme situations, especially related to avian influenza, granting Taiwan observership status in the World Health Assembly is a matter of principle. Dr Lee Jong-Wok, Director-General of the WHO, has
stated publicly that all members of the international community should work together to share information and expertise in relation to avian influenza.

For Taiwan to be an effective contributor to this global prevention and containment effort, its participation in the WHA is vital. Taiwan has a world-class health care system that has been recognised internationally. Its citizens enjoy the highest life expectancy in Asia, with very low maternal and infant mortality rates. The government has eradicated diseases such as cholera and smallpox completely. Taiwan has also demonstrated its willingness to share its excellent resources with the rest of the world through the provision of development aid. It donated over $US120 million in medical supplies and humanitarian relief to 78 countries, spanning five continents, from 1995 to 2002. Moreover, the fact that its government has continued to do this while being excluded from the WHO is evidence of Taiwan’s strong commitment to international health care.

The SARS experience in 2003 illustrates the vital importance of a fully integrated global response system regarding international health emergencies. Taiwan’s exclusion from the WHO delayed the provision of assistance from the WHO by seven weeks and as such severely hampered Taiwan’s efforts in containing the spread of SARS within its borders. The catastrophic result was the death of over 70 Taiwanese citizens, constituting almost one-fifth of the world’s total SARS fatalities. Had Taiwan been included in the WHO, these deaths could have been avoided.

Taiwan is located at an important juncture for the movement of both goods and people in East Asia, with nearly eight million outbound and three million inbound travellers annually. This places Taiwan at the crossroads of any infectious disease outbreak in the region. Taiwan is Australia’s 10th largest trading partner and accounts for 3.1 per cent of Australia’s total trade. Moreover, in the 12 months to August 2005, 109,000 Taiwanese tourists visited Australia. If avian influenza were to affect the Taiwanese population, the effect on the health of Australian citizens, not to mention our trade and economy, could be disastrous. The rules of procedure of the WHA formally allow through several mechanisms for the participation of observers in the activities of the organisation. There are a number of precedents for such participation, as the former speaker said in her speech, that include the Holy See, the Palestinian Territories and the Red Cross.

Taiwan does not seek membership status at the WHO. It seeks only to become an observer according to the rules of the WHA, rules which give effect to the fact that participation in the WHO is a health and humanitarian issue, not a political one. The time has come to allow Taiwan to participate in the WHO. The European Parliament enacted a resolution supporting Taiwan’s bid for observer status in the WHA last week, and I hope very much it is passed. In light of the growing threat of an avian influenza pandemic, it is increasingly evident that Taiwan’s non-participation in the WHO places at risk not only its 23 million citizens but also the health security of people around the world. This issue is about reducing serious health threats. I urge members to give this matter serious consideration and to support Taiwan’s bid to become an observer to the WHO.

Mr GEORGANAS (Hindmarsh) (3.43 pm)—I rise to support the motion moved by the member for Macquarie. As asserted by the Director-General of the World Health Organisation in a speech to the International Pledging Conference on Avian and Human Pandemic Influenza in January this year, it is vital that all members of the international
community work together to share information and expertise in order to prevent the spread of infectious diseases such as avian influenza. In realising this objective, it is necessary to ensure that the global disease response and prevention framework operates seamlessly. The continued exclusion of Taiwan from the World Health Organisation creates a significant gap in this framework, particularly given Taiwan’s emergence as a major hub of trade and commerce in the Asia-Pacific region. This exclusion increases the risk of the spread of infectious disease both amongst the 23 million people of Taiwan and, indeed, throughout the international community.

In global terms, the past decade has witnessed an increase in the level of interaction between peoples. As evidenced by the SARS crisis of 2003, this increasing mobility has also given rise to substantial difficulties in the area of disease prevention. Frustrated in its attempts to gain access to the global outbreak and response network of the World Health Organisation during this crisis, the health authorities in Taiwan were left to fight the disease alone, leading to the tragic death of 73 Taiwanese citizens, constituting one-fifth of the world’s SARS related fatalities. Similarly, Taiwan’s lack of real time access to the latest information about avian influenza threatens the global coordination effort and places an unfair burden on Taiwan’s medical authorities.

These problems serve to lessen the effectiveness of global disease prevention measures and to increase the chance of regional proliferation of communicable diseases. In this respect, it is extremely important that Taiwan is party to the early warnings, threat indicators, vaccines and other medical supplies, and the pool of combined scientific knowledge that the World Health Organisation has to offer.

Without question, the fight against a range of diseases, including malaria, smallpox, cholera, leprosy and HIV-AIDS have all been strengthened by the work of the World Health Organisation, often with remarkable results. Significantly, disease is no longer the only imperative. Now we have the added threat of chemical and biological terrorism. This must also be considered in the context of global health security. This threat provides yet another reason to encourage Taiwanese participation in the World Health Organisation.

By granting observer status to Taiwan at the World Health Organisation the international community would enhance its capacity to deal with these emerging and continuing threats. As mentioned earlier by the other honourable members, the World Health Organisation has previously sanctioned the participation of a number of observers, including the Holy See and the Palestinian Territories. Observer status is granted on humanitarian and health grounds and does not involve questions of political recognition.

Taiwan’s bid for participation as an observer in the World Health Organisation has gained widespread international support. Many governments and political organisations around the world have offered their support for this bid, including the US congress, the European Parliament, the Central American Parliament, the Belgian Chamber of Representatives, the Dominican Republic House of Representatives and the Philippines House of Representatives.

Furthermore, Taiwan has received extensive backing in this bid from the global medical community, including from the World Medical Association, the International Paediatric Association, the British Medical Association in the *Lancet*, the Standing Committee of European Doctors, the International Congress of Traditional Medicine and
the Philippine Medical Association. Each of these organisations has realised the importance of bringing the people of Taiwan within the protection of the World Health Organisation.

Australia and Taiwan have longstanding friendly relations. Both have benefited from the close economic relationship that has been developed between us, and we in Australia welcome the emergence of Taiwan as one of the region’s strongest and most vibrant democracies. Yet, despite the great successes of Taiwan’s health care system and despite the significant technological advances that have delivered Taiwanese people the highest life expectancy in Asia, Taiwan has no access to the expert information, alert and response networks of the WHO. The admission of Taiwan to the WHO as an observer is not a political question. It is a question of recognising the right of the people of Taiwan to the highest attainable standards of health care. I urge all members to offer their support to this motion.

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

Taxation: Compensation Payments

Mr WINDSOR (New England) (3.48 pm)—I move:

That this House:

(1) recognises the hardship faced by families who face significant losses with the withdrawal of water rights;

(2) acknowledges that a similar problem confronts those whose livelihood is threatened by government imposed changes in the use of forest resources;

(3) acknowledges that compensation is being made in recognition of the loss of property rights caused by such policies;

(4) recognises that any benefit such compensation confers will be substantially negated unless the government changes its stated policy of treating such compensation as income and taxing it accordingly; and

(5) calls for the introduction and passage without delay of amendments to the Income Tax Assessment Act to correct this anomaly.

This is a very important motion. I am pleased that the Parliamentary Secretary to the Prime Minister is here, but I am disappointed he is not speaking. To relate some history to this issue, back in 1995 the Council of Australian Governments in the competition policy arrangements agreed on two essential ingredients to water reform, one being the recognition of compensable property rights and the other being the establishment of a trading market in water entitlements. Eleven years later there has been very little movement, although the parliamentary secretary may relate to some movement in the trading market between the states.

At that meeting of COAG there was agreement between the Commonwealth and the states that competition payments would be made only if certain aspects of water reform were reached. Since then, $4.6 billion of Commonwealth money has been handed to the states, with very little movement by the states, who have constitutional responsibility for water, in recognising the property right issue or until recently even the trading market issue. The property right issue has become paramount in the minds of water entitlement holders and of other land users and farmers around the nation.

The issue relates to the compensation arrangements that have been put in place for the six ground water valleys across New South Wales—a compensation payment of $150 million made up of three sections: the state, the Commonwealth and the irrigators from within those valleys—and relates specifically to the taxation treatment of that
compensation. The Australian Taxation Office is treating the compensation arrangements, $50 million of which is from the Commonwealth government, as income in the year of receipt and not as capital whereas the irrigators and accountants et cetera would regard the removal of the water entitlement as a capital loss to gain sustainability in the ground water system. The Namoi Catchment Management Authority has:

... applauded the National Water Initiative for endeavouring to achieve good natural resource outcomes, however good 21st Century NRM—natural resource management—policy is fraying at the edges because it is aligned with a Dickensian taxation policy.

It goes on to say that the Australian Taxation Office ruling is ‘academically bankrupt’. I commend Mr Bruce Brown for his comments on the taxation policy. Namoi Water’s John Clements has adopted a double-barrelled approach: one is to attempt to get the Commonwealth to change its tax treatment of the compensation arrangements and the other is to get the New South Wales government in this case to change the deed of offer from adjustment arrangements to compensation.

The Prime Minister has responded on both occasions I have written to him. I alluded to some of the exit packages that have been compensated when government has put forward some compensation arrangements. But the glaring inconsistency is that there is no consistency in the way adjustment or compensation packages are treated by the tax office, and the Catchment Management Authority has commented that we really need to bring some consistency into the way these things are treated. For instance, the contract for the Brigalow exit package, which is a New South Wales scheme, specifically states ‘exit’—and the Prime Minister, in one of his letters, said that exit packages, whether they be dairy or sugar, are treated differently from water adjustment packages—but, as far as the tax office is concerned, it is being treated as income in the year of receipt. Six valleys are affected. I am disappointed that the members for Gwydir, Parkes and Riverina will not be speaking on this issue, but the members for O’Connor and Mallee will be—and they were both members of the House of Representatives inquiry into rural water supplies and I am sure they would recognise the recommendations for compensation payment and taxation treatment. I call for an amendment to the Income Tax Assessment Act. I think there should be a very simple one-line adjustment to change the circumstances whereby compensation is being taxed at the Commonwealth level—not only for ground water users but very specifically for other land users in the future. (Time expired)

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

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

Mr FORREST (Mallee) (3.54 pm)—The member for New England has raised an important issue. It is certainly an issue that is dear to my heart, as the only engineer in this place and someone who has worked hard over the years to bring the argument along. The member for New England has commenced the discussion by reference to water, and I would like to spend some time on that. He has also raised in his motion some other natural resource management issues which require discussion as well.

It is a real triumph to be able to stand here in 2006 and boast about a National Water Initiative that has substantial carrots attached to it to encourage the states to address water as a national resource management issue. Clause 100 of the Constitution refers to the problem of bringing the states along on this
issue, and I would like to read it for the record. It states:

The Commonwealth shall not, by any law or regulation of trade or commerce, abridge the right of a State or of the residents therein to the reasonable use of the waters of rivers for conservation or irrigation.

I mention that because it is important for the member for New England to recognise the difficulty this parliament has in bringing the states along on the issues which are dear to his heart. The fact is that we have already seen some direct benefit from the National Water Initiative, including right across the north-west of Victoria where, with the government’s very strong support, there is a commitment of $334 million, in partnership between Victoria and the Commonwealth, to complete the piping of the northern Mallee-Wimmera stock and domestic water system. After 100 years of argument, we are finally going to finish off this scheme and save this most precious of the nation’s resources. There is the benefit.

It is worth continuing to work with the states to resolve all of the yet unresolved issues, and it needs to be recognised that there is still a considerable amount of work to be done. The member’s motion draws attention to some of those issues but, with his experience in a state parliament, he must understand that this government has done more than its share in bringing the states along. We have made tremendous mistakes in the 100 years of this nation on the management of our natural resources. Water is just one of them; there is also the land, timber and vegetation. It is a huge challenge in a political context to encourage communities to come along and address these issues, but it is a delight these days that so many of the land-holders in the areas affected are coming along and starting to understand these issues.

The issue the member raises to do with the taxation treatment of compensation is ongoing business and work to be done, but people need to understand whether the compensation they receive is for exiting or for lack of income. That is the difficulty the Commissioner of Taxation has and it makes a difference in the assessment. If it is compensation for loss of income, by its very nature it is compensating them for income they would have received anyway, which would have been taxable. I do not have the ground water problems of those members representing northern New South Wales, but I do have some understanding of the difficulties of protecting and making sustainable the precious ground water resource in the western half of my electorate associated with the South Australian border. This is a precious resource and we need to be extremely careful about the prolific way in which we have been using it. If we bring the communities along with us in the discussion, we will achieve a fine result.

(Time expired)

Mr KATTER (Kennedy) (3.59 pm)—We are very appreciative that the Parliamentary Secretary to the Prime Minister is in the chamber to listen to this debate on the motion of the member for New England. I had the pleasure of reading the report that he did on housing in Australia with the Oxford don, and it was one of the few reports I have read on housing in Australia that made some sense—although I would say that there was a little variation that I would have liked to have seen him put in. But we hope that we have an intelligent person, a person determined to do the right things.

Mr Deputy Speaker Lindsay, you and I know what happens when you take property rights away from people, because both of us are familiar with the situation on Palm Island. If you have a place on earth where nobody is allowed to own any property, as is the situation on Palm Island—and you and I have advocated our views on this on many occasions—then there is no reason to get out
of bed in the morning. Is it any wonder that these people are in the state that they are in?

In Australia, we are rapidly moving to a situation where our property rights mean absolutely nothing. You are not allowed to cut down a tree in your backyard. You are not allowed to take any water out of a stream that might flow through your backyard, whether you are in an urban or a bush situation. It amazes me that people in the cities—and I never realised what a Sydney-centric place Australia was until I became a federal member of parliament—can draw a distinction between a water right and a share certificate. Suppose I have a piece of paper here that says I am entitled to take this amount of water and suppose I have a piece of paper here that says I am entitled to own one-millionth of BHP Billiton. I fail to see what the difference is. If you take the share certificate away from me, you are a thief and you will be put in jail. If you take the water right certificate away from me, you are a person who is saving the nation from the terrible damnation of salination. I fail to see the difference here.

If there is one single distinguishing feature of the Anglo-Saxon race, it is that in the year 1290 they passed legislation called Quia Emptores, and they gave people the right to own property. Over the next 300 or 400 years, it became a sacred right. The French did not get it until 1788. The Germans did not get it until about 1820. The Russians did not get it until 1984. But the Anglo-Celtic people had it and it was one of the reasons that they leapt ahead of the rest of the world.

We have lost the right in my area to clear timber off our station properties. I do not hesitate to say that the family of the famous footballer, Martin Bella, bought a big area of land there on the basis that they were going to clear it and turn it into a partly sugar and partly cattle area. Of course, they had the ground cut right out from under them. That family—a very wealthy, prosperous and successful family—have been placed in a very desperate situation because of the actions of government. Yet they are allowed continuously to take these property rights away from us. We have been told that we cannot clear timber—a right taken away from us that we had before. We cannot access the water in our rivers—a right we had previously that we do not have now. I am talking about Queensland now, not New South Wales. And now we are having the riparian rights taken away from us under Queensland wild rivers legislation. I hope that the parliamentary secretary takes note that half—42 per cent, to be exact—of Australia’s agriculture comes off the Murray-Darling system, off a tiny little 22 million megalitres.

Mr Causley—Sixty per cent.

Mr KATTER—Sixty per cent—I am corrected by the member for Page, who is very knowledgeable in this area. They have 22 million megalitres of water that is producing 60 per cent of Australia’s agricultural produce. In the Gulf Country, we have 126 million megalitres of water. We would be flat out producing two per cent, and our right to access that water has been taken away from us with no compensation.

If you are going to steal our property rights from us, you should at least not tax us on the small modicum of compensation for the outrageous theft of the property rights that we once owned. That single distinguishing feature that enabled the Anglos to leap ahead of the rest of the world has seen our poor First Australians reduced to the state that they are in. This distinguishing feature, private property, will be taken from us today unless we address the problem. A small part of the redress is contained in this motion of the member for New England. (Time expired)
Mr TUCKEY (O'Connor) (4.04 pm)—At the last Federal Council meeting of the Liberal Party in Canberra last year, a motion that I had the privilege of submitting was passed unanimously. That resolution, carried unanimously, requested of this government that section 51(xxxi) of our Constitution, the power of acquisition on just terms, be extended by referendum—in other words, we would have to test the people—to all state and local government decisions that represent a diminution of the property rights of individuals and persons, as the Constitution describes them. I have to admit that I have not had a written reply from the government on the passage of that motion, but it stands there as put by the Western Australian division on the ground that we are fed up with the treatment of the people of Australia, not by the Commonwealth in taking decisions where compensation is due under our Constitution but by all the planning and other decisions, particularly of state and local government, that can materially affect the value of a person’s property.

The issue before us today relates to the treatment of compensation where both the state and the federal governments have agreed. I could probably take the whole afternoon discussing the various aspects of these matters. I am well aware of the time I have available, but I think it is worth putting on record that, just as I was prepared to argue a case at the Federal Council of the Liberal Party for a proper responsibility of all governments not to steal from the people—to use the previous member’s words, and I endorse those words—the fact of life is that we do have a problem where compensation is paid and the proceeds are subject to taxation. There are so many complex issues around this I have discovered, having looked at it. I understand that, if it is classified as restructuring, it is not taxed. I understand that the Commissioner of Taxation himself has put out a discussion paper looking at some of the complexities of this issue.

But I really wanted to spend my last couple of minutes asking: how often has it been duly necessary to take away people’s rights in the name of the environment, in the name of a healthy Murray River? I participated in an inquiry that found out that most of the decisions related to its health were taken by computer modelling. You go and take a four-gallon bucket of water out of the river and you come to all sorts of conclusions. But we as a committee, with one dissenter, advised the government in an interim report that they should go back and get some serious data.

When it comes to underground aquifers—and I know that is particularly where the member for New England’s concern rises—it is very difficult not to have to say, ‘Stop.’ I have been an observer of that in another part of Australia. It is a serious problem. It comes down to compensation. But when the authorities have failed to replace every open channel in the Murray-Darling irrigation system with pipe and when we are allowing 50 per cent of the water that flows into South Australia to evaporate in a recreational lake—that is a statistical fact; it is called Lake Alexandrina—why are we going around trying to steal people’s water entitlements when they are turning them to a productive benefit for Australia? What is more, why are we sneaking through the backdoor, Mr Parliamentary Secretary—I have written to you on this matter—and starting to stand in the marketplace to buy water from distressed growers? Fix the problems first. And when we have secured every drop of water, we can let some flow on a river that used to dry right up before man’s intervention. (Time expired)

Ms OWENS (Parramatta) (4.09 pm)—I will start by congratulating the member for New England for his single-minded advo-
cacy for the people of his electorate. I live in an electorate that is completely different from the member’s. Mine is an inner-city, suburban electorate. I am often heard to say that it contains all of Australia except for rural and regional Australia. All the rest of it is in Parramatta. So, in my electorate, I do not hear the views of rural and regional Australia. I would like to remark that, in this House, I hear more articulate argument for the people in rural and regional Australia from the members for New England and Kennedy than I do from the National Party members combined. I thank you for that, because it well and truly broadens my view of regional Australia. None of us can deny at the moment that a large part of Australia’s prosperity has ridden on the back of rural and regional Australia for decades. If we want rural and regional Australia to continue to prosper, and benefit us all through the next decades, we must all invest in rural and regional Australia at one of the most difficult times, as it seeks to respond to changing environmental issues and the changing economic structures that come with those changes.

This private member’s motion calls on this House to acknowledge the hardship faced by families in rural communities who face withdrawal of water rights. I note that the member does not suggest in this motion that those changes were not necessary, but he does ask that rural communities and individuals be adequately compensated—and not have compensation given with one hand and taken away with the other. The basic principle underlying this motion is that, when you change the ground rules, when you change rules for people who have made family, economic, business and personal decisions based on one set of rules, a government must be very careful about the way it compensates people for their futures. This is true in all areas, and particularly true in rural and regional Australia at this point.

The issue of water resonates in my electorate as well, although on quite a different basis. It is probably the area of the environment that is raised most often. In fact, I hear the word ‘water’ almost on a daily basis in my electorate. For people living in an inner-city area, the changes in our lifestyles as all of us across the country deal with our status as one of the driest continents in the world are largely peripheral. They involve planting native species in our garden, putting in water tanks, washing our car on the grass—doing all the small things that are on the edges of our lives. For people in rural Australia it is a fundamental change, a change in their relationship with the land, the very meaning of ownership of land. These are major changes, which will affect, if we are not careful, the economic viability of rural Australia.

What is the nation’s role in responding to this? We as a nation have benefited incredibly from the prosperity of rural and regional Australia. We have ridden on the back of commodities booms and we have ridden on the back of wheat and wool for decades. We have all benefited and we continue to benefit. We have all reaped the rewards of the work of the people who live in the remote and rural areas of this country, and we all have a responsibility to make sure that rural and regional Australia continues to prosper.

This is one of the many areas affecting our future that this government has failed to respond to in any really serious, coherent way, without a major plan for the future of this country, as we spend and enjoy the prosperity paid for by past generations but refuse to invest seriously in the infrastructure and economic issues that will support future generations. If we want our grandchildren in 50 years time to reap the benefits of rural and regional Australia, we really have to assist
our fellow country Australians to find their way through probably the most significant changes to the way that rural and regional Australia operates that we have ever seen. This is one of the biggest issues facing the country—the change in the way we think about our environment, the way we think about water. It is going to affect every single one of us and we all need to get behind one of the major drivers in this country, which is rural Australia.

**Mr CAUSLEY** (Page) (4.14 pm)—As the longest-serving Minister for Water Resources in New South Wales, I think I have some background in this area and some reason to speak on it. The ground water in New South Wales is one area that I think the department of water resources thought they had right. When in my term as minister I asked them on several occasions whether we were mining the water resources of New South Wales—which, by way of some explanation, is drawing down the watertable without it being replenished—I was told that no, we were not, that our licensing on ground water was correct and that we were not mining the resources. Obviously, in recent years that has proven to be incorrect. It has been shown that the watertable is falling in these areas, and there needs to be something done about it.

Let me be very clear that the allocation of water is not a federal issue. It is a state issue. It is a state allocation. There have been mistakes made over the years. There is no doubt about that. There are too many licences in New South Wales, going back to the days of Jack Beale, who used to give favours around the countryside by handing out a water licence. There was not enough water there to do it.

**Mr Windsor**—And Wal Murray.

**Mr CAUSLEY**—I have to disagree with the member for New England, because I was the minister and Wal Murray had no say.

**Mr Windsor**—You handed them out.

**Mr CAUSLEY**—We did not hand out any. The member for New England is trying to grandstand on this and play some politics. Let me put it in some perspective: he wants to stand Independent candidates in some of these seats. That is what it is about.

These issues are state issues. I wish the member for Parramatta had stayed and listened and got a little background on some of this. Have a look at milk quotas, which were bought and sold on the open market and were a property right as far as I am concerned. If we have a look at water that has been allocated, obviously a property with water is worth a lot more than a property without water. There is no doubt about that. It is a property right. When it comes down to the state, the state have refused to accept that there should be compensation for a property right. Why? They thought they might leave themselves open to litigation. So they fall back to the federal government and say: ‘You fix it. You do something about it.’ The state have to take some responsibility here. I agree with the member for O’Connor, who talked about just terms compensation. When in government in New South Wales we brought in just terms compensation, but this government—

**Mr Windsor**—Whose vote got you that?

**Mr CAUSLEY**—The member for New England lives on the dream that he once had the balance of power in New South Wales—the only time he was ever effective in a parliament, in all his years in politics! The fact is that the government are saying: ‘This is not property right. We’re not going to agree to a property right.’ If it was and there was compensation then it was tax deductible. It is as clear as that. If the member for New Eng-
land and the member for Parramatta have any influence at all—and they say they have influence—they should talk to the state government about some of this. If the member for Gwydir had not stood up and looked for compensation for these people who were losing their water rights, there would be no compensation. The state government was dragged screaming and yelling to the fact that they had to match it—that is, the $55 million that was put on the table. That is where the compensation came from.

The real issue here is the taxation angle. I once headed up the House of Representatives Standing Committee on Environment and Heritage in the previous parliament. We did a study on catchment management. The bipartisan opinion was that if people have to have some interference in their property rights in the general good, in the good of the community, then the community have to compensate those people for that. I stand by that. The community have to compensate them for that. There is no argument about that. We did it for milk and we did it for sugar. I see no reason why we cannot have legislation in this parliament that allows this to be a tax deduction. I see no reason why it cannot be that way. As I said, the member for Gwydir, despite the fact that he is being attacked by the member for New England, stood up and said that these people were entitled to compensation. We have to now support that. I say to the government: have a look at milk, have a look at sugar and have a look at the way we dealt with those. The fact is that compensation payments were given to those industries because they had been disturbed by an act of the parliament. They should be tax deductible and they should be treated as capitalisation. (Time expired)

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

GRIEVANCE DEBATE

Question proposed:
That grievances be noted.

Indigenous Communities

Mr ADAMS (Lyons) (4.20 pm)—The media this last weekend picked up on the terrible things that are occurring under our consciousness in Australia, following a few people speaking out—at last, in despair—on how to deal with a dysfunctional situation in outback Australia. I have watched again the debate and the trauma that lies behind it for Indigenous people. All the rhetoric and all the spin appearing in the media over the years hide a series of wrongs that we all have the responsibility for fixing. It is good that the issues of rape and violence are being discussed as horrendous problems racking our Aboriginal communities. It is bad that this has been going on for so long and that it has not been seen as important by decision makers. It is also bad that it is seen as only an Aboriginal issue. It is not. It occurs across all of our communities in Australia and it occurs across the world as a whole. Peoples across the globe are facing this now. It shows cultures in collision. There are examples being set by one set of people and another set of people that should know better. It even shows cultures disintegrating into anarchy.

It is easy to blame white occupation of Australia and one group of people being exploited by another, but that is far too simplistic. We have to look at ourselves as a country. We should be living together, helping each other and treated equally. Despite all the argument to the contrary, people are not treated equally in Australia. If you are a white, Caucasian, educated male from an affluent background, you will be advantaged in current society across the world. Just look at the places of power and influence and see...
who has risen beyond the ceiling these people set—not many. It was quite sickening to me to see Prime Minister Howard and President Bush being so intimate and self-congratulatory, when one knows that both their countries are in turmoil because of the inequities that stem from their policies and their actions.

We have a situation in Australia where we have complete and utter breakdown. It is something that we see every day on the news, and not just in Australia. We see it in Europe; we see it in Africa, particularly in the poorer nations; and we see it in Asia, once again where there is a struggle to earn that daily bowl of rice. It is endemic where poverty reigns and where the basics of decent living have been removed.

We can blame alcohol and drugs, but they are merely the sop to the symptoms. We have here a loss of self-esteem, dignity and the pride of the collective. We have a system based on possessions, property and ownership; others have a system based on communal land, spiritualism and tribal pride. Neither is mutually exclusive. But remove the basis of people’s values and you have anarchy, violence and despair, as they strive to realise some sort of control of their shattered lives.

I was disgusted the other day to learn that the Chairman of Macquarie Bank earns $21 million a year, yet one of their ‘investments’ may have been cutting financial corners that might have been responsible for the death of one miner and the incarceration of two others for a fortnight. People will say that these are unrelated, but it shows the values by which some people are prepared to live. Taking risks with people’s lives and employability is not something that should be tolerated.

We are taking risks all the time with the lives of our Indigenous people by not dealing with them as a people. We cannot ignore it anymore. We can talk about it again in seminars and talkfests, which may help set a direction but, firstly, we must deal with the issues that have caused this breakdown: no work; no access to good health care; education that is not necessarily suitable for the work and life many of us strive for; no housing, or housing so crowded that the tensions that build up reach boiling point and strip people of their values and their dignity. Put any of us in this situation and see what happens.

It is shocking to see that while Australia is running a huge surplus in the national budget—the forecast for 2006-07, according to the Treasurer, is $10.8 billion—poverty is grinding more and more into the ground. The federal government has taken to blaming the states for being miserly. But the billions left over from our taxes and profits made from the minerals boom makes this situation a sad indictment of our times. These funds have to be committed to dealing with the inequities in our society. We cannot afford to let this go on much longer, otherwise people will become so disaffected that they may well become dangerous to us and to themselves. We have seen what happens to disaffected young people, particularly when they are influenced by unscrupulous leaders of cults or fundamentalist religions. Do we really want this to occur in Australia?

Parliament has a responsibility to alleviate the base causes that produce the desperate and obnoxious behaviour currently being displayed in Aboriginal communities. We need to deal with the cause, not the symptoms, and we need to deal with it now. Maybe then we will have relief in another 10 years. These things cannot be rectified overnight, as there are some very damaged people out there. But the cause must be stated, and the alleviation undertaken as a priority.
There are many ideas on how to address the gap between all the different 'cultures' in Australia. Often it can be addressed through something we all have in common—a love of sport. In fact our Indigenous people have a great talent for all sorts of sport. It is one area in which young Aboriginals can be better than most and in which they can give themselves self-esteem and dignity. Why can't we use those positive attributes to help realise a better lifestyle for all? There are already role models. The later ones include Cathy Freeman, some of our AFL stars and, of course, Rugby League and Rugby Union stars. The first Australian cricket team to play in England were all Aboriginal—not that there is much recognition of that these days.

On one committee trip to the Northern Rivers area some time ago, I noted a group up there had started working with young people—particularly those who had had a troublesome background—to develop a rugby team. Over a few years it had become very successful. Not only did the team prove to be one of the top teams but the players showed much more interest in their schooling and went on to colleges. It proved that they could take a proud place in their community. We have lost a lot of this in our outback areas. Yet sport has shown that the expertise of Indigenous people is very much equal to that of other Australians. There are also a lot of performers and artists who can provide great role models for young people, if given the opportunity, the place to work and the encouragement.

If this government wants to prove its credentials, then it could start by committing some of the surplus to solving these pressing and disturbing problems. The country cannot afford not to start working on solutions to this despair. We need to make conditions in all the basics better: better diet, better housing, better health, more appropriate education and training and training beyond school. We need to have greater understanding of what it is like to be isolated and left to try and cope with the minimal resources of many of these small communities. We also need to recognise the leaders, the elders within these communities, and help them fight against some of the huge hurdles they face that incite violence and antisocial behaviour and give them the powers they need to help their communities help themselves.

It is not just money but belief and trust that we must deliver. Throwing money at these problems without assistance in some of these cases only makes things worse, as often there is not the perceived need to account for money in the way bureaucrats do, as chattels mean nothing in some of these areas. It is up to all of us, at all levels of government and in our communities, to try not to lock the problem up. (Time expired)

Sri Lanka: Tamil Tigers

Mr RANDALL (Canning) (4.30 pm)—Today I wish to raise the issue of the group that is often known as the Tamil Tigers or the Liberation Tigers of Tamil Eelam, LTTE. I am confirming my support for Australia listing this organisation as a terrorist organisation, as many other countries have done. I will come to that shortly.

The LTTE is one of the most voracious, brutal and militant groups in existence. The vast majority of Tamil people are good law-abiding citizens who prefer to distance themselves from the LTTE and its actions. Having travelled to Sri Lanka several years ago, I can confirm that the majority of Tamils, who are the minority ethnic group in the nation of Sri Lanka, reside outside the known LTTE zones, largely in the south, living in harmony with the majority ethnic group, the Sinhalese.

To demonstrate this further, let me add this. Recently in Australia we have had a
number of visits from parliamentary representatives from Sri Lanka—none less than Mr Lokubandara, the Speaker of the Sri Lankan parliament. We have hosted him on at least two occasions; he is a very popular figure in the parliament. Mr Mahinda Samarasinghe, who is the Chief Opposition Whip, recently led a delegation here to learn from Australia about crisis management. He was educated in Australia. With him was the venerable Athuraliye Rathana Thero, who is the parliamentary group leader of the Buddhist party in the Sri Lankan parliament. Interestingly, the Buddhist party holds the balance of power in the Sri Lankan parliament. That is why Mr Lokubandara, who is not a representative of the majority party, is the Speaker: the balance of power delivered Mr Lokubandara from the Buddhist monks, of whom I believe there are nine in the parliament. But that is an aside. This was a mixed delegation, and people live in harmony generally.

We know that there is a big nationalist movement by the LTTE—and there has been for some time—to have their own independent state both in the north, located around Jaffna, and in the east, located around Trincomalee. However, there is now a split amongst the LTTE. In the east, a group led by Karuna, as he is affectionately known—he has a far longer surname, but Karuna is the name he is known by—has broken away from the main Tamil Tiger group. They are fighting amongst themselves, and the fights amongst themselves have been far more bloody than anything else that has gone on in recent times.

Recently I attended Sinhala-Hindu new year celebrations. Sinhalese and Tamil people were in attendance. It was a fantastic event and both groups were in harmony over a long period that evening.

Last week, the European Union said it would join with the United States, Canada and Britain by listing the Tamil Tigers as a terrorist group. The ban would outlaw, in EU countries, the Tamil Tiger group and followers. This would affect a vast number of countries. The ban would ensure that the Tamil Tigers’ premises were shut down and its assets were frozen.

In September last year, the EU imposed travel restrictions on the LTTE and warned of a full ban unless the group gave up the use of violence to achieve political objectives. The violence did not cease. Sadly, in fact, Sri Lanka has just witnessed one of the bloodiest months since the Norwegian sponsored ceasefire agreement of February 2002. In April, 191 deaths were recorded. Government troops, Tamil Tigers and civilians were killed in this bloody month.

As chair of the Australia-Sri Lanka friendship group in this parliament, I have a particular interest in this matter. I have been approached by members of the Sri Lankan community as well as my own constituency, advocating the listing of this group. The Australian government is considering listing the LTTE as a terrorist organisation; however, it is also mindful of the negative effects this listing may create. In today’s Australian there is a very good article which says that listing is an option but that if the LTTE is listed it may have a negative impact by actually dislocating the LTTE from any further peace talks.

Last Sunday, the chief negotiator for the LTTE, Anton Balasingham, warned that the imminent European ban on the group could ruin future peace negotiations. By listing the group as a terrorist organisation, the EU plans to isolate the LTTE, forcing them back to the stalled ceasefire talks and negotiations on a formal peace process that have been on hold since 2003.

One of the alarming things about the LTTE, as with any other terrorist group, is
that their fingers creep throughout the world. As I said, we know that here in Australia the majority of Tamils are marvellous peace-loving people who love their country of Sri Lanka. However, there are also infiltrators. They are here. I am informed that in certain parts of Australia they are vigorously collecting money and funds on behalf of the LTTE. This money is going back to fund terrorist activities in various parts of Sri Lanka.

Many members are aware of LTTE members who might be in their electorates. I make particular mention of the member for Lowe, who last rose in the House to speak on this subject prior to the Australian general elections in 2004. The member for Lowe acknowledged that a large number of Tamils reside in his electorate. By suggesting that his constituents were concerned about the Tamils’ right to vote, he exposed his own position, which was the endorsement of the Tamils who accuse the Sri Lankan government of not allowing them to vote.

The member for Lowe accused the national government of Sri Lanka of stopping the Tamils from voting in the north and east. Actually, it was the Tamil Tigers who were not only stopping them from voting but killing any candidates who were opponents of their party. Anyone who was put up as a candidate was duly dealt with or shot. No wonder people did not want to turn out at the polls to vote: they knew that would be their end. The member for Lowe was quite wrong in what he said, and I have advised him that it is very dangerous to make these allegations against the Sri Lankan government and to directly align himself with such a proscribed terrorist organisation.

It seems that not much has changed since then. In fact, if anything, the member for Lowe has strengthened his support for the organisation. In a media release dated 5 May 2006, the member makes inaccurate statements which clearly reflect his close association with the LTTE supporters in his electorate. I have been contacted by the Acting High Commissioner of Sri Lanka, Asoka Girihagama, who was horrified at the raft of inaccurate information contained within the member’s statement. Mr Girihagama has written directly, refuting the member for Lowe’s statements, and asked me to promote the Sri Lankan government’s perspective.

The member states that Sri Lanka does not regard the Tamil people as part of its population, when in fact 85 per cent of the Tamil community still live in the south in cohabitation with the Sinhalese and Muslim communities. The Sri Lankan government has never targeted civilians in its fight against terrorism, whereas the LTTE has used civilians as human shields—and, in fact, young children as soldiers—bringing criticism from the international community. The LTTE recruits children, as I said, which is a deplorable violation of children’s rights and a major concern of the Sri Lankan government.

After my comments in an adjournment speech in March 2004, I was approached by my colleague the then member for Parramatta, Mr Ross Cameron, who stated that LTTE sympathisers had visited his electorate office. Apparently they were unhappy with my comments and told Mr Cameron that, unless he distanced himself from my views on the LTTE, they would work against him at the 2004 election. We know that Mr Cameron did not retain his seat. It probably did not have a lot to do with the Tamil Tiger’s threats; however, you can see how proactive they are in the electorates of Parramatta and Lowe. That is one of the reasons for my suggested line of action.

By listing the group, Australia would be helping the peace process. The member for Lowe’s overt, covert and implied behaviour
is already inflaming the situation. In fact, this press release that I intend to table says:

... targeting Tamil civilians by the Sri Lankan Government clearly demonstrates that it does not regard the Tamil people to be part of its population.

How inflammatory is that statement by the member for Lowe? Interestingly, the member for Lowe is not a member of the Sri Lankan Friendship Group in this House. I wonder— it is very easy to answer that question.

I support the sentiments expressed by the Acting High Commissioner in his letter to the member for Lowe. He said:

We expect you as responsible politicians in Australia to look at the complexity of the issue, without supporting terrorists to win their separate state dream and urge them to come to a negotiated settlement to the issue that affected the island over two decades.

With the continuing violence that I have already mentioned and the EU so close to listing the group as a terrorist organisation, does the holder of a 3.4 per cent marginal seat, the member for Lowe, wish to change his position? I suggest he should. He should not be out in his electorate giving tantamount support to what can be described as a terrorist organisation, and he should desist from it. (Time expired)

Superannuation: Same-Sex Couples

Ms PLIBERSEK (Sydney) (4.40 pm)—

Today I rise to highlight the ongoing discrimination faced by same-sex couples across Australia in the important area of superannuation. Despite continued assurances from the government that they are just about to fix this problem, nearly two years down the track, after firm commitments were given, many same-sex couples are waiting in hope that the anomalies they face will be rectified.

We know that the government has given same-sex couples some rights in superannuation but that those rights are restricted to private sector superannuation schemes and are given through a newly established category of ‘interdependent relationships’. The commitments that were given for public sector super have not been kept.

I want to talk briefly about some of the areas in which same-sex couples still face discrimination when it comes to superannuation. One that springs to mind is the legislation introduced last year which allowed couples to split their superannuation contributions at the end of each financial year to reduce the amount of tax they pay on those contributions. I believe that up to 100 per cent of personal contributions and 85 per cent of deductible contributions made after 1 January 2006 are able to be split with a spouse. For couples that are able to split their superannuation, the main benefit is that they can take advantage of two tax-free thresholds of $129,751. The result is that couples will be able to have more of their savings for retirement.

Unfortunately, same-sex couples are not able to split their superannuation contributions with their partner, even though it is their own money and they worked for it just like the people who are able to split their contributions. The government knocked back an amendment proposed in the Senate by the Labor Party and the Democrats that would have corrected this anomaly. We believe that same-sex couples and others in interdependent relationships should have the same access to benefits as do people in heterosexual relationships and should be able to determine where they put their money.

Another area of superannuation where discrimination still exists is in spouse co-contributions and the spouse rebate. Under current legislation, a person who is married or in a heterosexual de facto relationship may make an after-tax contribution on behalf
of their partner. But if the partner earns less than $10,800 in a year then the contributor can claim an 18 per cent income tax rebate for contributions up to $3,000 per year that they have made on behalf of their partner. Same-sex couples are not eligible for this rebate, even though they may still be able to make contributions on behalf of their low-income partner.

However, the main area of superannuation where same-sex couples are yet to have equal rights is in some public sector superannuation schemes, particularly in relation to the payment of death benefits. These schemes are the Commonwealth Superannuation Scheme, the Public Sector Superannuation Scheme, the PSS Accumulations Plan, the Military Superannuation and Benefits Scheme, the Defence Forces Retirement and Death Benefits Scheme and the Parliamentary Contributory Superannuation Scheme. This is an area that the government could most easily change.

Current general superannuation rules which apply to non-government superannuation schemes, rules introduced by the government in 2004, allow for those in an interdependent relationship to receive a deceased member’s superannuation benefit on a concessional tax basis and to receive the deceased partner’s superannuation pension or reversionary benefit. However, the current legislation and rules governing the operation of the Commonwealth defined benefits superannuation schemes prevent the entitlement of the same benefits occurring within public sector schemes.

The definition of ‘spouse’ for superannuation purposes within the public sector schemes means a partner of the opposite sex—it includes only heterosexual partners. Therefore, the death benefits payable from the Commonwealth defined benefits superannuation schemes are payable only to a member’s or ex-member’s opposite-sex spouse, either de facto or married. Same-sex partners of deceased members who are not being classified as a spouse are denied access to these benefits, where for other superannuation schemes they have access.

In a press conference on 27 May 2004, the Prime Minister said:

The Government has decided to expand the definition of dependant for the purposes of paying superannuation death benefits to include a person in an interdependent relationship.

The government’s rhetoric has always included same-sex de facto relationships. This was backed up later by a commitment from Senator Coonan in a speech to the Senate on 12 August 2004, when she said:

The superannuation laws, where the definition of ‘dependant’ has been changed, have no doubt been canvassed in earlier speeches. I have initiated a review of Commonwealth superannuation schemes for consistency with the government’s policy to recognise interdependent relationships for superannuation death benefits.

That was almost two years ago. Again I say that ‘interdependent’, in the government’s book, has always included same-sex de facto relationships. The commitment was restated by a spokesperson on behalf of Senator Nick Minchin to the Sydney Star Observer on 17 March 2005, over a year ago. The spokesperson said:

The Government is preparing the legislative changes in relation to the interdependent relations [...] We are reviewing what needs to be done and the legislative changes will be put to the Senate as soon as possible.

That was over a year ago. I do not know what ‘as soon as possible’ means if we are talking about a year at a time. When questioned in a Senate estimates hearing in February this year about when the government would fulfil their commitment in this area, Senator Minchin said:

She—
referring to Senator Coonan—

made a commitment to Senator Greig on 23 June 2005 to make inquiries into the progress of changes to all Commonwealth super schemes to allow payment of superannuation death benefits for persons in an interdependent relationship. The commitment was to make inquiries into the progress of changes. I have not had drawn to my attention an unconditional commitment by Senator Coonan or anybody else in authority to make those changes.

That is the worst case of back-pedalling I have seen.

When the government made their attack on gay men and lesbians by beating up the issue of same-sex marriage, the sweetener, if you could call it that, was saying to those communities: ‘We’re going to go you on marriage but, I will tell you what: we’ll fix up superannuation for you. You’re not going to be financially disadvantaged.’ We now have back-pedalling away from this commitment. The minister should be listening to his colleagues. If he did, he would know that there has been a firm commitment since May 2004 that interdependent couples would have equal access to superannuation. I think that trying to slide out of this commitment now will not wash with the gay and lesbian community.

It goes without saying that going through the trauma of losing a loved one is devastating enough without having to worry about how you will financially survive. The dearest wish of someone who is sick and facing death is to make sure that the people they love and are leaving behind are well provided for. There is no logical reason why a person in a same-sex relationship should not receive the same entitlements after the death of a partner as someone in a heterosexual relationship. It is the money of the contributor to the superannuation scheme that is in question, and they should have every right to decide where that money goes.

A Labor government would recognise same-sex relationships in this area. We would equalise the treatment of same-sex relationships when it comes to superannuation. I would like to draw to the attention of the House the great work of the AIDS Council of New South Wales and the Gay and Lesbian Rights Lobby (New South Wales), who are working on this issue and raising awareness in the gay and lesbian community about the issues of continuing discrimination in superannuation.

**Snowy Hydro Ltd**

Mrs HULL (Riverina) (4.50 pm)—I rise in the House today in the grievance debate with frustration and despair at the intention of the Commonwealth government, the New South Wales government and the Victorian government to sell off Snowy Hydro. I note that the Parliamentary Secretary to the Prime Minister is sitting at the dispatch box, and I hope that he will listen not only to my plea but also to the pleas of many Australians that the Commonwealth not be involved in the sale of Snowy Hydro.

We held a meeting at the Yoogali Club in Griffith on Wednesday, 26 April. It was after a motion was put in this House on this issue, a motion about which I did not have prior notice. I managed to come into the House to speak off-the-cuff about my concern at the sale of Snowy Hydro. At the time the motion was put to the House and a vote called for by the Independents, I had my say and then determined to leave the House. I did that so as to abstain from the vote—to not vote against the sale or be involved with a vote that could see the sale go through. However, I must say in this House now that, if I knew then the additional detail I know now, I would not have abstained. I should have crossed the floor and committed my vote wholly and solely against any proposal to sell any holding in Snowy Hydro.
At that meeting at the Yoogali Club in Griffith, I heard experts speak on this issue. Among those experts was Mr Vin Goode, a former commissioner for Snowy Hydro, who has extensive knowledge. Mr Max Talbot also spoke and provided information; he also has extensive knowledge about Snowy Hydro.

A view was put that the documentation drafted for the Snowy Hydro corporatisation put in place arrangements for the privatisation of Snowy Hydro. A view espoused to me in this place was that the time for discussing any future sale of Snowy Hydro was when it was corporatised. From further information now in my possession, I do not believe that is the case. The corporatisation documentation was drafted with corporatisation and not privatisation in mind. That documentation includes a 75-year water licence that grants Snowy Hydro Ltd rights over the collection, storage and release of the scheme’s water resource and not over the ownership of the entire kit and caboodle.

Snowy Hydro Ltd is being privatised, as we know—and it is being privatised with undue haste. It took us nine years to corporatise it, but it will take us only seven to nine months to privatisate it. With only a few mutterings in this House, it is being privatised without consultation, without parliamentary debate of any form occurring in the Victorian chamber or the New South Wales chamber—the governments who are selling off the entire system—and without a due diligence exercise being undertaken on the adequacy or otherwise of the agreements and how they will operate in the hands of private enterprise.

Looking at the sale of Telstra, I must give the Commonwealth government due reward and credit. I did not vote for the sale of Telstra; in fact, I crossed the floor and cast my vote against it. But, on the impact of the privatisation and sale of Telstra, to the government’s credit, a number of inquiries were held over a period of five to six years and an enormous amount of consultation occurred, particularly with Minister Coonan. But nothing like that has been done in relation to the privatisation of Snowy Hydro.

Any transparency and oversight of Snowy Hydro Ltd’s activities are inadequate. The corporatisation agreements do not provide a basis for effective regulation of Snowy Hydro Ltd. Snowy Hydro Ltd can assign its interest in the water licence, subject to ministerial and corporation approval, and the deeds and the agreements say that it shall not be unreasonably withheld. Once privatised, Snowy Hydro Ltd will push the boundaries of that licence, believe you me. In addition, it will pursue growth and increased profitability for its shareholders, because that is what privatisation is all about. That a 75-year licence giving control over our nation’s water is to be in the hands of private enterprise is inappropriate, especially given our future climate uncertainties.

Putting water and heritage issues aside, I say that Snowy Hydro Ltd occupies a unique and monopolistic position in the national electricity market. It is a position which cannot be emulated easily by others and which gives it the ability to control market outcomes at critical times. This is not the intention of the NCP or privatisation. Connected with this privatisation, there is no contestable competition of the kind outlined to me during the discussion and debate had on the privatisation of Telstra. The argument used for the sale of Telstra simply does not apply to the sale of Snowy Hydro, and I cannot understand why this push, this rush, to sell Snowy Hydro is being accepted by people across Australia, by our governments and particularly by the Labor Party. One member of this House, Peter Garrett, the member for...
Kingsford Smith, in the *Sydney Morning Herald* on 15 February 2006, said:

It would be premature for governments to be rushing into privatisation. The recent track record of privatisation is mixed. The level of public and political insight into what is going on needs to be much greater.

That was well said and I agree entirely with the member for Kingsford Smith. But where was he and where is he now vocally, when he needs to influence his state Labor colleagues, when his views need to be taken into consideration? Where was he and where is he in this House, when there is a need to try to stop the selling off of Snowy Hydro?

We have an issue with the national electricity market in that its rules and market regulation are still evolving. As we have been advised by Mr Goode and Mr Talbot, market complexities make it difficult to effectively regulate the activities of market participants in the interests of consumers.

Sandy Hydro has an income of around $450 million per annum, with a net profit before tax of about $200 million. Over the last two financial years, it has paid cash dividends of $140 million and $110 million, with retained earnings of $188 million. There is a definite need to understand how this system works. We see where Sandy Hydro Ltd has invested additionally in excess of $500 million into gas turbine plant and a retail business in Victoria and around $80 million into modifying the Jindabyne Dam to provide for environmental flows. There is an ongoing capital expenditure to refurbish, enhance and modernise Sandy Hydro’s assets, which amounts to about $20 million to $25 million per annum. That is well within its ability to self-finance and it is well short of the ‘in excess of $1 billion’ that is being quoted by many who are in favour of this sale.

I would like to see us being able to look at all the opportunities. I have received a call today asking that I seek to have a national heritage order placed, as a matter of urgency, on the Sandy Mountains scheme so that this sale can be precluded or prevented. That call came from the Cooma-Monaro Shire Council and the Sandy River Shire Council, both of whom certainly do not support, under any circumstances, the ownership of this important infrastructure being put in private hands.

There is a need for us to rise up against this sale. There is a need for the people across Australia to do all that they can to prevent this sale. I am only sorry that I did not have further information at the time the motion was put before the House so that I could have exercised a true and conscientious vote—a vote of conscience for me and a vote for the Australian people—against any efforts to sell off any component of the Sandy Hydro. *(Time expired)*

**Water Management**

Mr GIBBONS (Bendigo) (5.00 pm)—I too would like to use this grievance debate to talk about water issues. Bendigo and central Victoria are, like many other regions throughout Australia, experiencing their driest conditions for many decades. If we continue to experience drought conditions, and there is every indication we will, then the nation will have to examine some radical solutions to ensure that we get adequate water for our ever-increasing demand.

One option that should be considered over the long term is desalination. There are numerous examples where desalination plants have been able to provide a constant supply of fresh water to even the driest of continents and Australia is the driest continent on earth. The desalination option is not an easy one as there are major obstacles to overcome. Finding an appropriate disposal or use of the waste material and the substantial energy cost to power the plant are just two. No-one would argue that these are mi-
nor problems, but if we are to continue to experience these dry conditions then desalination may be a viable option and possibly one of our only options.

An idea put to me a few years ago I believe is well worth investigating—a desalination plant on the east coast of Australia processing the vast resources of sea water, then pumping regulated amounts up into the Snowy Mountains and down into the Snowy and Murray river systems, perhaps via a new hydro-electric power station. The power generated by a new hydro-electric generation plant could offset the substantial energy costs associated with desalination. The waste product or salt could then be deposited back into the ocean. I realise that this sounds simple, but obviously it requires a more thorough examination than I am able to provide, especially in the time allowed in this debate.

This concept would virtually drought-proof large areas of Victoria, New South Wales and South Australia. Using our natural river systems as distribution channels would not only provide a limited cost and an already constructed distribution system but also be of great benefit to our rivers by providing a regulated flow of fresh water, enriching the environmental condition of some of our major rivers. The benefits to the communities in Victoria, New South Wales and South Australia would be substantial and, given that this applies to three states, the project would be a national responsibility and would deserve the attention of the national government.

A proposal to enhance central Victoria’s water supply should be, and is being, considered immediately. The state government has two feasibility studies under consideration through the Coliban Water Authority to examine the options of piping water either from the Waranga channel to the Campaspe Weir at Rochester or from the Waranga channel to Lake Eppalock where it could be transferred to Bendigo’s water supply when required. The Bracks state Labor government is quite correctly investigating both options, as you would expect from a responsible government tuned specifically to the needs of its constituents across the state of Victoria.

Whilst both proposals would appear to be beneficial to enhancing the region’s water supply, I believe the construction of a pipeline from the Waranga channel to Lake Eppalock would be by far the best option for the reasons I am about to outline. I intend to illustrate some other options that would complement this proposal and help drought-proof a significant area of Victoria. I set out the following reasons for supporting the Waranga to Lake Eppalock proposal in a letter to the Victorian Minister for Environment, Water and Victorian Communities on 27 April: a Waranga to Eppalock pipeline would ensure that the current environmental flows into the Campaspe River are maintained at current levels or increased as the need arises; downstream irrigators along the Campaspe could maintain current supplies without incurring pumping costs or restrictions due to the limits on capacity from the Waranga channel during the peak periods of demand; water from the Waranga channel could be purchased from the Goulburn Murray system on the open market in off-peak seasons and stored in Lake Eppalock, enhancing the delivery capacity of the Goulburn system; water stored in Lake Eppalock would provide an additional reserve and would be able to be transferred to Bendigo’s water supply, mostly via an existing pipeline; and an adequate and regular supply of water in Lake Eppalock would enhance recreational activities on the lake such as fishing and boating et cetera.

We can only imagine how a dry lake has impacted on the small communities that depend on Lake Eppalock for their economic
wellbeing. Heathcote is a small town close to the lake that has felt the impact more than most, as the large numbers of recreational fishermen, waterskiers, yacht club members and the many other people who used the lake have had to find other locations to pursue their interests or recreational activities. The lake’s four caravan parks and the one hotel-motel have been substantially hit by the dry environment. Lake Eppalock is currently at just seven per cent capacity and in fact you can drive down the main public boat launching ramp and then across the lake bed onto the other side of the lake some two or three kilometres away—that is, if you can navigate the shrubs and weeds that have established themselves over the past few years.

It is interesting to look at the statistics prepared in 2003 on behalf of the City of Greater Bendigo, which state that Lake Eppalock was at 14 per cent capacity in 2003 when the study was completed and is currently at less than seven per cent. This compares with the level of the lake being at 48 per cent in the 2001-02 season and 98 per cent in the 2000-01 season. The major recreational activities are waterskiing and fishing, with eight commercial enterprises and 37 clubs and camps located around the lake. There was an estimated 358,036 visitor days per annum at the lake in a good season, with the peak season being from late October right through to Easter. The estimated economic impact of Lake Eppalock in central Victoria is measured as a total output of $19.7 million and a total number of jobs at around 206, with 133 direct jobs being affected. The patronage of the lake and the associated businesses for the 2002-03 season has dropped by as much as 80 per cent when compared to a normal season, with an estimated reduction of patronage of 285,400 visitor days.

The Waranga to Campaspe Weir option would deliver benefits to that region only when Lake Eppalock’s capacity is back to adequate, which has not happened for many years, and even then the benefits would be minimal compared with the Waranga to Eppalock option. I believe the Waranga to Eppalock option is by far the most beneficial as it encompasses substantial benefits for the local government regions of Macedon Ranges, Mount Alexander, Greater Bendigo and Campaspe and the approximately 190,000 people who reside in these regions.

Given that these local government regions stand to gain the obvious benefits from an enhanced water supply, it would not be unreasonable to expect them to contribute towards the cost of construction, along with the affected water authorities and the state government. The Commonwealth government’s Water Smart Australia program suggests that there might be an opportunity for the federal government to participate in this type of program. I quote paragraph 43, under ‘Eligibility criteria—national interest test’, which states:

Projects must clearly produce significant national interest benefits. Proposals with local benefits that do not demonstrate broader public advantages (such as significant innovation or national demonstration value) are unlikely to receive a priority ranking.

It could be argued quite easily that the Waranga to Lake Eppalock pipeline proposal would meet the criteria set out in the guidelines for the Commonwealth’s Water Smart Australia program. By comparison, the Waranga to Rochester Weir option would have little chance of meeting that required criteria. If the option of a Waranga to Lake Eppalock pipeline were adopted, it would provide a vast reserve of fresh water concentrated in central Victoria and ready to be distributed wherever it is needed.

Another proposal under consideration is to pipe water from Geelong to Ballarat and from the Cairn Curran Reservoir in central Victoria.
Victoria to Ballarat. This proposal would be greatly enhanced by another idea put to me recently which involves the construction of an additional pipeline from Bendigo’s Big Hill Reservoir to the Cairn Curran Reservoir.

If the Waranga to Lake Eppalock proposal were adopted, it would allow water to be pumped from the Goulburn-Murray system, through Lake Eppalock, into the Big Hill Reservoir, into the Cairn Curran Reservoir and on to Ballarat and Geelong. This would link the water supply systems of the three major regional centres in Victoria, providing an immense benefit to those regions by giving them the ability to pump water from different directions, depending on need and availability. Our three regional centres would have the extra option of obtaining water from additional sources during the off-peak winter months and storing the water in already established reservoirs. This is not an unrealistic plan by any measure, and it is entirely achievable in both engineering and financial terms.

The idea of a desalination plant on the New South Wales coast and the construction of linking pipelines in Victoria may sound a little radical but, as I said before, we may have little choice if we continue to suffer from acute water shortages. We have the necessary technical and engineering skills in this country to make this plan work, and it should be considered seriously by our communities. The concept of piping water from Waranga to Lake Eppalock is currently being considered, and the idea of connecting the water supply systems of our main regional centres of Ballarat, Bendigo and Geelong, utilising the Commonwealth’s Water Smart Australia program, should be considered in the future. (Time expired)

Environment: South Gippsland

Mr BROADBENT (McMillan) (5.10 pm)—I can only grieve and identify with the member for Bendigo in relation to the lack of water in Bendigo and Ballarat, in his district, the continuing drought across northern Victoria and the shortage of water across southern parts of Victoria. Every member of this House is concerned when it comes to the livelihoods of people affected locally by drought up and down the east coast of Australia and towards the West—right across the nation. Rain is needed, and we look forward to a return of the rainfalls that we are used to.

My contribution to the grievance debate today is about the environment, particularly the environment of parts of South Gippsland that is so dear to the hearts of so many down there, those who have gone out of their way to protect the environment for future generations who will move from Melbourne to the promontory through South Gippsland and who will enjoy the beauty of the region and the glorious nature of the migratory and other birds that inhabit that area.

Recently an application to build a wind farm at Bald Hills was knocked back. There has been much ado about the orange bellied parrot and the minister’s reasons for refusing the application. I would like to begin by reading a letter from constituents of mine, Beverley and Ken Walker, which says:

RE The Orange Bellied Parrot and other Birds at Venus Bay Wetlands.

I would like to thank you on behalf of the Orange Bellied parrot [OBP] whose habitat (rocket and beaded glasswort amongst others) is present in abundance on the Venus Bay Wetlands and the shoreline of Anderson Inlet at Venus Bay in South Gippsland Victoria. It was previously present at Screw Creek (15 kms from Bald Hills) but apparently has been recently cleared by machinery after approval was given to build a retirement village on the Saltmarsh on Anderson Inlet at Inverloch.

From where I sit now at my desk I am staring straight at Bald Hills. It has been with heavy hearts that we watched the many other flocks of
birds flying towards potential risk of harm from these intended inappropriate wind towers. There are large numbers of wader and water birds which use this farm land at Venus Bay as habitat. This land is Evergreen Wetlands on Anderson Inlet. The peat and acid sulphate soil laced land which has adapted over the last century to previous Evergreen landholders’ interventions such as digging drains and installing levee banks has become a functioning wetland.

A haven from the cold winter storms and rising waters of Bass Strait.

Authorised bird watchers came at our invitation recently to record hundreds of Grey and Golden Plovers. We have photographed the occasional Great Egret and myriads of other birds over time which have used Evergreen as habitat. These bird watchers told us recently they had sighted and recorded the OBP on the Venus Bay Wetlands ...

There are other birds such as the Ground Parrot, the Great Egret and the White-bellied Sea Eagle listed and sighted within our time here. These 3 birds plus the OBP are also variously listed under JAMBA and CAMBA agreements.

Beverley and Ken Walker ...

People have put their heart and energy and, for some, their relationships on the line so that the Bald Hills wind farm would not go ahead. These are local people whose love of their land and whose tenacity in the face of adversity I do so admire. There is Tim Le Roy, the Tarwin Lower Coastal Guardians, the Prom Coast Guardians, the O’Sullivan, Chapman and Gelbart families and Don Fairbrother and his mother Dorothy—to name a few, because hundreds of people turned up to meetings besides the one held at Foster.

At the Foster meeting, I am reminded that the South Gippsland community had one very good friend, one politician, who for no benefit to his own electorate but who, for his concern about Gippsland and his associations in the area, put in a lot of time before the last election campaign and met with the South Gippsland people time after time. He was then the opposition’s planning spokesman; he is now the Leader of the Opposition in Victoria—Ted Baillieu. South Gippslanders have no better friend than Ted Baillieu, the leader of Her Majesty’s opposition in Victoria. He will be a friend of Gippsland forever.

There are proposals for further wind farms in South Gippsland. I note in particular the proposal for a wind farm in the hill area around Dollar. The other day I visited the site of three eagles’ nests that would be threatened by the Dollar wind farm. The state government has already knocked back a wind farm at Yaloke, and today I would yoke Rob Hulls, the planning minister, to the Yaloke decision. He should understand that, since he has made the decision on Yaloke, an equally fair decision on Dollar should be made to stop the wind farm from going ahead.

Before the last federal election, Kelvin Thomson, the member for Wills, on receiving a letter from a constituent said:

Thank you for your letter received by fax early today regarding the federal ALP’s position on protecting endangered species. I can assure you that the federal ALP supports both protection of threatened species through application of the Environment Protection and Biodiversity Conservation Act and adherence to the CAMBA and JAMBA treaties.

The ALP were in absolute opposition to any wind farms going ahead in South Gippsland—and so, too, was the then member for McMillan, Christian Zahra. I am not one to refer to the past, but in this context it is important. At the time the member for McMillan’s newsletter, in an article headed ‘Don’t spoil our coast’, said:

Over 90 per cent of people living on the South Gippsland coast believe that the growing number of wind power turbines will damage the beauty of the coast, according to a survey conducted by Christian Zahra recently.
Proposed wind energy developments in South Gippsland have been vigorously opposed by local residents and lobby groups such as the Prom Coast Guardians, who argue that these types of developments will destroy the landscape and lifestyle values of the coast.

Christian Zahra says:

“I’ve been contacted by many residents of coastal towns in South Gippsland who are extremely concerned about how wind energy developments will impact on their local area.

“I sent out this survey to give local people a chance to have their say about the future of their district and received over 1000 responses. That tells me that people are very concerned about these huge wind turbines being placed in coastal areas.”

He goes on to say:

“Wind power stations are large industrial developments and it is my strong belief that local communities should have a say about where they are located. I’m not against wind energy at all. I just think these developments should be located in areas where the local community wants them.”

The article continues:

According to Christian, the results of the survey show that an overwhelming majority of people living along the South Gippsland coast believe that wind power stations will have a negative impact on the beauty and amenity of these coastal areas.

So the Labor Party were on board and committed to not having wind turbines in our local area.

I would like to list a number of people who have been determined in protecting their local community and who have put their heart and soul into doing that. I say on their behalf that we will not stand by idly while the Victorian government desecrates the South Gippsland coast on the altar of renewable energy. Local communities have been ignored and wind farms have popped up all over the country. If people want them in their area, take them; but they should give some thought to comprehensive planning panels and impact studies, because the federal government will watch closely that any proposals for the development of wind farms stick to the letter of the law. (Time expired)

Breast Cancer: Herceptin

Ms KING (Ballarat) (5.20 pm)—I would like to speak to a petition that I wish to table of 3,310 signatures. The petition relates to the availability of Herceptin on the Pharmaceutical Benefits Scheme for women that experience early stage breast cancer.

Since becoming the federal member for Ballarat, this petition is one of the largest I have had the pleasure of tabling. The community support for this campaign has been resounding. Hundreds of thousands of people across Australia have added their voice to the campaign to have the process for getting Herceptin listed on the PBS for early stage breast cancer fast-tracked.

Each year, approximately 13,000 women in Australia are diagnosed with breast cancer. Of those 13,000 women, it is estimated that 20 per cent have what is called HER2-positive breast cancer. HER2 is a protein that is found on the surface of cells and, when functioning normally, it has been found to be a key factor in regulating cell growth. When the HER2 protein is altered, extra HER2 protein receptors may be produced, resulting in increased cell growth and reproduction. This often results in more aggressive breast cancer cells. Herceptin is a drug that attaches itself to the cells that over express HER2 protein and, by binding itself to these cells, can slow the growth and spread of tumours.

Herceptin is currently listed on the Pharmaceutical Benefits Scheme for women who experience and suffer advanced HER2-positive breast cancer. Clinical trials of women with early stage HER2 breast cancer have been promising, and the TGA has approved its use for these women. But it is not listed on the PBS for that purpose and there-
fore is currently not a subsidised drug for women with early stage HER2 breast cancer—and its costs are prohibitive. In addition not all breast cancer patients are candidates for Herceptin. The drug only appears to work for women whose breast cancer cells carry extra copies of the HER2 protein. So it is important to recognise that Herceptin is not a miracle cure, nor will it assist all women with breast cancer.

Herceptin itself can cost as much as $70,000—an amount well beyond the immediate resources of the average family. Many members in this place will have been assisting women in their electorates to raise money for this treatment. Many women with HER2 early stage breast cancer, whose oncologists have recommended that they be treated with Herceptin, are facing an unpalatable choice of not being able to access this treatment at all or of going into substantial debt.

Jenny—or ‘Henry’, as she is known—Poppe and Julieta Weiss, both from my electorate and both of whom have HER2-positive early stage breast cancer, have taken on the huge task of raising the money needed to fund their treatment. They have been incredibly fortunate to have received support from family, friends and our local community. The treatment costs $4,000 to start and then around $3,000 every three weeks for 12 months, and dosages are based on weight—so if you put on weight the costs go up.

It is the stories of women like Henry and Julieta which really bring home the heartache families go through. Jenny—who, ironically, has spent time looking after children suffering from leukaemia—said the shock of learning she had breast cancer is still pretty raw. She had a mammogram last November for ‘something to do’ and said she: ... didn’t feel a lump or anything; I just thought I’d have a check up. All of a sudden I was told I have two lumps. One in each breast.

For her, the decision of whether to have a mastectomy, a partial mastectomy or a lumpectomy happened in a couple of days. It was a fairly traumatic experience. When the oncologist told her she needed to access Herceptin, she thought:

‘The thought of taking a loan of that much money is tough ... It’s hard enough taking in the news of having breast cancer, let alone the worry of making that kind of financial commitment.’

‘...’

‘They say Herceptin is only for the advanced stages of breast cancer ... but I don’t want to wait for that! If they say that it reduces the risk of recurrence by 50%, I need to work out what needs to be done now.’

Henry and Julieta are exceptional women who have terrific support from their families and their communities. Both Henry’s and Julieta’s friends have organised several successful fundraisers which I have had the pleasure of participating in. The fundraisers are a testament not only of the friendships that Henry and Julieta have but of the strength and compassion of communities across my district. Julieta decided to have an art auction as a fundraiser. She had nothing to work with: no venue, no art, no prizes. However, word spread pretty quickly and within weeks over 100 pieces of art and a venue were donated. At the end of the auction, she had raised over $28,000.

Henry’s friends organised celebrity bar staff at a local sports bar, in which I participated. The owners of the sports bar donated all takings from the bar between 5 pm and 8 pm to Henry. This was a most generous offer, and I want to thank Jason, Doug and Kate of JD’s Sports Bar for their kind donation. It was a terrific event and a real testament to the community spirit of Ballarat. While the celebrity bar staff, myself included, may
have been a bit more like trainee bar staff, by the end of the night we were finally getting the hang of using those beer pourers, or whatever you call them. Working behind the bar was certainly not one of the things I had expected to be doing as a federal member of parliament, but it certainly was one of the most enjoyable. What was even more special was that we raised over $10,000 to assist Henry in accessing Herceptin. I would like to take this opportunity to thank all of the local businesses and individuals for making both Henry’s and Julieta’s fundraisers so successful.

Last month one of the hurdles was overcome when the Therapeutic Goods Administration announced it is likely to register the drug that could greatly help these women’s recoveries. The final hurdle now is assessment and approval by the Pharmaceutical Benefits Advisory Committee. While it is of the utmost importance that the decision of the Pharmaceutical Benefits Advisory Committee is at arm’s length from government, in cases where the clinical evidence is clear and the human costs of delay are so high, an expedited process is important. The government and Pharmaceutical Benefits Advisory Committee should do everything they can to give women the opportunity to access Herceptin without having that financial burden. It goes against everything we stand for to have some women able to access a potentially life-saving treatment while others cannot, purely on the basis of affordability.

The petition I will seek leave to table as a document reads as follows:

There are currently over 2,000 HER-2 positive breast cancer sufferers in Australia.

Herceptin benefits HER-2 positive breast cancer sufferers by significantly reducing the risk of breast cancer recurring.

Herceptin is currently available on the Pharmaceutical Benefits Scheme to advanced HER-2 positive breast cancer sufferers.

Herceptin is not available on the Pharmaceutical Benefits Scheme to early stage HER-2 positive breast cancer sufferers.

Herceptin can only be accessed by early stage HER-2 positive breast cancer sufferers at a cost of between $50,000 and $70,000. Therefore early stage HER-2 positive breast cancer sufferers face a life and death financial dilemma.

Safeguarding the lives of all HER-2 positive breast cancer sufferers and giving them the best treatments available is a national responsibility.

Your petitioners therefore request that the House fast-tracks Herceptin onto the Pharmaceutical Benefits Scheme for early stage HER-2 positive breast cancer sufferser.

I seek leave to table the document—a petition consisting of 3,310 signatures of concerned citizens in my electorate.

The DEPUTY SPEAKER (Hon. AM Somlyay)—Is leave granted?

Mr Hockey—I feel great sympathy for the words of the member for Ballarat, and I know the Minister for Health and Ageing does. In accordance with normal procedures, I would just like to make sure that the document is in accordance with what has been said, and I am happy to agree to grant leave for it to be tabled on that basis.

Leave granted.

Kingston Electorate: Pathways for Families Centre

Mr RICHARDSON (Kingston) (5.29 pm)—I rise today for two very important reasons: to bring to the attention of the House the important work being undertaken at the Pathways for Families Centre at Hackham and to thank the Minister for Families and Community Services, the Hon. Mal Brough, for visiting the centre last week and agreeing to review the funding in an attempt to ensure the centre’s future. Since its inception the centre has been funded under the Howard government’s Local Answers program. The centre has provided all kinds of
desperately needed services to the local area. In addition to running play groups for babies and toddlers, the centre provides courses for fathers to teach them how to play a much more constructive role in their children’s lives and brings fathers together to help support each other. The centre provides a series of courses for mothers as well, including a course entitled ‘What about Mum’, which reminds mothers about the importance of looking after themselves.

The centre provides a variety of personal development initiatives which enable parents to access educational programs they would not otherwise have access to. For example, last week I spoke with a man at the centre who had undertaken the Dad Factor course and has now completed a communication skills course which qualified him to the same level as a certificate III at TAFE. The centre assists parents who have been out of the workforce for a considerable period while raising their children to think about re-entering the workforce and to undertake training to assist them in making the transition. During all of these courses, the centre provides child care and a family-friendly atmosphere. We cannot underestimate the work being undertaken at this centre. A large proportion of the work is done by volunteers who have seen the work being done by the centre and are now giving their time in order for the services to continue and expand.

The centre was initially funded under the Howard government’s Local Answers program, which provided funding to organisations for a period of no more than four years. The idea behind the funding was that organisations would be given four years to address a particular social issue and then shift their focus to another problem or area. The difficulty with the Pathways centre is that it has been so successful and the problems it is addressing simply cannot be solved in four years. The problems have evolved over generations and will take time to fix.

When I first became aware of the plight of the centre and the fact that it faced a funding cut at the completion of its four years, I immediately got in contact with the centre and began speaking with my colleagues, in particular with the minister, Mal Brough. Fortunately, the minister was very interested in the work being conducted at the centre and, in particular, the results being achieved there. As a result I was fortunate to secure a commitment from the minister to come to my electorate and to visit the centre, which he did last Thursday.

In fact, this was a similar issue also for the Hackham West Community Centre and the Christie Downs Community Centre, who the minister also met with. During the visit the minister agreed to have another look at the Local Answers model and at funding for the Pathways centre. At this point, I would like to thank the minister, the Hon. Mal Brough, for coming to the electorate. It cannot be easy to go into a centre that has received funding and know that the people in attendance will invariably question why they are no longer able to receive it. However, Minister Brough spoke openly and frankly with the staff and clients and was genuine in his responses and understanding. I commend him not only for agreeing to visit my electorate and the Pathways centre under difficult circumstances but also for embracing my constituents and their concerns so openly.

We cannot underestimate the impact that parenting and, in particular, bad or antisocial parenting has on our children. As we see increases in teenage drug abuse, youth suicide, teenage runaways and general antisocial behaviour, we must stop to consider why so many of our young people are heading down these paths. In my former occupation as a police officer, I saw first-hand the impact
that parenting has on a child’s future. At times I would arrest a young person for a crime such as stealing a car, only to look at their surname and, unfortunately, recall arresting their father for the same crime a few years earlier.

Raising children is a difficult task—I have two of them myself and I know first-hand that raising children is without doubt the toughest job any of us will do in our lifetime. The Pathways centre at Hackham, along with the Christie Downs and Hackham West centres, are trying to make that job a little easier and are getting results. Each centre creates better parents and, in so doing, creates better futures for their children.

The most important point I make today is simply that these centres are getting results. All that anyone has to do is go to the centres and speak with the people who use them, as the minister did last week, to realise the enormous results being obtained. From the father at the Pathways centre who no longer yells at his wife and kids to the mother who was able to overcome post-natal depression and serious self-esteem issues and has now obtained a qualification and returned to the centre as a volunteer while looking for work, this centre is making a massive difference in people’s lives and must be allowed to continue making that difference.

To date the South Australian government, while sending a representative to all the meetings and happily criticising the federal government for not finding more funding, has remained silent when it comes to putting money into this project. The new state Labor member for Mawson, Leon Bignell, and his Minister for Families and Communities, Jay Weatherill, may sit back with their arms folded and claim there is nothing they can do, this government has a Minister for Families, Community Services and Indigenous Affairs who will do something.

The Howard government’s Minister for Families, Community Services and Indigenous Affairs, unlike his South Australian counterparts, is interested not in media headlines but in outcomes—in results for our children and our grandchildren and for the future of this nation. I am confident that, if the local member keeps sitting back blindly supporting a government and policies which ignore the southern suburbs, the constituents of Mawson will be using their vote at the next state election to unseat Leon Bignell, who is supporting his Labor government all the way in ignoring the plight of this centre and the families it serves.

In closing, other than those made by the minister last week, I can make no promises to the people of the south who desperately rely on this service other than to promise them that I will do all I can to assist them in their fight to keep their centre open, as I did last week in requesting and ensuring Minister Brough’s presence at the Pathway’s centre. I will be their loudest advocate in Canberra.

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

That grievances be noted.
Question agreed to.

APPROPRIATION BILL (No. 1) 2006-2007

Cognate bills:

APPROPRIATION BILL (No. 2) 2006-2007

APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (No. 1) 2006-2007

APPROPRIATION BILL (No. 5) 2005-2006

APPROPRIATION BILL (No. 6) 2005-2006

Second Reading

Debate resumed from 11 May, on motion by Mr Costello:

That this bill be now read a second time.

Mr McARTHUR (Corangamite) (5.37 pm)—I am delighted to contribute to the debate on Appropriation Bill (No. 1) 2006-2007 and cognate bills of the Commonwealth budget recently handed down by the Treasurer, the Hon. Peter Costello. The budget is an important element of the Howard government’s disciplined plan to strengthen our economy and make Australia more secure so families can plan for the future with confidence. The budget measures introduced in these appropriation bills should not be considered as a set of measures in isolation. The recent budget measures build on the reforms and tough decisions made by the Howard government over the past 10 years. The budget provides a prescription for a continuation of the sustained economic growth, job creation, low interest rates, reduced taxes and low inflation which have typified the national economy under the coalition government.

It is my assessment that the 2006 budget has been well received by the Australian community and by all serious commentators over the past two weeks. It is worth looking at the budget paper and putting on the record our pride in the achievement of the Howard government. Economic growth since 1996 has been 3.5 per cent per annum, and that economic growth is the basis of all prosperity for Australia. Gross domestic product has risen by 23 per cent in real terms since 1996 and we have the eighth highest living standards in the OECD. It is interesting that, if you look at the standard of living table, Australia has moved from 13th in 1995 to No. 8 in 2005. So here we have it on the record that the standard of living for all Australians has improved.

We have had sustained budget surpluses. The position for 2006-07 is $10.8 billion in surplus. This is particularly important as we face the challenges of our population, which is ageing rapidly. We have also seen the elimination of government debt: the $96 billion of Labor government debt from 1996 has come down to zero. This saves approximately $8 billion per year, which can be allocated to other areas of government activity. Low unemployment is a major factor. More Australians are now in jobs. The unemployment rate is now five per cent, its lowest level since 1976, whereas in the early 1990s we had an unemployment rate of 11 per cent. We have low interest rates. In March 1996 the standard variable mortgage interest rate was 10.5 per cent, whereas in 2006 it stands at about 7.5 per cent.

There has been a lot of comment on the budget about China and the impact of the commodity boom and I would like to make some comments on that important aspect of Australia’s current prosperity. Strong world economic growth, and in particular the growth of China, is driving demand for Australian commodities and forcing commodity prices higher. Higher prices for Australian resources have provided a boost to the national economy and are encouraging growth in business investment. Business investment
has grown by 75 per cent over the past four years.

The budget papers show that demand for our resources by China and other economies has resulted in a huge rise in Australia’s terms of trade, representing the ratio of prices received for exports to prices paid for Australian imports. There is also a very intelligent discussion in Budget Paper No. 1 on the continuing strong growth in China and its potential impact on the world economy in future years. In particular there is analysis of the Chinese economic growth pattern relative to the rates of growth experienced in early years by Japan, the ASEAN four countries—Indonesia, Malaysia, the Philippines and Thailand—and the north-east Asian newly industrialised economies, and of the impact on Australia if growth continues. Members would recall the discussion in this parliament about the growth of Japan and other Asian economies—South Korea in particular—after the Second World War which had an impact on the Australian economy.

Whilst the general outlook for China is positive, with a beneficial flow-on for Australia, the budget papers do recognise that no-one has a crystal ball and predicting the future of commodity prices is a perilous activity. In this regard I noticed in a report in the Australian Financial Review of Friday, 12 May 2006 comments made by respected Wall Street trader Mr Bill Miller, the implications of which urge caution in estimating the longevity of the commodity boom. Mr Miller is quoted as stating:

The time to own commodities is, or at least has been, when they are down, when everybody has lost money in them, and when they trade below the cost of production … That time is not now.

This article reports that raw material prices rebounded in 2002 as a result of strong demand from China and other economies after 20 years of difficulty. Projections of a continued boom rely on an estimation that demand for commodities will remain strong despite higher prices. The Financial Review report concludes that ‘any deceleration in China’s growth rate could send raw material prices tumbling’.

As a farmer, I entirely agree with that assessment that commodity prices are very difficult to estimate and when they are at a high point, as they were with wool, cattle and other commodities, that is the time to be well prepared. Budget Paper No. 1 recognises the possibility of faltering growth in our resources export markets. It goes on to say:

Developments across the rest of the globe are also relevant to whether resource prices remain high for an extended period, and whether China and India continue to grow rapidly for many years to come … global demand and supply responses to the currently high resource prices may have a powerful moderating influence on prices, although with uncertain timing.

Nothing could be closer to the truth. None of us—in this parliament, in the financial circles or Australians generally—knows when the Chinese boom might come to an end. In fact, today’s Age newspaper reports on the Chinese concerns over the high price rises for iron ore being negotiated on the world market. The report quotes an editorial in the Chinese government owned China Daily:

… when overcapacity is looming in China’s steel industry, rising ore cost that further bites into domestic steelmakers’ profits could turn the current boom into a bust and no one will benefit.

There we have it from the other side of the globe. Even the Chinese government are concerned about this boom.

This comment from China emphasises some of the difficulty in forecasting the potential longevity of the resources boom which is underpinning economic growth in Australia and internationally. Whilst everyone in this House would hope for a pro-
longed, sustained growth in the economies of China and India, it is important that the Australian government take steps to establish a domestic economy that will be resilient and continue to grow in a sustained manner, irrespective of the unexpected shocks that the international economy can deliver.

Again, it is worth looking at the position of China as the second largest economy in the world. It is suggested in some of the budget papers that China could, in 15 years time, surpass the USA as the world’s biggest economy. Currently India is the fourth largest economy in the world. However, the budget papers indicate the share of international activity is rising rapidly in China—something of which we should be fully aware. Members of this House should also be very aware of the political and social stability of China which could suddenly change, given the massive project, the Three Gorges Dam, the 600 million peasants that have moved from the countryside to the cities and the fact that China has no real democracy and there is no accountability in the system. The one-child policy in China has meant that the working age population in 10 years time will be falling whereas in India the working age population will be rising for the next 40 years; likewise in the USA. There we have it: a fundamental factor in the wealth of Australia is these booming economies around the world, particularly those Asian nations.

I turn to the fundamentals of the budget. There is a strong $10.8 billion underlying cash surplus forecast for the 2006-07 year. This is the government’s ninth surplus in the last 10 budgets, unlike the previous Labor government that had a capacity to run most of their budgets in deficit, particularly in the latter years of the Keating government. By running surplus budgets, the Howard government has eliminated net debt. We have now completely paid off Labor’s $96 billion debt and by paying off that debt there will be $8 billion to spend each year, formerly spent on debt interest payments, that can be directed to help relieve the cost pressures in Australian families, to help older Australians and to secure and defend our country. Whilst the Labor Party put the government into huge debt, we have put the government onto a very strong footing for future generations.

Through good financial management, the government has established the Future Fund with an initial capital injection of $18 billion. Further contributions will be obtained from future budget surpluses and asset sales. I have said before it is important to note, in the context of the debate on these appropriation bills, that the Future Fund is a bold move by the government to invest funds today to meet the future costs of public service liabilities. I have made the point back in my electorate, and I make the point again in the House, that the Future Fund is a very courageous move by the Treasurer and the government. Historically, governments have not met these future superannuation liabilities; they have let the next generation of governments pay for them. It is not a vote winner, but this government has taken the responsible position of setting up the Future Fund to cover them, making sure that these public service liabilities will be met in future.

The Australian economy is estimated to grow stronger next year with economic growth estimated at 3¼ per cent in 2006-07 compared with a forecast of 2½ per cent real GDP this current year. Inflation, which is a very important factor, is estimated to remain at low levels, within the Reserve Bank of Australia target range, at 2¾ per cent next year. Unemployment, as I said earlier, is the lowest for 30 years at 5.1 per cent in April 2006 and further growth in employment is projected for 2006-07. I note the remarkable record of the government with over 1.7 million additional jobs created over the past decade.
I now turn to the taxation debate. There has been a big debate in the last six to nine months in Australia and in this parliament about the need for reform of the taxation system. The impact of Australia’s high marginal tax rate of 47 per cent, or 48.5 per cent with the Medicare levy, on the aspirations of our best, brightest and most skilled workers has been of significant concern to me and other commentators over the past few years. If Australia’s top marginal tax rates are too high, then we risk a brain drain out of this country as talented Australians leave to find high paid employment in lower tax countries, where they will be able to retain the benefits of their hard work and initiative. I emphasise that point. People can move around the world, they can take up work in particular occupations and they can enjoy certain tax advantages in some of the OECD countries that have a lower tax rate where their work will be appreciated and they will get considerably more benefits, whereas in the former taxation regime they were losing about half of their income at the highest tax rate level. The Treasurer announced cuts to personal income tax valued at $36 billion over four years. These tax cuts will benefit Australian families and improve their ability to meet living costs.

Mr Deputy Speaker, I seek leave to have incorporated in Hansard a table and graph showing Australian income tax rates and a comparison of the top tax rates and thresholds in the OECD.

**The DEPUTY SPEAKER (Hon. DGH Adams)**—Is leave granted? Leave is granted, subject to the Speaker’s guidelines.

*The table and graph read as follows—*

<table>
<thead>
<tr>
<th>Keating Government rates 1996</th>
<th>Current rates</th>
<th>New rates (1 July 2006)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income range $</td>
<td>Tax rate %</td>
<td>Income range $</td>
</tr>
<tr>
<td>0 - 5,400</td>
<td>0</td>
<td>0 – 6,000</td>
</tr>
<tr>
<td>5,401 - 20,700</td>
<td>20</td>
<td>6,001 – 21,600</td>
</tr>
<tr>
<td>20,701 - 38,000</td>
<td>34</td>
<td>21,601 – 63,000</td>
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<tr>
<td>38,001 - 50,000</td>
<td>43</td>
<td>63,001 – 95,000</td>
</tr>
<tr>
<td>50,001 +</td>
<td>47</td>
<td>95,001 +</td>
</tr>
</tbody>
</table>
Mr McARTHUR—I understand that. Thank you. If we look at the tax system inherited from the Keating government, we see that the top tax threshold kicked in for an income of $50,000 compared with an income of $150,000 from 1 July 2006 under the Howard government’s budget proposal of 9 May. In the table, we can also see an across-the-board reduction in tax rates, meaning that Australians can now retain a higher percentage of their income after tax. These tax cuts will produce reductions in the taxation rates which will improve Australia’s competitiveness against other OECD countries. The 45 per cent top marginal tax rate plus the Medicare levy will be in line with the OECD average of 46.7 per cent. The increase in income level at which the top threshold is implemented will place Australia 10th in the OECD. That is recorded in the graph that I have incorporated in Hansard.

I have argued for many years that the tax rates in Australia were based on those in about 1960 when the higher tax rates were eight times average weekly earnings. With the impact of inflation since 1960, the highest tax bracket threshold got I think as low as 1¼ times average weekly earnings. These new measures mean that we are now back to a more reasonable position where the highest tax thresholds are three times average weekly earnings. I do not think anyone could argue with that. It is a reasonable position and is internationally competitive with other nations.

In the new tax rates from 1 July 2006 I particularly note the negligible tax rate of 15 per cent on $6,000 to $25,000 for lower income earners. From $25,000 to $75,000 it is 30c in the dollar. I note that 80 per cent of Australian taxpayers will pay only 30c in the dollar. For those earning higher incomes, $75,000 to $150,000, the tax rate is 40c in
the dollar and those earning over $150,000 will pay 45c in the dollar. The rates are moving in the right direction. I commend the Treasurer and the government on making these changes after quite vigorous debate on both sides of the parliament. Even those opposite argued that some of the rates on overtime that hardworking Australians sustained were of a very high order, and that influenced the debate.

I would like to commend the budget for the allocation of $270 million to rail infrastructure. Personally I have taken a lot of interest in railway matters. I participated in the inquiry of the Standing Committee on Communications, Transport and Microeconomic Reform that produced the report Tracking Australia which looked at this whole debate.

Mr Hardgrave—An excellent committee.

Mr McArthur—The Minister for Vocational and Technical Education at the table participated as well in that committee and made a great contribution at that time. The inquiry looked at the importance of rail infrastructure receiving some capital improvements. The Tracking Australia report, tabled in August 1998, recommended a national track standard gauge linking Brisbane and Perth and also investment in the national track infrastructure. It suggested that the Commonwealth invest $750 million to fix the worst deficiencies on the national track over the following three years and that it should invest $2 billion over the 10 years from 2001. The chairman of that committee was Mr Paul Neville, the member for Hinkler, who has been a strong supporter of railway infrastructure and has taken a great interest in these matters.

I am delighted that in this current budget, after lobbying from that committee in the early years and from the Australian Rail Association and others, the importance of the government, the private sector and the rail companies investing in rail infrastructure has been recognised. The government is going to invest $270 million from 2006 to 2009. The House of Representatives Standing Committee on Transport and Regional Services recently heard an outstanding presentation by Mr David Marchant, the CEO of the Australian Rail Track Corporation, in which he made the observation that with the introduction of some smaller capital amounts, relatively speaking, the north-south line from Brisbane to Melbourne could be improved and the times taken for those train journeys could be reduced quite dramatically.

This injection of capital will improve passing loops, communications systems, bridges and of course the rail infrastructure itself. It is interesting to note that 75 per cent of the freight on the east-west rail route goes by rail. It would be my hope that, with the freight task I think doubling by the year 2020, a large percentage of the north-south freight—that is, Brisbane to Melbourne via Sydney—will be moved back onto rail. I commend the government on that particular initiative. It does not get a lot of headlines, but in 20 years time I think people will be delighted.

Could I just recognise the funding of the Geelong ring road, the 120 places in the Deakin medical school and the $300 million allocated in Roads to Recovery to all the shires and municipalities around Australia. That is a great initiative. This is an outstanding budget. It is soundly based and it sets a blueprint for the future.

Mr Swan (Lilley) (5.57 pm)—I welcome the opportunity to speak on the appropriation bills for the 2006-07 budget. There is no doubt in my mind that this budget was a squandered opportunity and is a budget that sold the country short. It is a budget that failed to invest in Australia’s future. It is a
budget with the Treasurer’s eye on the Prime Minister’s job, not the Treasurer’s eye on the long-term economic interests of the nation. This government’s failure to invest in the skills of our people, its failure to provide political leadership on infrastructure and the failure to put more incentive into the tax and benefits systems, particularly for women, has not impressed the Australian people. The budget handed down on 9 May had a political horizon of 12 months and not much more. It did not deliver an economic strategy for this country well into the future, particularly when an ambitious economic strategy or vision was required to lift our productivity and competitiveness, to create wealth for the future and to maintain and protect our future prosperity.

Nevertheless, it has received some good headlines around the place, and plenty of people from the Liberal Party side of politics have a lot of good to say about it. So I guess the Treasurer must have choked on his Weet-bix this morning when he picked up the AC-Nielsen poll and saw the results of the post-budget poll—$60 billion in extra spending and the government goes backwards. That may not necessarily continue to be the case, but I do not think the Treasurer really got what he was looking for there, certainly if you are to believe the propaganda that is coming from the government. What this really shows is that voters have wised up and have had enough. They have had enough of the short-termism—of the short-term, politically motivated bubble and squeak that passes for an economic agenda under the Howard government. They have had enough of the dog breakfasts of political patronage, token gestures and big headline, small bottom line economic reforms that pass for an economic agenda under this government and under this Treasurer.

All of the Contiki tours of Liberal Party backslapping in the world cannot save this budget and the reception that it has received from the general public, who were desperately looking for a long-term economic agenda, an ambitious economic agenda, that would enable us to protect prosperity and invest in this country well into the future. All of those silly hats, the bright overalls and the boat burnings in the world will not change the fact that the general public knows that this budget has no plan for the future, has no plan to build future prosperity, has no plan to boost productivity and participation, has no plan to ensure we can continue to compete with the economies of China and India and the Asian region more generally, has no plan to ensure Australian workers move up the food chain with higher skills and higher wages—not down the food chain with lower skills and lower wages, which is this government’s vision for the future—and certainly has no plan to keep inflation and interest rates low. It is with that in mind that I move a second reading amendment which will be seconded by the member for Ballarat:

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

“whilst not declining to give the bill a second reading, the House is of the view that:

(1) despite record high commodity prices and rising levels of taxation the Government has failed to secure Australia’s long term economic fundamentals and that it should be condemned for its failure to:

(a) stem the widening current account deficit and trade deficits;
(b) reverse the reduction in public education and training investment;
(c) provide national leadership in infrastructure including high speed broadband for the whole country;
(d) further reduce effective marginal tax rates to meet the intergenerational challenge of greater workforce participation;
(e) provide accessible and affordable long-day childcare for working families;
(f) fundamentally reform our health system to equip it for a future focused on prevention, early intervention and an ageing population;

(g) expand and encourage research and development to move Australian industry and exports up the value-chain;

(h) provide for the economic, social and environmental sustainability for our region, and

(i) address falling levels of workplace productivity; and that

(2) the Government's extreme industrial relations laws will lower wages and conditions for many workers and do nothing to enhance productivity, participation or economic growth; and that

(3) the Government's Budget documents fail the test of transparency and accountability.

I would like to briefly deal with some of the spending measures in Appropriation Bill (No. 1) 2006-2007, Appropriation Bill (No. 2) 2006-2007 and Appropriation (Parliamentary Departments) Bill (No. 1) 2006-2007. Appropriation Bill (No. 1) deals with the ordinary general operating services of the government and seeks an appropriation of $53.3 billion in 2006-07. Appropriation Bill (No. 2) includes tied grants to the states under section 96 of the Constitution and non-operating equity injections and loans and seeks an appropriation of $9.2 billion. Appropriation (Parliamentary Departments) Bill (No. 1) seeks $171.6 million for the three parliamentary departments. There are some sizeable spending measures here which will be dissected in detail by later speakers—$792 million for the C17 heavy airlift aircraft, $106 million for Afghanistan reconstruction, $310 million for Iraq, $302 million for family tax benefit changes, $49.8 million for psychiatrists and psychologists, $43.4 million for health prevention and early intervention, $38 million for older patients in public hospitals, $29 million for medical research, $76.9 million for local roads, $122 million for national roads, $240 million to reverse the introduction of the heavy vehicle road user charge, $230 million saving from agreed reductions in GST budget balancing assistance payments to the states, and $70.6 million to pursue tax fraud by offshore entities.

The additional funding being sought in Appropriation Bill (No. 5) 2005-2006 includes $500 million for the Murray-Darling Basin Commission, $310 million for Cyclone Larry assistance and $243 million for the Australian Rail Track Corporation. Many of these measures are beneficial; some are not so good. My colleagues will spend some time going through those and dissecting them one by one, but together they do not amount to a plan for the future. They do not amount to a plan which invests in the drivers of growth that this country desperately needs.

Of course, there are a number of dubious measures that my colleagues will deal with. For example, there is $52 million to increase consumer awareness of the incentives and benefits associated with private health insurance—another government advertising campaign, I should imagine. Some worthy causes have been acknowledged: $1 million funding for the Donald Bradman memorabilia tour of India, an extra $1.5 million to the Stockman's Hall of Fame and $900,000 allocated to encouraging young people of diverse backgrounds into surf lifesaving—quite worthwhile measures.

The central feature and problem with this budget is what is not in this budget. When you strip away all of these measures, all of the spending and all of the revenue, what you really see is that there is nothing additional in this budget when it comes to the skilling and the education of our people. Our most critical comparative advantage in the chal-
lenge that lies before us to create wealth is the challenge of competing in the region, particularly in the Asia-Pacific, through lifting our productivity and our competitiveness. That can only be done by playing to our central comparative advantage—the skills, the ingenuity, the innovation and the education more broadly of our people. That more than anything else sums up the failure of this budget to invest in the future, to invest in the long term and to put the political short term ahead of the long term.

We on this side of the House are not alone in making these criticisms of this budget. In their pre-budget submission, the Business Council of Australia warned:

Serious constraints and imbalances are emerging within the economy that in the absence of reform in key areas will slow growth, limit opportunities and undermine the economy’s capacity to deal with longer-term challenges.

In the wake of the budget, BCA head Michael Chaney has argued that our reform mindset needs to shift from piecemeal and reactive to forward looking and strategic. He stated:

This was a budget for the short term only ... the underlying issues that will shape our economy require us to think about, plan for and implement reform around anticipating change, rather than reacting to it.

Of course, this was not delivered in the budget. There were very substantial tax changes in the budget that at best amount to modest reform. I will not be talking about those in detail today, because they will be the subject of subsequent legislation in the House, but I would make the comment here that much more could have been or should have been done in that package to lift participation rates through lifting incentives, particularly for some of the lowest income earners in this community. More of that when those bills come back to the House this week, but even those measures tended to be infected with the government’s preoccupation with the here and now rather than reform to invest in participation for the future—the long-term challenges that we face.

Essentially, the Treasurer had a fantastic opportunity in this budget. What the budget shows is that, whilst we have alarm bells ringing in some key areas, when the Treasurer heard them or did not hear them he simply hit the snooze button. We are not addressing those. Given the revenues available, the opportunities that the government had were just stupendous. Consider this: from 2000-01 to 2006-07 the government has taken policy decisions that have cost the fiscal balance $172.5 billion over four years. It has had record revenue. That expenditure has been made possible by surging revenues from strong growth, record high commodity prices and record terms of trade. The 15 years of economic growth that have brought us to this position are the consequence of the economic reforms of the Hawke and Keating governments. On superannuation reform, tax reform, competition policy, labour market reform, financial market reform, the government may claim the credit but in every case Labor governments of the Hawke and Keating period put the foundations in place.

On top of these foundations, the government has been the beneficiary of very strong revenues from the commodity boom. Nothing demonstrates that more than this one figure: when the Treasurer released his Mid-Year Economic and Fiscal Outlook in December, it projected budget surpluses of $42 billion over four years. By the time the Treasurer delivered the budget, the envelope had swelled to $93 billion over the same period—before any new tax or spending measures had been announced. Never before has a Treasurer been presented with such an opportunity to shape our economic future. Of course, he did not take this opportunity in the key areas of skills and education, he did not
take this opportunity in the key area of providing some national leadership on infrastructure and he did not take this opportunity to the extent needed in the key area of tax reform, particularly when it comes to putting participation and incentive into the system.

So the government had an opportunity to utilise the bounty of recent times to invest in the future. We saw from the government a very narrow view of the future. This government tends to see the economy solely through the mining sector, which has helped to produce record revenues. But seeing it exclusively through that sector is not enough to sustain our prosperity. Mining output represents less than five per cent of our GDP, which means that, under this scenario, mining exports will contribute about one-quarter of a per cent to annual GDP growth. That is very welcome, but it is not enough to sustain our prosperity.

This budget was dangerously silent on the other 95 per cent of Australia’s economy. What does the budget do for the millions of Australians employed in manufacturing and services? Where is the plan to ensure not only that they survive but that they thrive? A couple of days after the budget, we had a speech from the Deputy Secretary of the Treasury, who seemed to imply that, if our terms of trade remain high, the future of people employed in manufacturing in this country is one of lower real wages and less employment, and ditto for those employed in the services sector.

So what was the government doing to prepare us for the challenges in the region? Australian workers know that China is reshaping the economic landscape and they are worried about how their employers are going to compete—and not just against China’s unskilled labour. As China’s comparative advantage shifts from cheap, unskilled labour to cheap labour, there is an even bigger challenge. That is why this budget should have been about how we lift our productivity so that we can lift our competitiveness, protect employment into the future and create wealth to take advantage of the great opportunities arising through the growth and great challenges in the region.

But, as usual from this government, we can only see half the picture in the budget. It is true that unemployment has fallen, but it is also true that skill shortages are now the biggest obstacle to business lifting output and exports. Was that acknowledged in the budget? Absolutely not. It is true that private business investment is growing but, according to the BCA, it is also true that ‘the cost to Australia’s economy through lost growth from ongoing infrastructure bottlenecks will be in the order of $10 billion a year’. Did we see a plan for national infrastructure? We did not. It is also true that our interest rates are lower now than they have been in the past—as they have been throughout the developed world. But it is also true that Australia’s interest rates are higher now than in almost every other developed country. Once again, we only see half the picture.

And this is absolutely true when we come to the critical challenge of the level of our foreign debt. It is true that government net debt has been paid down, but it is also true that our net foreign debt—already double the government debt of 10 years ago—has gone up 2½ times. It is now worth half a trillion dollars—that is, $500 billion. On current trends, foreign debt will reach $1 trillion in 10 years and increase from 51 per cent of GDP to 65 per cent. Of course, the government says foreign debt is private debt. That is true, but it does not make it less of a problem. That is not just my view but the view of the IMF, which has said:

… the build-up of external debt, although mainly held by the private financial sector, could leave
Australia potentially vulnerable to shifts in market sentiment …

Labor’s concern about foreign debt stems not from some doomsday scenario in which the world will abruptly stop lending to us and cripple our banking sector but from what the foreign debt says about our capacity to compete in the global economy and the risks that ever-increasing levels of foreign debt may mean for interest rates. Labor’s concern also stems from the fact that, on current trends, servicing foreign debt will place a burden on future generations that will be comparable to the burden of the ageing of our population.

So, as usual, the Treasurer is telling only half the story. He recognises that, in the absence of policy change, the ageing of the population threatens to force tax increases or spending cuts equivalent to five per cent of GDP, but he ignores the reality that unless we rein in foreign debt—our net income deficit—the cost of servicing our foreign liabilities could rise by a comparable share of GDP. No serious policymaker can afford to ignore foreign debt. The Treasurer does not and should not. Last week I called on the Treasurer to cost the debt service burden alongside the burden of the ageing population when he releases the second Intergenerational report in 2007. If he does not do it, Labor will in 2008.

So what should have been in the budget? We should have had in the budget a plan to lift our productivity and in particular our export performance, which has been very, very ordinary in recent times. This is what the Reserve Bank had to say about our recent export performance in its statement on monetary policy:

Australia’s export performance over recent years has been disappointing, considering the favourable economic conditions. The truth is that this budget waves the white flag on manufacturing and services exports. Despite Treasury forecasts of virtually no export growth in these sectors, there are few additional measures in this budget to assist our services and manufacturing exporters. Throughout the nineties Australia became far more productive, but more recently labour productivity growth has virtually stalled. The government has only one solution. It does not want to take up the challenge and do the hard yards when it comes to skills, education more broadly, innovation, national leadership and infrastructure. It wants to rely on its lopsided approach to industrial relations. It just wants to cut wages and go down the low-skill road. A broad based approach to lifting productivity is entirely absent.

It is remarkable that during the Treasurer’s budget speech he did not mention the words ‘participation’ or ‘productivity’ even once, despite numerous lectures in this House over numerous years in which he said he somehow understood the magic of the Australian economy—which was the three Ps. We did not hear anything about two of those three Ps in the Treasurer’s budget speech. All we have is the government’s reliance on its extreme industrial legislation to slash wages and skills in our workforce. There is no plan to deal with that in the long run.

What Labor would, and should, have done for the future of this country, given the bounty that was available, was to put in place a long-term plan to invest in skills and education. It is scarcely believable that, at a time when people are our biggest comparative advantage, spending on skills and education has gone backwards.

Mr Hardgrave interjecting—

Mr SWAN—The Minister for Vocational and Technical Education, sitting opposite, is responsible for this debacle where we are importing record numbers of workers because he has refused to train Australians. He has refused to invest in the future of this
country, and that is why he is so sensitive to this. He is a symptom of the problem; he cannot ever be part of the solution.

It is almost incomprehensible that the Treasurer’s budget speech did not mention the word ‘education’ once. Nobel Prize winning economist James Heckman visited Australia this year with a simple but powerful message, one we in the Labor Party understand: investing in our young people produces the highest return on investment that any nation can make. Everywhere in the world, governments recognise that the skill of a nation’s workforce will determine who will capture high-value, high-growth markets, who will be out in front and who will fall behind. But in Australia we have this myopic government that does not have a plan to deliver the skilled workers it needs right now, let alone the skilled workforce it needs for the future.

And that of course applies to the government’s narrow view of child care, as we saw demonstrated in the House today, and their narrow approach particularly to our national infrastructure needs. There is no plan for innovation, no long-term plan to fix our crumbling infrastructure, clogged roads, slow internet connections, near-empty dams and overburdened ports. They had a plan to shore up The Nationals. That is a world away from a national infrastructure plan.

According to the BCA, a comprehensive infrastructure reform program would add an extra two per cent to GDP after five years, and Labor understands that funding is not the primary issue. The key obstacle is a lack of leadership and a lack of proper strategic planning, as once again is demonstrated by the ignorance of the minister sitting opposite. That is why a Beazley Labor government will establish Infrastructure Australia to drive infrastructure planning, development and investment, establish the Building Australia Fund and allow the fund to consider all investment opportunities suitable to its return and risk objectives. This budget also did nothing to address Australia lagging in the world in both available broadband speeds and broadband pricing, which is why the Leader of the Opposition put forward Labor’s alternative plan.

There are some welcome initiatives in this budget, and Labor is happy to endorse them, but the benefits will quickly disappear if we continue to neglect the long-term competitiveness of our economy. What was needed was a budget that uses the prosperity of today to build prosperity for tomorrow. What we were given was a short-term political document. A prosperous future for all Australians depends on locking in growth. I know one thing for sure: Labor would not have missed this opportunity.

The DEPUTY SPEAKER (Hon. DGH Adams)—The honourable member for Lilley moved an amendment. Is there a seconder for the amendment?

Ms King—I second the amendment and reserve my right to speak.

Mr LINDSAY (Herbert) (6.18 pm)—It might be instructive to examine a couple of the Labor policies that were articulated by the Leader of the Opposition in the reply to the budget the other night. Let us talk about broadband. The Leader of the Opposition got up and made the extraordinarily populist claim that he will provide broadband to the whole of Australia. Do you know what he did? He talked about fibre to the node. What about all the other technologies that are available in Australia today? What about all the other technologies that are emerging in the provision of high-speed access to the web? The Leader of the Opposition did not mention them, did not consider them, did not think about it. It was a hastily concocted policy that was very, very narrow in its view,
and it is one that Australia will not follow, no matter who is in government, because the private sector will provide all of the various options that are available to customers because they all have their place in the provision of high-speed broadband access. I think that is a damning indictment of the narrow thinking of the Australian Labor Party, and that is why they will not be in government in 2008.

We have two Queenslanders in the chamber at the moment. Under the Labor Party’s policy for child care, do you know how many centres we get in Queensland?

Mr Hardgrave—How many?

Mr LINDSAY—Thirty-two. There are over 976 schools in Queensland and the Labor Party’s policy is to provide a child-care centre at 32 of them. Compare and contrast that with the government’s policy? Uncapped child-care places. Wherever you want to provide a child-care place—uncapped child-care places—you can, anywhere in Queensland, at any one of those schools or anywhere else, if you want. But Labor come to the Australian electorate and say, ‘Well, Queenslanders, we’ll give you just 32 centres.’ I know which deal I would rather have, and I think the mums and dads of this community also understand which deal they would like to have.

Certainly in my electorate the government’s proposal to uncap child-care places has resulted in a number of people who are currently not in the child-care industry coming to see me, saying, ‘Look, here’s an opportunity. We’ll go and test the market where there is currently a demand for places—in the new housing estates, for example; in the inner CBD where there is a higher density of people—and we’ll provide child-care places there.’ That, I think, is the policy that the Australian people will warmly embrace, and they will warmly reject the Labor Party policy of such a narrow position.

The respected organisation KPMG have stated in their Federal budget brief 2005 that it is pleasing that the government is moving further with its marginal tax rate reforms and in particular is proposing to significantly simplify and reduce the tax burden on superannuation savings—and, golly, haven’t I had a lot of positive feedback about that. It has been fantastic. KPMG say:

The Federal Government has not lacked advice on how to spend its budget surplus—we all know that—the size of which has fuelled a popular tax reform debate.

It has also been fuelled, of course, by the fact that so many more people are working and paying taxes these days. It is a great economy when you have almost full employment. KPMG continues:

At times this debate has ignored the need to be ‘banking some money’ for the future given our major structural challenge of an ageing population. On the other hand, we must keep pace, if not lead, in a world where countries increasingly compete with each other to attract labour and capital.

That is what the Labor Party do not understand: the fact that we have to continue to strongly compete with other countries. We do not compete internally; we compete with other countries to make sure that our standard of living stays ahead of our competitors.

In its summary KPMG says:

... comprehensive tax reform is about investing for the future by achieving ongoing structural changes to better ensure our future prosperity and our revenue raising capacity without the need for increased tax rates.

I guess that is what the government has delivered in this budget. The breadth of the tax cuts was quite extraordinary and certainly very welcomed in my electorate.
I would now like to turn to a number of electorate specific matters. They range across a number of issues, as they always do in electorates. First of all: Indigenous affairs. I want to congratulate Mal Brough, the Minister for Families, Community Services and Indigenous Affairs, for his courageous stand in relation to the problems in Indigenous communities. Mal has always been a fellow who calls a spade a spade. In this case he has been, with sleeves rolled up, into the Indigenous communities. I think he was just appalled at what he saw and he wants to do something about it. His first reaction, having seen the lawlessness, the lack of respect for law, which is at the root cause of the terrible things that are happening to children, was that he wanted to get together with the state and territory leaders. And what does the Chief Minister of the Northern Territory, who has a very significant Aboriginal population in her constituency, say? ’No, I’m not coming.’ What kind of an attitude is that? I will tell you what kind of an attitude it is: it is the attitude of the Australian Labor Party. Their approach towards Indigenous Australians has been wanting for so many years now—lots of platitudes and no action.

Now we have a minister who wants to do something. He wants police in these communities. He wants Australians, no matter what the colour of their skin is, to be subject to the rule of law and to suffer the consequences if they break the law. The only way you are going to do that is to have the state and territory governments, who are responsible for police, putting police on the beat in these Aboriginal communities where these atrocities are happening. That is what we need. Mal Brough wants to see that. The government wants to see that. The Australian Labor Party will not attend a meeting to achieve it. That is disgraceful.

I ought to know about these things, because I have Palm Island in my electorate. The Guinness Book of Records claims it is the most dangerous place on earth. It is a hopeless, dysfunctional community. Do you know what its problem is? We have black racists on Palm Island. That is what they are. The other problem is there is no community leadership and there is no will to follow the community leadership, so nothing changes. I have been over there. I have talked pretty plainly to the women’s group. I have talked pretty plainly to the council. I have said, ‘Here’s your problems. I can’t tell you what to do, but I can make suggestions. You’ve got to have the will to do it.’ There is no will. They do not want the police there. They want the police out of the PCYC. They say, ‘This is our PCYC. We should control it and run it.’ You know what would happen if that were allowed: the thing would be trashed within 30 days. There would be no rule of law. There would be no respect. It is what they do to their houses. You have to stand up and say, ‘If you’re going to do that, perhaps we should make some alternative arrangements.’

But we do want to see the rule of law enforced. Kids should not suffer the sexual atrocities that occur in these communities, time after time after time. They should not. It is extraordinarily upsetting to all of us. And Mal Brough is going to do something about it. I am going to back Mal Brough in doing something about it and the government will back Mal Brough. But the state governments have to accept their responsibilities as well because, hope against hope, I want to see Indigenous Australians have some hope. There is no reason why an Indigenous Australian cannot stand beside any other Australian and be equal in everything—no reason whatsoever. We want to hope and pray that that will ultimately be the outcome.

In relation to road funding, this year’s budget delivered the largest ever boost to road funding to the Bruce Highway between
Townsville and Cairns ever. It is an extraordinary amount of money: $222 million available immediately, not over four years. That money was in addition to $48 million on top of the $80 million for attention to the flood problems with the Bruce Highway in the Tully region. I put both the Queensland government and the federal government—that is, QDMR and DOTARS—on notice that I intend, and have already started, to make significant representation to see some of that $220 million spent on extending the four lanes of the Bruce Highway from the Bohle school, north to Veales Road in the city of Thuringowa.

**Mr Martin Ferguson**—What about the port access road?

**Mr Lindsay**—I will talk about the port access road in just a minute. The member for Batman should not have raised that point. I have a letter here from Paul Lucas, the state minister for roads.

**Mr Martin Ferguson interjecting**—

**Mr Lindsay**—Do you know what, member for Batman? A year ago I went and saw Paul Lucas and said, ‘Give me the ammunition to go and fight for this money for the port access road.’ That was a year ago, in July last year. Do you know what he said? ‘Happy to work with you. Happy to give you the information.’ Do you know what? Today, this letter arrived, a year later, after the budget, saying, ‘Oh, would you please fight for $190 million?’ Do you know how much the cost was five years ago? It was $10 million.

Five years later QDMR are saying, after the budget, it is to cost $190 million, and all your Labor colleagues up in North Queensland are saying, ‘Peter Lindsay didn’t deliver.’ What they are really saying is that neither your state minister in Queensland nor the Parliamentary Secretary to the Minister for Transport and Main Roads, Lindy Nelson-Carr, gave me the wherewithal. Wouldn’t you think she would come to me and say: ‘Hey, Pete, we need your help to get this money in the federal budget.’ She is the parliamentary secretary, she is in Townsville and she knows the importance of the port access road, yet she does not come to me and say, ‘Why don’t you go and get this sort of money?’ After the budget she came along and said, ‘Here’s the amount.’ We have this escalation going on.

On top of that, this letter says on stage 1 that ‘the state government is providing $8.147 million, as a 50 per cent contribution’. That means that the total cost of stage 1 is about $16 million. Then, on the second page of the minister’s letter, he says, ‘Well, the Stuart bypass stage 1 is actually accounting for $28.5 million.’ How hopeless is that? A state minister, the minister for main roads, on two different pages in this letter gives me two different figures that are $12 million apart. The incompetence of the state government on road funding is just breathtaking.

That is not the only funding for a road in Townsville that has blown out. Before the last election I was able to secure some money to complete the Townsville ring road. When I asked QDMR how much it would cost—because it is a road over flat country with only one small bridge—they said $35 million. Do you know what I did? I added $5 million without telling anybody and I went to the federal government and said: ‘This is going to cost $40 million. I want a commitment for $40 million.’ They did not know it was only $35 million, but I was building in a little buffer. I secured a commitment, and there was an election promise to spend $40 million completing the Townsville ring road. Do you know what the cost is 18 months later? Do you know what the cost is now? It is not $40 million, it is not $60 million, it is not $90 million; it is $117 million. What kind of competence is that? Now the Queensland
Labor state government is coming to the federal government saying: ‘Well, we’ve made a mistake. How about we go halves?’ We made a commitment for $40 million and now QDMR want another $40 million on top of that initial commitment.

Do you know what? If a private contractor had got in there, they would have had the road completed in a year, on time and on budget. Do you know what the Queensland state government want to do? The state government have said: ‘I’m sorry, federal government. We want an extra $80 million and, by the way, we can’t finish it until 2009.’ It is hopelessly incompetent. The Labor Party say, ‘We’d be better managers of this country.’ Do not believe that.

A very significant project, the Chalco aluminium refinery, may come to Queensland. The proposal is that Chalco, a Chinese company, will mine bauxite up near Weipa. It will ship it around the coast and process that bauxite into alumina in either Gladstone; Abbot Point, near Bowen; or Townsville. All three communities are working hard to try to secure that project. It is not clear yet whether it will actually come to Queensland. It may yet go offshore. But, be that as it may, our communities have to work hard to try to win that project. If Townsville are going to win that project, we need to have a port access road. It is so disappointing to me—

Mr Martin Ferguson—Suddenly discovered it!

Mr Lindsay—member for Batman, that the Queensland government apparently—and I think very cutely—wanted to hold back telling me how much money I should go for so they could give me a public flogging. It is not going to wash. The people of Townsville will know that this is the way the Queensland state government work. The Queensland government will want to announce their road funding as part of their election campaign, which probably will start straight after they deliver their budget next month. But the people of Townsville are no fools. They will know and understand that the state government have been holding this back so that they can make an announcement, whereas the federal government could not make an announcement because the design and construct authority would not give us the information. That is disgraceful. These multibillion-dollar projects are in jeopardy because of the politicking of the Queensland government.

Another budget matter is defence. Defence is pretty important to my electorate, as the minister at the table, the Minister for Small Business and Tourism, knows. She has been to Lavarack Barracks, Australia’s largest army base, home of the ready deployment force. We are the people who go when we need to go. Recently, we have been to the Solomons. I think it took us 12 hours from go to whoa to get there, which is an extraordinary result. The people in the 1st Battalion and the 2nd Battalion are so professional in their approach to being there when our nation needs them. The 1st Battalion went to the Solomons. Currently, the 2nd Battalion is going to SECDET in Baghdad. They are great people in what they do. The current 3rd Brigade commander, Brigadier Mick Slater, does an extraordinarily professional job—and a very busy job at the moment—in the way he manages the 1st Battalion, the 2nd Battalion, the 3rd Battalion and all of the other battalions and regiments under his command in Lavarack Barracks.

The reserves from 11th Brigade in Townsville, along with other reserves around the country, have done very well out of this budget. In an attempt to increase the readiness of the reserves, to bring them up to 28 days notice to move, the government has offered some very attractive conditions of service. For those in the highest state of
readiness, there is an extra $7,500 tax-free a year, on top of their daily increase of, I think, $10 a day. For those on a lower level of readiness to respond it is a little less; nevertheless, it is very attractive. The government is being very prudent in making sure that we have the wherewithal to respond when we need to.

I have recently done a study trip, and I have seen a number of defence establishments and talked to a number of defence people around the world. They hold our Australian Defence Force in the highest regard. They think we are the most professional operation that you can find in the world today. And it is a great credit to Australia and a great credit to the men and women of our Australian Defence Force that we are held in such high regard.

Mr Hayes (Werriwa) (6.38 pm)—It was 12 months ago—almost to the day—that I stood in this place and delivered my first speech to the parliament. During that first speech I took time to share with other members a little about my electorate and the people that I represent—the aspirations of residents in Werriwa. The electorate of Werriwa is filled with young families and those young families want nothing more than opportunities to make the lives of their families better. Not only do they seek to make life incrementally better for themselves and their families but they use the resources they have available to them to improve the lives of their children, in the immediate and the longer term.

Mr Deputy Speaker Barresi, as—I gather—a parent, you would no doubt appreciate that a parent’s ambition is to give their kids a better position than the one that they grew up with, and I guess that is basically the general position behind society. The vast majority of residents in my electorate—and, I have no doubt, in Australia generally—are investing their time, their efforts, their energy and their financial resources to make their families’ futures better. They are using their family budgets to invest in the future for their families. They are looking towards their kids. They are looking towards the future.

Families throughout Australia—and families in my electorate are no different—carefully consider the resources available to them and what they have to develop. They are certainly taking every step to plan how they can best use their limited resources to improve their lot and the lot of their family into the future. Sure, this may include the purchase of a range of consumer items that lead to a general level of satisfaction, but more often than not it also encompasses investment in their kids’ education and their kids’ futures; for example, investment in computers and access to broadband—things that kids need to be able to equip themselves for the future. That is what families all over this country are doing.

It is interesting to contrast the behaviour of Australian families and what they are doing with their family budgets with the behaviour of this federal government in the budget that has just been delivered. The attitudes and approaches could not be further apart. While families are considering their budgets over the medium and long term, they are not being supported by budgets from this government—which, in any assessment, are being delivered with a time horizon not exceeding 12 months. This government is obsessed with the here and now. It is obsessed with approval ratings and with the Treasurer’s personal popularity.

Despite the tax cuts and increases in family payments, this budget failed the critical test of supporting Australia and Australian families as they look to incrementally improve their lives and the lives of their chil-
dren. This budget has not delivered an economic strategy for the future and this government has not used this unique opportunity to shape our nation’s future and lock in the prosperity we are experiencing today.

Only recently, Michael Chaney of the Business Council of Australia stated after the budget: ‘This was a budget for the short term only … The underlying issues that will shape our economy require us to think about, plan for and implement reform around anticipating change, rather than reacting to it.’ It is a sad reflection on the state of this government that it has not taken the opportunity presented to it—to use the budget to introduce a longer term strategy that will take us beyond the end of the election cycle and beyond the end of the forward estimates contained in the budget—to clearly address the future of all Australians.

The fact that the government has failed to use this opportunity to invest in the future, to use the budget to address the issues surrounding the skills of our workforce and to travel down the path of locking in our prosperity, sadly comes as no surprise. It is merely another example of this government looking to the short term while neglecting the long term. The contrast between the government and the opposition when it comes to education could not be more stark. Labor considers investing in people to be just as important as investing in our physical infrastructure. Investing in assets should be considered as on a par with investing in the education of our people. It all contributes to our economic strength.

By contrast, the government is more than willing to use short-term migration programs to paper over the cracks that are emerging in Australia’s economy. It believes that it is more important to get the immediate job done than to invest in education and training to make sure that we can always get that job done and always have that job completed by Australian workers.

The skills shortage and its impact on business is certainly not a new phenomenon. In a recent study, the Australian Industry Group identified seven out of 10 businesses that indicated that the inability to secure skilled staff was the single most important barrier to success. That was seven out of 10 major businesses in this country. The same study noted that eight out of 10 companies believe that building Australia’s skill base is the key to achieving international competitiveness. That is quite a telling piece of information. That is something that the Labor Party has been saying for quite some time. It is interesting that this is borne out by the Australian Industry Group itself, not necessarily friends of the Labor Party.

Given that, what is the government’s response? Their response is a reduction in public investment in education—not just over this year but over a number of years. Public investment in universities and TAFE has fallen by eight per cent since 1995. In isolation it is a telling statistic, but when you compare it with other OECD countries, the government’s dereliction of duty when it comes to education is really put into context. The next worse performing country has increased its investment by six per cent, while the others that make up that cohort have increased education investment by up to 38 per cent. Compare that to our fall of eight per cent over the period.

We have cut public investment in our universities and in our TAFEs. At the same time as the government has cut public investment in education, it has expanded short-term immigration. Last weekend’s Financial Review reported comments by academic Bob Birrell. I want to quote what Mr Birrell had to say:

The government is relying more and more on immigration to solve workforce problems, but we
haven’t seen a crisis response in the education system ... It is obvious that we’re no longer addressing the skills of locals because there has been no support at all for opening up spaces at universities since they came to office. Nor do companies undertake training or education themselves.

While families are looking to take an already stretched family budget and stretch it a little more to improve the educational opportunities available to their children, they are not being supported by this government. This government, flush with cash, is doing nothing about the funding problems being experienced by TAFE and universities. It is doing nothing to invest in the training of Australian workers.

This budget has failed young people by refusing to invest in them. The budget spends $11.6 billion of new money in 2006-07 but only $40 million in apprenticeships. There is no new money going to TAFE colleges. The overall percentage of the federal budget spent on vocational education and training has been reduced and is set to decline over the next few years.

Despite the dramatic underspending on the Australian technical colleges, this government is persisting with its failed plan to introduce Australian technical colleges. The reason it is doing that and the reason why it is trying to duplicate the TAFE college system is simply that this government sees this as the opportunity to ram home its industrial relations through the staff at these new colleges. In setting these colleges up, this government has introduced a requirement that personnel who work in the new colleges, whether they be in administration or tutorial and teaching staff, will be on the government’s Australian workplace agreements. The government should admit defeat when it comes to the implementation of the Australian technical colleges and instead dedicate the money towards improvement in our TAFE system. Tackling the skills shortage, encouraging greater participation and locking in prosperity means making sure that people have the skills that they need not only to enter or return to the workforce but to develop in the Australian workforce. Sadly for Australia, this budget has failed on this measure.

The budget has also short-changed Australians on tax reform. Tax reform is often talked about in this place—as words—but, to a dispassionate bystander, it has not been delivered by this government. The only tax reform the government has managed to undertake is to add new taxes like the GST and to chop out a few redundant clauses from the old tax act. The introduction of new taxes and getting rid of some unused pages of the tax act hardly constitutes real tax reform.

Labor will be supporting the tax cuts proposed in this budget. It will be supporting the concept of Australians sharing some of the benefits that have accrued through the current resources boom with middle Australia. It will support giving back what the highest taxing government in Australia’s history has taken away from middle Australia. I will not be supporting the changes because I think they are enough or because I think that tinkering with rates and thresholds is all that can be done; I will be supporting them because it is about time that Australian taxpayers got something back.

It is interesting to note that the forward estimates reveal that, as a proportion of GDP, government receipts will be maintained, while the surplus measured as a proportion of GDP will gradually increase. The alleged tax reforms contained in this budget are nothing more than tax cuts dressed up as reform. It is about time that the highest-taxing government in Australia’s history decided to reduce the tax burden on middle Australia. In addition to reducing the burden on middle
Australia, it is about time that the tax system were constructed in such a way as to reward effort. Australia needs a tax system that boosts productivity and participation.

It is interesting that many on the other side have spoken in the past about the need for tax reform, but when push comes to shove the government is gun shy. It has gotten away with merely handing back some of the surge in tax revenue experienced through the resources boom, and it has not taken the bold steps needed to put in place a tax system that will support Australia into the future.

As was reported in the *Australian* last week, for low- and middle-income earners the tax cuts contained in this budget will be gone within a couple of years unless bolder reforms are introduced. That was probably quite a conservative approach for the *Australian* to take. In my electorate, many of the tax cuts that were introduced were gone long ago with the increase in petrol prices and the change in interest rates that forced up mortgages for my constituents and for constituents throughout this country.

It is no longer good enough for this government to stand by and hope that the persistently high effective marginal tax rates experienced by many Australians will simply go away. The effective marginal tax rates upward of 50 per cent that are experienced by many Australians need to be fixed. They act as a disincentive. The tax rates experienced by many families crush incentive, and people start to question why they should continue to put in, why they should continue to take the extra shift and why they should do that little bit of overtime when they get only a few extra cents in the dollar in their pay packets as a consequence.

The changes to taxation arrangements contained in this budget—and I am reluctant to call them reforms because, in truth, they are poor facsimiles for reform—are best described as modest and do little to remove the tax grab from Australian families. Despite the Treasurer crowing about the impact that the combination of changes in the family tax benefit system and the tax system will have for Australian families, closer consideration leads one to the conclusion that there is a lot to be desired in our tax arrangements.

Australian families will still face an effective tax rate well above the new top rate of 45 per cent, because the change to the family tax benefit threshold shifts the taper zone rather than reduces it. The removal of these high effective marginal tax rates and the simplification of our system of taxation and family payments must be the priority for reform into the future if we are truly to have a tax arrangement that encourages participation and gives incentive.

This budget is a budget of distraction as well as a budget of inaction. There is no doubt in my mind that this budget was crafted with the sole purpose of distracting people’s attention away from some of the more insidious policies that this government has pursued in recent months. The one that requires most attention to be drawn away from it is, of course, the government’s extreme industrial relations agenda.

I mentioned earlier that there is a need to invest in education and skills development because that is the best way to improve our competitive position in the world and on world markets and to compete with emerging economies in China, India and elsewhere. Sadly, this government does not believe that Australians are up to the task. It has no faith in Australians to compete on the international stage at a level of endeavour well above that of our competitors; instead, this government believes that Australians are only capable of competing when they are paid less.
This government has no faith in working Australians. Instead of getting behind Australians and putting in place longer term strategies to take advantage of Australians’ natural abilities, this government believes that the only way Australians can compete on the world stage is by slashing take-home pay and removing people’s employment protections. The government believes that that is the only way forward if we are to compete with those emerging economies. This country needs an investment in our future and an investment in our people’s education, because they are the things that are going to help us to be competitive on the world stage.

(Time expired)

Mr BARTLETT (Macquarie) (6.58 pm)—This is an excellent budget. Despite the efforts of the opposition to convince themselves and others otherwise, they know it is an excellent budget. It meets the four essential criteria of a good budget, and it well and truly passes the test. Firstly, it is fiscally sound. The fiscal setting meets the macroeconomic objectives in the current economic context. Secondly, it meets essential areas of expenditure; funding is allocated to the key priorities. Thirdly, through its taxation and redistribution policies, this budget allows all to share in the country’s current economic prosperity. Fourthly, this budget plans for the future to ensure that prosperity continues. This budget passes those four key criteria with flying colours. Before I come back to each of those in detail, let me say that this is an incredible contrast, firstly, with the policy inertia of the opposition; secondly, with the dismal record of Labor when they were last in office; and, thirdly, with the debacle that is supposed to be a government in New South Wales.

Let me return to those four key criteria in more detail. Firstly, the budget is fiscally sound. It delivers a $10.8 billion surplus, the ninth surplus in 11 years. The fundamental rule by which the government operate is that we have to live within our means and that we cannot spend money we do not have. That is a lesson that is still foreign to the opposition; it certainly was shown to be so when they were last in government. Not only are we living within our means but we are also repaying the accumulated debt. Last month was the debt-free month, when, finally, we wiped away $96 million worth of debt that we inherited from the Labor Party.

The contrast between fiscal responsibility and fiscal profligacy could not be clearer. Just look at the last five years of the last government and compare that with the last five years of this government. During the last five years of Labor’s term of office there was a deficit in 1991 of $11.5 billion; a deficit in 1992 of $17 billion; a deficit in 1993 of $17.1 billion; a deficit in 1994 of $13.1 billion; and a deficit in 1995 of $10 billion. That is an incredible legacy that ran up $68 billion—$68,000 million—worth of debt in just five years. Compare those five years with the last five years of this government: in 2002-03, there was a $7.4 billion surplus; in 2003, an $8 billion surplus; in 2004, a $13.6 billion surplus; in 2005, a $14.8 billion surplus; and, in 2006, a $10.8 billion surplus—five surpluses to pretty much match the five deficits of the last years of Labor. We hear Labor trumpeting on, ‘Yes, we believe in surpluses,’ but they just could not deliver. They say, ‘We believe in surpluses,’ but they opposed almost every saving measure this government brought in in its early years to deliver those services.

This is a responsible budget that continues a responsible approach to fiscal balances in the context not only of saving, of putting money aside, and of living within our means but of ensuring that the level of fiscal stimulus in the economy is right. People say, ‘You have a big surplus; why don’t you spend more?’ But the fact is that in a strong, buoy-
ant economy we need a surplus to balance a fairly expansionary monetary policy. This is the right fiscal balance in the context of where the economy is at the moment. Again, we have Labor saying, ‘We believe in low inflation; we believe in low interest rates.’ Sure, they might believe in them but their record clearly shows that their spending policies never allowed them to deliver on those things.

The other point that needs to be made time and time again about this is that, as a result of paying off that debt, we are now saving $8.4 billion a year in interest. When we came into office in 1996, $8.4 billion a year of taxpayers’ money was going not to infrastructure, tax cuts, health or education but simply to servicing the debt run up by Labor. As a result of this government’s responsible management in repaying that debt, that $8.4 billion a year can now be used for essential services for infrastructure, health, education or tax cuts. These are the dividends; these are the benefits of years of responsible and careful management.

The second criterion of a good budget is that it allocates spending to essential areas, to important priorities. There are too many dimensions, but let me mention what I see as some of the key areas of spending in this budget. Firstly, there is a big boost in health spending with another $3 billion to health, which now brings the total health budget under this government to $48 billion. When we came into office, $20 billion a year was allocated to health. There has been an increase of 140 per cent on health since then, to $48 billion in the next year, and there will be some excellent new initiatives as part of this.

There is an increase of $1.9 billion to work with the states on a suite of measures to improve mental health—initiatives that will mean the difference in detection, treatment, care and support for the mentally ill in our country. There is another $905 million over the next four years for medical research, which will mean that, by the year 2009-10, we will be spending five times—that is, 500 per cent—the amount that was being spent on medical research by Labor in its last year. There are a number of other key areas within the health portfolio, such as boosting the number of doctors and nurses, more money for aged care, more money for tackling drug and alcohol abuse, increased availability of new drugs on the PBS system—and on it goes.

This has not gone unnoticed. Let me remind the House of what Catholic Health Australia said about this health budget. They said:

This is a good health budget. It’s practical, it’s investing in people. It’s to be supported.

… … …

This is what ordinary families needed because state Labor governments are raising charges far beyond household budgets.

I can go on. There is an extra $2.3 billion for road and rail infrastructure over the next four years, bringing it to $15 billion in the five years between 2004 and 2009. It is part of the integrated, coordinated AusLink program to upgrade Australia’s land transport system. A part of this is the extra funding this financial year under the Roads to Recovery program. My two local councils are delighted. The mayor of the Hawkesbury council is delighted to be receiving an extra $726,000 this financial year, and the mayor of the Blue Mountains council is delighted to be receiving an extra $590,000 this year. They are both thrilled with this government initiative. And what has the Australian Local Government Association said about this? The association said:

This is what nation building is all about—investing in infrastructure ...
We’re very pleased to see the Australian Government recognise the need for additional investment in road infrastructure ...

We could go on. This year we will spend an extra $878 million on the environment, which will bring the total to $3.9 billion. This is a far greater amount than any government in the past has spent on our environment. I was astonished to read in this morning’s Australian Labor’s member for Melbourne, one of the shadow frontbench, saying that the government has squandered billions of dollars through Networking the Nation, Regional Partnerships and the Natural Heritage Trust—squandered money on the environment. I can tell the member for Melbourne that people in my electorate have greatly appreciated the government’s spending on the environment. Several million dollars have been spent in recent years on the Hawkesbury-Nepean catchment system, and over the next three years, as part of the investment blueprint for the Hawkesbury-Nepean catchment area, there will be $12.9 million out of the Natural Heritage Trust allocated. Yet the member for Melbourne calls that investment in the environment ‘squandering’. Shame on the member for Melbourne. My constituents, the people of Macquarie, want to see that money being spent.

I could talk about education. Total spending on education this year is $16.6 billion. Since this government came to office, spending on education has risen by $5.8 billion. That includes an increase of 8.9 per cent for schools and VET funding up to $2.5 billion, which is an increase from $1.5 billion to $2.5 billion in just the last six years. Members opposite talk about a shortage in skill training. We have lifted apprenticeships from a 30-year low under Labor. Now at over 397,000, they are more than double what they were when we came into office.

I could mention the extra funding for defence. This continues our commitment of a three per cent increase in real funding every year and extends it now from 2011 to 2015. That includes an extra $2.2 billion to acquire C17 heavy-lift aircraft. Air Lift Group is stationed in my electorate and I am determined to see it continue to be stationed there. I am delighted to see this increase in capacity for Air Lift Group, which I like to call the sharp end of our defence. Another $1.5 billion of extra funding has been allocated over the next three years to secure Australia against terrorism, which brings the total of new initiatives to $8.1 billion in the eight years from 2001 to 2009. That is what we are spending on those key priority areas.

The third criterion of a good budget is that tax deductions and spending initiatives allow all Australians to benefit from our growing prosperity. We have had 10 years of solid growth—10 years of rising living standards. It has been very interesting to see that in the last 10 years, in terms of GDP per capita, we have moved in the world from No. 13 to No. 8. In the last 10 years, because of the prosperity of this country through the good management of this government, we have overtaken Japan, Denmark, the Netherlands, Belgium, France, Germany and Canada to move up in terms of our living standards.

Part of this budget is to ensure that the benefits of increased prosperity are available to all. We are doing it with tax cuts; we continue to build on the tax cuts of recent years. We are doing it by continuing to build on family tax benefits, which we have increased in recent years. We are doing it with a number of other initiatives.

Just to mention tax cuts, over the next four years there will be $36.7 billion of tax cuts—and that is an extension of the $6 billion of net tax cuts in 2000, the $10.7 billion in tax cuts over four years announced in 2003, the
$14.7 billion in tax cuts over four years announced in 2004 and the $21.7 billion announced in 2005. We are continuing to repay to hardworking Australians the benefits of a prosperous economy.

It is worth pointing out that Labor opposed the tax cuts that we tabled as part of last year’s budget and it is still confused about what to do with the government’s tax cut initiatives. Unlike Labor, the coalition believes in returning dividends to hardworking Australians. Australia now has the eighth lowest level of taxes of the 30 OECD countries. If you look at the tax tables, it is pretty obvious. Prior to the new tax system in the year 2000, someone on average weekly earnings was on a marginal tax rate of 43 per cent; now they would be on a marginal tax rate of 30 per cent. Add to that family tax benefits, the low-income tax offset and the senior Australian tax offset, and Australians are measurably substantially better off than they were before.

In the opposition leader’s response to the budget, we had his so-called ‘pact with middle Australia’. I just remind the House that, when the Leader of the Opposition was the finance minister and Deputy Prime Minister in the last government, an Australian worker on $50,000 a year would have been on a marginal income tax rate of 47c in the dollar. Now, on $50,000 a year, they would be on a marginal tax rate of only 30c in the dollar. They have gone from 47c in the dollar down to 30c in the dollar, which is far beyond anything that indexation could have done. So much for the rhetoric about a pact with middle Australia. The evidence is in the record. Under our government, we have had a substantial reduction of marginal tax rates. The Leader of the Opposition can talk all he likes about pacts with middle Australia; the runs are on the board for this government. Under the former government, those opposite did not even get out of the dressing room.

We could go on. In this budget we have the initiative to relax the assets test for seniors, which is a very substantial improvement. Many additional retirees who just miss out on the pension will be eligible now for the pension, by the government cutting by half, over that threshold, the taper rate of the assets test. So single home-owning retirees, as a result of their hard work and having saved up, now will be able to own another $165,000 in assets before losing eligibility for the pension. Retiree couples will be able to own another $275,000 in assets before losing eligibility for the pension.

As well as income tax, I could talk about business tax cuts. We cut the company tax rate several years ago from 36c to 30c in the dollar. In this budget we announced an extra $3.7 billion in accelerated depreciation for business, in addition to another $435 million over the next four years to help business by reducing taxes for business. The point is this: in cutting taxes for business, for families and for retirees and in increasing family tax benefits, this government has the runs on the board and is proving itself to be family friendly. The Australian Family Association put it very simply when it said, ‘It is giving the power to families to properly budget by giving them the money.’ And this budget again delivers.

The fourth criterion of a good budget is that it must plan for the future and, again, this budget does that by adding to the Future Fund. We are saving money for the obligations that the government will have to an ageing population. We are saving for the future, a concept that was foreign to the opposition. Yes, they talked about the future but budget after budget they put us into hock by running massive deficits. Talk about the future eaters—the book The Future Eaters could equally apply to the Labor opposition and their policies of hocking the future by
spending more than they had. We are saving for the future for an ageing population.

This is a budget that clearly, having paid off Labor’s debt, now puts money aside for the future. It is a future-looking budget in its incentives for businesses—the $3.7 billion I mentioned—to invest to increase productivity. We have heard a lot from the other side about productivity. One of the best things we can do is to give these incentives—the accelerated depreciation allowance is up from 150 per cent to 200 per cent—to encourage businesses to invest and increase productivity.

By no means last are the dramatic changes to superannuation. They increase the incentives for people to save for their retirement and for people to work beyond 55 and 60 so that the shrinking share of taxpayers who are working will not have the massive burden of paying for the pensions of a larger retired population. These are dramatic changes that will significantly simplify the superannuation rules, give greater certainty for retirees in planning their retirement and cut substantially taxes on superannuation. The changes will remove totally the exit tax, whether on lump sum or pension, for retirees taking money out of a taxed fund and substantially reduce taxes for public servants and others moving out of untaxed funds.

This is a forward-looking budget that provides for the future by encouraging investment, by encouraging saving, by encouraging people to work and by the government putting aside money out of the Future Fund. This budget delivers in spades the four criteria of a good budget: it is fiscally sound, it allocates funding to those essential areas of spending, it delivers to all Australians the benefits of our prosperity and it looks to and plans for the future to continue that prosperity.

Mr MARTIN FERGUSON (Batman) (7.18 pm)—In rising to speak this evening on Appropriation Bill (No. 1) 2006-2007 and, in doing so, to support the second reading amendment moved by the member for Lilley, I note that there has never been a federal government that has had such a good opportunity, in terms of the resources available, to build the foundations for Australia’s future. That is what this budget discussion ought to be about.

Never has a federal government had a better opportunity to address the important issues facing Australia today and over the next decade or two. These issues are fundamental to our future. They include intergenerational equity; the struggle of today’s age pensioners, who did not grow up in the superannuation age; and the forgotten people, the blacks and the whites barely surviving on welfare in dysfunctional communities, sometimes in the second and third generations, which is rather topical this evening. It goes to issues such as the decline in our skills base and the need to pave the way for the next generation of innovation and productivity improvements for our future economic security and to issues such as our reliance on the resources sector.

There are the implications of that reliance for the manufacturing, service and related sections of the Australian community and the danger of creating—and this is a very serious debate—a two-tier economy. That two-tier economy would be based on the resource-rich regions in the states versus the rest of Australia. There would be workers in resources benefiting from boom-time salaries and bonuses versus teachers, nurses, police officers, firefighters and all those other hardworking Australians being left behind on fixed incomes—so much for potential reform.

It is important that we actually have that reform, that we keep the pressure on the Australian community to front up to a process of change. For that reason I believe the budget
is a wasted opportunity. The result is that potentially we are going to reduce the size of the Australian economy because we have not made the hard decisions that should have been made in this budget. Obviously, one would expect the easy options to be taken by the Howard government in the lead-up to the next election, which would have meant the budget of next year. The hard decisions should have been made in this budget. I raise this because the potential reform has to be confronted.

I want to talk about the seeming lack of support that the budget has received in the electorate. It shows how out of touch the Prime Minister and the Treasurer are with middle Australia, a fact which was so appropriately focused on by the Leader of the Opposition in his budget response last Thursday week. The reason they are out of touch is that they do not know what is being discussed around the kitchen table. I will tell you what is being discussed around the kitchen table, in the streets and in the suburbs of Australia: they are talking about the price of fruit and vegies in the supermarket, the weekly grocery bill, how much it costs to fill the petrol tank and the juggling of family finances to meet the monthly mortgage payment. It is not a question of the level of interest rates; it is a question of the level of debt. An increase of half a per cent in interest rates is probably equivalent to an increase of five or six per cent 10, 15 or 20 years ago. It is the level of debt that counts, not the level of interest rates. The problem in Australia at the moment is that we have lost control of the level of personal debt. Communities, ordinary people, mums, dads and elderly people are suffering.

Yes, the Prime Minister would lecture us that Australian mums and dads got a tax cut, but the truth is they do not feel any better about it. Go and talk to them in the streets, as I have over the last two weekends. They have not just talked about industrial relations but talked about the huge pressures on Australian families at the moment. One of the most serious responses has been from pensioners. They simply say to me in my local streets: ‘We got nothing, Mr Ferguson. We are the forgotten people yet again. Yet we were the people who laid the foundations of the economic prosperity that Australians are currently benefiting from. Why are we forgotten?’ I think it is a very serious question that ought to be responded to by the Howard government.

The same comes from people waiting to see a medical specialist, from people whose toddlers will be old enough to go to school before they can get a child-care place, from people whose teenagers cannot get an apprenticeship, TAFE or university place. They are being told by the Prime Minister and the Treasurer that the economy is booming. But, unless they work in the resources sector or live in Perth, they do not feel they are part of it. That is the truth. Just go around Australia and ask them.

I compare that to the executives at Macquarie Bank. At least one of those executives, as evidenced by public announcements last week, earns $58,000 a day, which is absolutely amazing. I am sure that if you work at Macquarie Bank, Mr Deputy Speaker, you are in no doubt that there is economic boom happening in Australia. They are but the beneficiaries of it. If you work in the resources sector, such as in north-west Western Australia, the average annual mining wage now stands at $85,000 per year. That is up a solid 7.6 per cent over the last 12 months. So they are doing quite well.

It is interesting to note that the average growth of the national wage was substantially lower than in the resources sector. The average growth was only 4.5 per cent, taking the national average annual wage to just un-
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The average annual wage is just $38,000. That is 44 per cent of the average annual mining wage.

So understand that there are two Australias at the moment, not just geographically but also related to the occupation you hold down in Australia. It is getting worse. Interestingly, it is not only getting worse in the area in which you work or the nature of the work you do but also, unfortunately, in the wage differential between men and women. We are going backwards on that front.

If you work in accommodation, cafes or restaurants, you cannot get child care for your kids when you need it and you are struggling to pay the petrol bill to get to and from work or to and from the child-care centre in peak public transport hours. You may well conclude that you are not getting a fair shake from the resources boom. That is what they are thinking at the moment when they hear all this talk about the resources boom.

Perhaps it is time, therefore, the question was asked: are Australians at large getting a fair return from their resources? The vast majority of taxation arrangements and strategic industry incentives that were entered into with the resources sector long ago precede the current boom. It raises the question: are they still relevant, when you look at the profits of some of these resource companies? Do we need to think about the regime that is in place from a government policy point of view governing their investment and returns at the moment?

We have seen the Minister for Employment and Workplace Relations full of bluff and bluster over the last week or two threatening to intervene in a New South Wales wages case. He says he is horrified about wage blowouts. What he really means is that it does not matter what is happening in the resources sector, but he does not want teachers, child-care workers, nurses, police officers, firefighters, hairdressers and bakers earning too much money. That is the bottom line: ‘Let’s keep them down, let’s keep them in poverty.’ That, therefore, raises the question: why is that his view of life? I believe it is because he knows that, if we pay hairdressers more, voters will pay more for a haircut. He knows that if we pay bakers more we will pay more for a loaf of bread. Unlike wages growth in the resources sector, we will feel the costs of wage rises in our own hip pockets. That is the nature of the system.

Wages growth in the resources sector is clearly draining labour from every other sector of the economy, putting public infrastructure costs under pressure as a result and threatening the next round of resource investments themselves. No wonder that, when you talk about road construction one year, when you actually come to do the cost estimates 12 or 18 months later it is completely different. It is the nature of the growth in the economy internationally—the price of cement and steel and the price of wages because of the shortage of labour. We are going to start to feel these impacts in our own government outlays in the very near future, just as we are experiencing them now.

Members of the House might also remember my warnings on a number of occasions. They are probably starting to tire of me raising this, but I have to continue to remind the House that, if Australia is not competitive in capital costs, infrastructure, availability of labour both skilled and unskilled, approval processes, the regulatory environment and so on, the big companies—the Woodsides, the Rios and the BHP Billitons of the world—will not wait for Australia to catch up. It is a
very tough global market out there. If you lose investment today, then you have lost it forever. Once they start investing in alternative countries, then just by sheer weight and economies of scale they are not going to turn their back on that country in 12 or 18 months time. That is the nature of the resources boom. It is very competitive.

Negotiations about resource prices each year are also getting very tough. Last year we achieved an increase in the export price of iron ore of 71½ per cent. Last week we saw Japan settle potentially on another increase of 19 per cent for this year. The Chinese are going to try to resist that increase and try to make sure it is less than 19 per cent. We will see just how good they are at the negotiating table.

That just shows why investment is very much the order of the day for the purposes of developing these resource opportunities around the world. Our problem at the moment is that we are falling behind because of capital costs and a shortage of labour. We are going to see it disappear and we are never going to be able to get it back. That is a serious problem that should have been confronted in this budget.

These companies are going to take their money and invest somewhere else in the world, somewhere without capacity constraints. The debate not only in Australia but also internationally is about where it is good to invest so as not to have to confront capacity constraints. This effectively means that Australia’s future share in global trading resources will be diminished not just in the near term but for the decades over which these investments will be matured. And that is of real concern to me. Once you make these investments, you are going to basically pursue them for a long period because that is the return period on the cost of capital investment.

Meanwhile, industries like forestry and tourism are starting to struggle. They are starting to struggle to get the basic labour they need to carry on, as is the agricultural and the primary industries sector. They just cannot compete for the labour. Their problem is that we have a government that is not investing in our future in the supply of labour, so they see valuable employees lost to other industries, especially the resources and energy sector. The same story is being told in other businesses and industry sectors all around Australia, as House of Representatives committees inquiring into these issues are now being told on a regular basis. The lid is going to blow off this problem while the government is asleep at the wheel. It is not that the resources boom is about to end; the issue is that the Howard government has not prepared Australia properly for ongoing participation in it.

We are actually sharing in this resource boom at the moment, but we have to secure further opportunities for the future. This is a ‘once in a lifetime’ opportunity for Australia. If we do not take it now, we are going to miss it. There are other countries, especially in the developing world—you need only look at the energy exploration going on in Africa at the moment—that are potentially very attractive for investment, provided there is political stability in those countries. The cost of capital and labour in those countries is much lower than in Australia—which is a serious challenge to Australia.

That is important because we now have major structural problems and inequities emerging in the Australian economy that the Howard government is blind to. We hear at the dispatch box each question time the Minister for Employment and Workplace Relations talking about fairness and national consistency. I simply ask—and perhaps the minister can respond in his appropriations contribution: where is the national consistency
in an average annual wage of $56,000 in New South Wales and an average annual wage of $48,000 in Tasmania, your own state, Mr Deputy Speaker Quick? I think it is a fair question. The price of oil, the price of petrol, is the same in each state. The price of veggies and fruit are effectively the same. Just look at the price of bananas at the moment due to the problems caused by the cyclone in Northern Australia—$10 and $11 a kilo. It is putting a lot of pressure on families. That is what families are talking about at the kitchen table.

Where is the fairness in a tradesman’s wage of $45,000 in Western Sydney and the same tradesman’s wage of $100,000 in Mackay? It is in the resource sector. Last week the Queensland Premier and Deputy Premier were in Sydney on a recruitment drive centred on exactly this premise. There are already big disparities across industries and states between male and female workers, and the Australian government’s Fair Pay Commission is not going to fix them. They are just going to get worse. The skills and labour crisis is the most pressing constraint we as a community have. On this debate, it is interesting that in last Friday’s Financial Review I read that Botswana is the only country with a skills shortage that is worse than Australia’s. That is pretty telling. Botswana is the only country in the world with a skills shortage worse than Australia’s. Our problem is that neither government nor industry is doing enough to address this shortage. I believe both must bear some responsibility for the situation we find ourselves in today.

It is an indictment of this budget that so little is being done to fund initiatives to lift Australia’s skills base, because that is the debate. I am pleased to see a number of companies in the resources sector—BHP, Rio and Xstrata, to name a few—now accepting their responsibilities to do more on this front. But we cannot just adopt a culture of buying trained labour from down the road or overseas; we have to do it ourselves. We need to get back to traditional trade training in Australia, to address transferability of trade qualifications and to commence more of our apprenticeships at school for our young people. If we do not do this, we are going to suffer. Where are we going to get the specialised high pressure welding and turning and engineering workers and the science and technology graduates? Where are we going to get the teachers and nurses if we do not invest in this training? We cannot rely on getting people on subclass 457 visas from overseas, aimed at putting pressure on the Australian trade union movement and at keeping wages down. The end result is exploitation in Australia.

It is about time we had a little less talk about our problems in the Indigenous community. If the government actually did something to work with the resources sector to invest in training and the education of those people, then you would create the labour force for these regional, remote and isolated areas of Australia, because that is where these people live. They want jobs, but we as a community have failed to deliver the services that would create the opportunities for them and, in doing so, overcome some of the skills shortages that exist in Australia.

We also have to accept that we have to do more as a nation in energy. We have to start fronting up to the issue of resource security. The Prime Minister is talking about the price of oil at the moment in the context of the nuclear debate. It also means that the gas to liquids option and the coal to liquids option are now serious options for Australia to invest in, provided there is government leadership and a response from the private sector to accept its responsibilities to do this in Australia, just like the industry’s competitors are doing in Qatar. They are doing it in Qatar. Why should they not do it in Australia? Why
should we not invest in gas delivered projects to make clean transport fuels for the global market and for the domestic market? It is five years since the government’s own gas to liquids task force highlighted the potential significance of such an industry in Australia. Why is this investment not pursued in the budget, just as we should have pursued the urgent issue of trade training in Australia and more university places for our own young people? These investments by government and the leadership at a policy level actually bring the private sector forward in accepting their responsibilities. Action has to be taken now.

That is what the second reading amendment moved by the shadow Treasurer, the member for Lilley, is about. It is about the lost opportunities in this budget. Where are the child-care places? Where are the public education and training places? Where is broadband for the whole country? What are we as a nation doing to encourage research and development? What are we doing about what Labor achieved in government from 1983 through to 1996 on lifting workplace productivity? I commend the second reading amendment to the House. This is the debate we have not had because of government inaction in this budget. This budget endangers Australia’s long-term economic fundamentals when we have never had it so good in terms of the opportunities that are available as a result of the surplus that exists because of the resource boom. We all like a tax cut from time to time, but it is also the responsibility of leadership to invest in the provision of services that guarantee our future. That is where the government has failed.

Mr HARTSUYKER (Cowper) (7.38 pm)—It gives me great pleasure to speak on Appropriation Bill (No. 1) 2006-2007 and cognate bills. This legislation implements a budget that is physically sound, that provides a balance between the provision of services and revenue and that sets the stage for the future growth of this country. This budget is not the result of the events of the last four months; it is a budget that has been delivered as a result of 10 years of solid economic management. It is a result of this government’s ability to pay back $96 billion in Labor debt, to keep real incomes rising, to keep inflation low, to lower unemployment and to create 1.7 million new jobs. It is a budget that reflects good management by this government. Gone are the days when we talked of the recession we had to have. This government believes in creating opportunity, and this budget goes down that path to continue creating opportunity.

Tonight I want to speak on six key areas: tax cuts, the changes the budget makes in the areas of superannuation and retirement, support for business, support for infrastructure, support for families and seniors, and the important area of health. There is something in this budget for every taxpayer. Some $36.7 billion in tax cuts will be delivered over the next four years. The low-income offset will increase to $600 and the phase-out will go up from $21,600 to $25,000. The 30 per cent tax threshold will increase. The 42 per cent marginal tax rate will be reduced to 40 per cent and the threshold will increase to $75,000. The 47 per cent marginal tax rate will be reduced to 45 per cent with the threshold increasing to $150,000. It is important that we create incentive for people to be productive. It is important that we create incentive for people to invest in their own professional development so that they can earn higher incomes. I believe the changes in the tax rates are an important step in creating incentive.

For senior Australians, the SATO threshold will increase to $24,867 for singles and $41,360 for couples. A family with two children will pay no net tax until their income exceeds $48,000. That is a very good figure.
As a result of this budget, more than 80 per cent of taxpayers will face a top marginal rate of 30 per cent or less. In percentage terms, the lowest income earners get the greatest tax cut. The OECD noted that the top marginal rate was around the international average but cuts in at a relatively low income. This budget does a great deal to reduce the disincentive that high marginal rates cause. It is very important that we create incentive. It is very important that we maintain the momentum this government has developed so that people are encouraged to achieve and generate income for themselves and for the wider community.

I will now turn to superannuation. This government is very focused on the needs of an ageing population. The Intergenerational report has noted the startling statistics that the number of people aged above 65 will double by 2042 and the number of people aged above 85 will quadruple. The result will be a relatively smaller workforce to sustain a larger, ageing population. This government has put in place a range of measures to address this. Our retirement policies are based around three pillars: compulsory superannuation, encouraging savings for retirement and the safety net provided by the age pension. The budget builds on this approach. The abolition of tax on superannuation benefits from taxed funds will be a major benefit for older people in our community. I have certainly had a lot of positive comment on that. The abolition of the reasonable benefit limit, the extension of the co-contribution to the self-employed and the extension of the full tax deduction for contributions to the self-employed are all important measures.

The halving of the pension assets test taper rate is also a vitally important issue. People save for their retirement and accumulate assets. But what was the system doing? It was cutting their pension. Whilst we all concur with the view that people who are well off should have less access to social security, we think there is an equity issue and that people who have saved for their retirement should be supported as much as possible by the community. The reduction in the assets test taper rate will be welcomed by many senior Australians. The budget makes investing in superannuation far more inviting and it makes saving for retirement far more attractive. It provides a practical approach to the issue of retirement savings.

Another important thing I was very keen to see approved in this budget is the issue of curtilage. There is an anomaly in our social security system. If you live in a residential property in a major metropolitan centre or a regional city, that property is not included in the assets test, but if you live on a rural property—perhaps you are 80 years old, you have lived there all your life, you are too old to farm the land but you do not want to leave your property—except for the curtilage around the home, the agricultural land is deemed to be an asset for the purposes of the assets test. As a consequence of that, many rural families—elderly farmers—were basically living on the poverty line because they did not have access to the age pension.

The notion of extending the same sort of coverage to people who are using a property as basically a residence is a great and equitable step that was introduced by the budget. I would like to commend the current Minister for Families, Community Services and Indigenous Affairs. I also commend his predecessor, Senator Kay Patterson, for the great work that she did in pushing forward the notion of extending age pension eligibility to a much larger number of people in the rural community. Many people in my electorate will benefit from this change. It is welcome. It is a change that I have been working towards in my time in parliament.
This budget provides great support for business. We see a benefit to business of some $435 million over four years. There will be improved access to the small business capital gains tax concession by replacing the current controlling individual test with a 20 per cent significant individual test and increasing the net assets threshold from $5 million to $6 million. The incorporation fee will be halved. There will be more encouragement for venture capital investment and increased incentives for investment in new plant and equipment through accelerated depreciation. These are great measures that should substantially enhance business.

Infrastructure is another important area. I was delighted to see in the budget a contribution of $160 million to the Pacific Highway, which is to be matched by the New South Wales state government with a further $160 million—an additional $320 million being invested in the Pacific Highway. That means a total investment in the Pacific Highway over the years 2006 to 2009 of $1.3 billion—a very important expenditure indeed. It is a road that desperately needs upgrading. I am delighted that the federal government is able to assist the state government with that road. In my area, we have a number of vitally important projects, one being the Bonville deviation and a second project being the upgrade of the Sapphire to Woolgoolga stretch of the highway, which will be able to proceed apace through this additional funding that has been made available under this budget.

Roads are a very important matter, but we cannot just leave the issue with spending more money on our highways. It is important that we divert as much of the freight task as possible onto rail. Previously, this government announced $450 million to upgrade the rail line between Sydney and Brisbane, diverting some 120,000 containers a year off the road and onto rail by the year 2011—a very important step. If we did not do that, our roads would just clog up. If we do not attend to rail, if we do not get rail carrying its share of the freight task, we are going to see our roads clogged no matter how much money we invest in them. So I was delighted with that earlier announcement of some $450 million under AusLink. This budget complements that with $270 million being added to that allocation to upgrade the line between Melbourne and Brisbane. This is for vitally important work covering things such as upgrading signalling systems, reducing the gradients of hills, reducing the radii of curves and increasing the length of passing loops, making rail more efficient and giving it the opportunity to compete effectively with road—a vital part of this government’s strategy.

Also, local roads are vitally important. One in four jobs in regional Australia is created by exports, and all exports from regional Australia start their journey on a local road. It is important that we have good local road infrastructure. We have seen various state governments, particularly the New South Wales government, putting increasing responsibilities on local councils but not providing them with the sorts of financial resources to provide for those responsibilities. As a result of that, we see much of local council infrastructure in a very dilapidated state.

The Roads to Recovery program has been a great initiative of this government, and I was delighted to see that, as part of this budget, the councils in my electorate—as with councils right around the country—are receiving additional funding to provide for much needed upgrades of our local roads to provide for much safer travelling on our local roads and an improvement in the local government infrastructure. Coffs Harbour City Council, for instance, will receive an additional $768,000 from this measure; Bel-
lingen Shire Council, an additional $337,000; Clarence Valley Council, an additional $1.3 million; Kempsey Shire Council, $712,000; and Nambucca Shire Council, $464,000.

This money is being paid direct to councils. No money is being skimmed off to cover overheads in Macquarie Street. This money is being paid directly to local councils so that they can spend on the priorities that they identify, that the community is telling them they need. I think that is part of the success of this program: upgrading local infrastructure in response to local needs, not some edict that has come down from on high from a state government or the federal government but from the people who really know what needs to be done—the local engineers and the local communities. It is a great initiative, and I commend it.

Families are the cornerstone of our community. Once again, the government has shown in this budget its commitment to families. In 2006-07, the government will spend some $28 billion in assistance for families with children. That is double what was spent in 1996-97. The maximum rate of family tax benefit part A per child has been increased by 75 per cent over the same period and is now at the rate of $4,200. From July, more families will receive the maximum rate and they will be able to earn up to $40,000 per year without having their entitlement reduced. More than 12,000 families receive this benefit in my electorate. Some will also benefit from the extension of the eligibility for the large family supplement of $248 to families with three children, as opposed to the previous level which was for families with four children or more. It allows for support for our larger families. It is a move which I commend. The government has also made provision for the cap on the number of outside hours care and family day care places to be removed, which should create another 25,000 places. This is great support for families, and I commend these changes.

The budget also contains $586 million to help older Australians and carers meet their living costs. There are a range of measures involved in this. There is the $102.80 utility payment to assist our older Australians to meet their various utility bills, and I know from the calls to my office that this is a welcome payment. Carers are real achievers in our communities. They always punch above their weight in the care that they give their loved ones. We are again supporting carers in this budget through the carer payment and carer allowance, with a one-off payment of $1,000 and $600 respectively being provided. Some 3,700 people in my electorate will benefit from that payment—a very welcome payment indeed.

I think that we cannot spend enough on health. I commend the initiatives that this government has taken in the field of health. We have seen great improvements in bulk-billing rates, for instance, as a result of the measures of this government, providing incentives to GPs to provide services on a bulk-bill basis. I welcome the huge increase in investment in medical research, increasing to more than $700 million. It is very welcome. The money we spend on research will create huge benefits downstream, relieve great suffering and provide tremendous economic benefit to our community.

I think also that the investment in additional training places, with 400 places for medical students, many of them bonded, will be welcomed in rural and regional areas. Labour force shortage, particularly in regional areas, is a vital issue. This government implemented the idea of the rural clinical school, one for training medical professionals in regional and rural areas with a view that they are more likely then to practise in
regional and rural areas when their training is complete. It is a great initiative by this government, one that is commended very widely.

I think the mental health initiative is vitally important. The level of mental health services in this country has been very lacking. The $1.9 billion commitment by this government to improve mental health services is going to be welcomed around the country. There are huge problems in the delivery of mental health services. There is a great lack of provision of services for these people in need, and this initiative will go some way to improving mental health services. It is a great first step in what I think is going to be a long road in improving our mental health services over time.

In conclusion, this is a budget that has as its basis strong economic management over a long period of time. It is a budget that has been delivered by a government that is committed to reform. It is a budget that has been delivered by a government that is committed to keeping interest rates low, keeping this economy growing at a fast rate, ensuring that we continue to create jobs and ensuring that we continue to create opportunities. It is a budget that has been well received in the community. Many constituents in my electorate have complimented me repeatedly on the measures that are in this budget. It is a budget that delivers to people right across the spectrum of our community. It is a budget that is going to deliver into the future. It is a budget that sets the stage for the continued future growth of this country. I commend the bills to the House.

Mr BRENDAN O’CONNOR (Gorton) (7.55 pm)—I rise to respond to the Treasurer’s statement on the budget and indeed to the member for Cowper, who just recently contributed to this debate on Appropriation Bill (No. 1) 2006-2007 and cognate bills. What you did not hear, of course, as the member for Cowper went through his shopping list of achievements and successes of this budget, was talk in any way, shape or form about industrial relations—the new radical, quite extreme and unfair set of laws that will make it a lot harder for ordinary working families. None of that was mentioned by the member for Cowper. But you can be assured of this, Mr Deputy Speaker: there are many workers in that electorate who are very concerned about the way they will be treated as a result of the legislation that was put through.

The member for Cowper is no different from any other government member who refuses to acknowledge that the extreme provisions of the Work Choices act will wreak havoc in certain workplaces, particularly those unorganised workplaces where people are most vulnerable. I think it is very important, therefore, that, when we debate the benefits or otherwise of the 2006-07 budget, we do put into the mix the adverse effects that are likely to flow as a result of those extreme industrial relations laws. As I said, that is something that you do not see government members wanting to debate.

I have had the good opportunity to travel to a series of seats throughout the country on behalf of the federal parliamentary Labor Party’s task force into the effects of the Work Choices act. I have had the great opportunity to listen to many people—workers, church groups, community organisations, small businesses, unions—tell me their stories about the concerns they have about the legislation, about the way it will change the workplace as we know it and indeed about the way it will cover our workforce. Faced with the choice between a $10 tax cut and having my right to challenge an unfair dismissal removed, I know as a worker which one I would want to receive: the protection afforded under law to challenge an unfair dis-
missal. An unfair dismissal may leave me without a job, which would not allow me to look after my family, to pay a mortgage, to pay rent and to put food on the table. On the other hand, I will receive a miserly $10 a week. And for many Australian workers, that is all they will receive as a result of this budget.

There is no doubt that there has been some tax relief as a result of the budget, but it has certainly not flowed through as a great windfall for people. This is the highest taxing government in Australia’s history. Therefore, all it is doing is giving some of the money back that it has been collecting over these last 10 years. So we should not get too carried away by the figures. It seems to me that the Treasurer was carried away with his own budget. Nobody seemed to be as happy about the budget as the Treasurer. Clearly, there are areas that were not addressed. In a time of economic prosperity, in an unprecedented time of wealth as a result of the minerals boom, the government should be looking at investing in our infrastructure, investing in our people and ensuring that we are well placed to grow as a society and as an economy into the future. I do not think the government addressed those things in the budget two weeks ago.

It is important to note the Leader of the Opposition’s budget reply speech. The Leader of the Opposition quite rightly said it is critical that we address the child-care shortage in this nation. The proportion of Australian women with children participating in the workforce is one of the lowest of that demographic amongst all OECD countries. There is a clear requirement that we increase the likelihood that that demographic—that is, women with children—are able to choose to go back into the workforce. That will not happen unless there is affordable, quality child care. The announcement of the Leader of the Opposition to provide $200 million to establish more than 250 child-care centres on primary school grounds seeks to fix a fundamental problem—that is, notwithstanding the number of notional child-care places that are allowed under the current system, there are not enough places for families to send their children. There are not sufficient child-care services to enable women in particular to return to the workforce and participate, ensuring that our economy is strong.

I guess that should not surprise us. The government’s view about child care is not a well thought out one. They have not had much regard for the notion of child-care services. They have not realised, for example, how difficult it is for child-care centres to attract quality staff, given the relatively low wage levels that they are able to pay. If you were to compare the wages of child-care workers—given the quality, responsibility and qualifications required to undertake the care of children—with those of any other professional group in society, they would be the loser on every count because historically they have not been valued by this country. The government have failed to address this fundamental problem in child care in our country by failing to understand that we need to elevate the importance and status of child carers to a point where they are seen as highly valued professionals. That is unfortunately not the case today.

It is also important to note that the Leader of the Opposition clearly brought into his budget reply speech industrial relations matters. You cannot talk about the benefits of a budget without looking at the difficulties that families will experience as a result of becoming precariously employed. Think about this for a moment. If unfair dismissal laws have been removed, which they have been pursuant to the Work Choices act for at least four to five million employees, will there be such a thing for those employees as permanent
employment anymore? If an employer has the capacity to dismiss an employee for any or no reason and that employee has no recourse to challenge that decision on its fairness then what we have in this country is an extraordinary proportion of the workforce with no tenure whatsoever. They have no capacity to argue that they are permanently employed and therefore have the right to challenge their sacking if unfair.

As we know, the government’s new laws for unfair dismissal—which the Leader of the Opposition quite rightly said we would tear up if elected to government—are not about trying to sack every employee in Australia. What they are about is trying to threaten either implicitly or otherwise every employee in this country so that they do what the employer wishes when it comes to negotiating future employment conditions. It is important to note that the combination of the government removing a no-disadvantage test from the preceding act, the Workplace Relations Act 1996, and replacing it with the Australian Fair Pay Commission standard—therefore allowing employers to remove all but five basic minima from any employment conditions—providing the capacity to sack for any or no reason will compel employees to choose to trade down their conditions in order to maintain their employment. That is the evil twin effect, if you like, of those two industrial relations provisions, which are now in the very extreme, pernicious and unfair legislation introduced into the House last year.

It is therefore critical that, if we are to look at whether the government has been fair and decent to the community, if we are to compare how well it is governing and how fairly it is treating the citizens of this land, we look not just at what tax cuts there may have been but at how the families of this nation are faring as a result of other decisions that have a great bearing upon their future as employees as much as as taxpayers. In most circumstances you would feel yourself worse off if you picked up $10 in a tax cut but went to work knowing you could be sacked without cause by your employer or, indeed, knowing that you would have to accept wage and condition cuts. That will occur in many workplaces in the country.

We have a government—the highest taxing government in our history—which is willing to pay back some of that money in the form of tax cuts but which, whilst it is doing that, is enacting the most extreme, radical, fundamental change to our industrial relations system since Federation. And you will not hear a government member try to defend that in too many places.

Look at all the brochures that are put out by the government backbenchers across the country—brochures with the Prime Minister and those backbenchers on the front, with paragraphs describing certain policies of the government and the way in which the government is handling so many matters. I have yet to find one that mentions industrial relations—certainly not one that is going out to the electorate at large. There might be some targeted brochures going out to some constituents, but I have yet to see a brochure addressed to an electorate at large which tries to defend the Work Choices act in the community. They cannot defend the indefensible, and so they will not try.

This is critical because, whilst the act has now been in effect for only six or seven weeks, there is no doubt that there will be great changes to our workplaces throughout this year and next year as a result of the legislation. There is a long way to go, but already we are seeing signs of employers beginning to impose their will upon employees unfairly. That forces good employers to consider doing the same. We now have a very coercive regime, which allows bad employ-
ers to act badly and forces good employers to consider doing the same. That is the real nub of this legislation. It is coercive insofar as it forces employees to accept the worst. But, in some ways—unintentionally or otherwise—it is even worse than that, in that it forces good employers to consider doing bad things to their employees so they can maintain their business.

I have had discussions with a series of people from small businesses who have said to me, and to others, that they do not want to cut the wages and employment conditions of their staff. They know they have the whip hand; they know they can negotiate and are far more powerful than their employees in these small businesses, but they do not want to cut the conditions of their staff. They are concerned that if their competitors in that region, that town, that community choose to do so, then they are faced with this dilemma: do they cut conditions accordingly, in a similar fashion, or do they risk losing their business and, thereby, risk their employees losing their jobs?

The term ‘race to the bottom’—a catchcry we hear many a time—is not always explained to people. It is a term coined by economists that denotes driving wages down by effectively cutting labour costs and shifting those costs over to profits. You are beginning to hear it now in places that have probably never mentioned it before, because this country has had a history of maintaining a decent floor for minimum conditions and wages. We have had a history since Federation of believing in fairness when determining employment conditions under the federal and state systems.

So whilst the Treasurer may want to take great comfort in providing the tax cuts he did in the budget two weeks ago, I think it is fair to say that there has been a great level of angst amongst many families because of the changes in IR. The effects of that IR legislation have only just begun to be felt by many people in the community. As the consequences of the act unfold, there is no doubt that it is likely that it is going to get worse, not better, for many people.

It is also fair to say that some people have the capacity to negotiate conditions, but they are a very limited few. Some people have that capacity, because the scarcity or level of their skills or the remoteness in which they work may provide them an opportunity to bargain and maintain their employment conditions or possibly even to reach higher conditions. For the bulk of the workforce that will not be the case. And when there is an economic downturn, things will get very bad for those employees.

I do not have many people in my electorate who will receive the high tax cuts that media commentators and politicians—including myself—will receive. I represent an electorate in Western Melbourne with quite below-average household incomes, and they are not great beneficiaries of the Treasurer’s budget two weeks ago. I listened to the member for Cowper talk about the fantastic grants he is receiving in roads and other areas. I am not sure about you, Mr Deputy Speaker, but my electorate is receiving very few grants in the areas of transport and education and the like. I am sure we all do argue for our electorates, but I would argue on merit that my electorate and the constituents that reside within it do deserve some grants and some support in the areas of education, health and transport. But they are not in receipt of those grants which certainly seem to be going to Nationals’ seats and other seats of the government. That is of grave concern to me.

Having looked through the budget, the one thing that we really needed was the upgrade of the Calder Highway to remove the
ground-level intersections. That never came about. Unfortunately, there will be more fatalities and injuries on that freeway as a result of the failure by the Commonwealth to spend the money—only $25 million—that would fix that problem.

That is just one problem. I could list a whole series of problems that could be addressed by this government, if it were not focusing on the marginals and were instead, as it should be doing, focusing on the marginalised. There has been a song and dance about the budget, but I have to say that it has not satisfied my electorate at all.

Mr BAIRD (Cook) (8.15 pm)—I listened with interest to the member for Gorton’s comments on the Appropriation Bill (No. 1) 2006-2007 and cognate bills. It is particularly interesting that the member for Gorton spent about half his time talking about the industrial relations reforms rather than the issue before the House, the budget. It reminds me of the debate in the search for the US president when George Bush Sr was standing and Bill Clinton was standing against him. The theme was ‘It’s the economy, stupid.’

Members opposite have been struggling to come to terms with that fact, as was indicated on the first day after the budget was brought down when they ran out of questions on the budget. They do not know quite where to go. They are in favour of tax cuts; they thundered long and loud about tax cuts before the budget was brought down. Then, after it was brought down, they said the tax cuts were too high and would exacerbate inflation and lead to further interest rate hikes. At the same time, they wanted more money spent on infrastructure, child-minding centres et cetera. I do not think those opposite know quite where they are in terms of the budget. After the address by the Leader of the Opposition, Mr Kim Beazley, the Sydney Morning Herald said:

When you put in, you get back. That was Kim Beazley’s rather awkward slogan in his reply to the budget. Sadly for the Opposition Leader, he did not put enough in, and will not get much back from the electorate ...

Mr Beazley abandoned any serious attempt to criticise the budget in favour of electioneering ...

The main task before Mr Beazley and Labor is plain: to convince the electorate they are good economic managers. Voters must be persuaded between now and the end of next year that despite more than a decade of prosperity—marked by strong growth, expanding employment and low inflation—the economy would be better off in the hands of Labor than the Coalition. Labor will not do this by being timid.

That is what the Sydney Morning Herald had to say. It continued:

However, Labor must do more than recite this familiar litany—about how they feel in terms of the overall impact of the economy. The article continued:

If Labor has alternative strategies, it must explain them; if Labor has the answers to the problems Mr Beazley enumerates, it must set out affordable solutions ...

If the Government got it right on budget night, why vote Labor? A ‘me too’ Opposition offers no reason to change the Government.

That says it all about the approach of this government. The response to this budget has been very strong and very positive. In the business community it has been overwhelming. In my electorate, I have had many people say to me that it is an outstanding budget. They very much approve of the tax cuts and the superannuation changes. Those who live in country areas approve of the infrastructure changes.

It is in the whole question of the economic management of Australia that we find the strong difference between the opposition and
the government. One of the key factors is the question of the net debt of Australia. The net debt was eliminated by this government by the time of the last budget. We repaid $96 billion in Labor debt. That saves over $8 billion per annum in net interest payments. That allows the government to provide the types of tax cuts we have seen and the superannuation incentives that are provided.

This is the first time in a long time that Australia has been debt free. Labor’s net debt peaked at 18.5 per cent of GDP. In terms of this budget, there is a big difference with the total repaying of Labor’s debt of $96 billion. Again, this is a surplus budget. It is the ninth surplus budget since 1996. Under Labor there were nine deficits in 13 years; it is not surprising that we racked up $96 billion in Labor debt. Let us look at the comments of the Australian about the budget. It says:

... there is a great deal that is good in the Treasurer’s 11th budget. Mr Costello has cut income tax and reduced outrageous imposts on superannuation. And he provides some new help to women with small children who want to work more and to other middle-income families with kids, the people on whose support the Government has bet its own, and the nation’s, future ...

Among the many positives in the budget, tax relief is foremost ...

Mr Costello’s real tax reforms apply to people on lower incomes. People will now have to earn more than $25,000 before they pay the 30 per cent rate, which will now apply to incomes up to $75,000, an increase of $12,000 in the range it covers and well above the $56,000 income of average full-time wage earners. And the 40 per cent bracket will apply on incomes between $75,000 and twice that amount. At present, the 47 per cent rate kicks in at $95,000 a year.

This is a major change. It means that some 80 per cent of the working population will now pay no more than 30 per cent in tax. The threshold has shifted very significantly over the last few years. Six years ago, the threshold for the top marginal rate was $50,000. If that threshold had been indexed in 1996, it would have stood below $64,000 by 1 July this year. By 1 July this year, that threshold will be $150,000. We have had a very significant change in our tax rates—the most significant amount that we have seen in many years. Over the next four years, this will cost some $36 billion, a significant amount. It provides real incentive to the taxpayers in our community.

Members opposite were singing long and loud about the need for tax cuts, and there is no doubt that the economy has been going very well. Australia has been a very lucky country in that our resources sector has experienced boom conditions and we are the beneficiaries. The government is passing on those benefits to the Australian taxpayers, which is right and proper. Across the nation, we will benefit from and share in the wealth that is being provided. But it does not happen by accident; it happens by careful management and planning. Even the low-income tax offset will increase from $235 to $600. It will phase out from $25,000 to $40,000. That means that a low-income earner will not pay income tax until their annual income exceeds $10,000.

It is true that not only have we seen significant personal tax cuts in this budget; we have also seen the creation of over 1.7 million jobs since March 1996. Of course, finding jobs for young people across Australia is all important. In my electorate there is an unemployment rate of some 2.5 per cent, which the people in my electorate appreciate very much. The unemployment rate is down to 5.1 per cent, at its lowest level in 30 years, and 115,700 new jobs have been created over the last year, most of which were full-time jobs. The participation rate is around record highs.

By comparison with the unemployment rate under this government of 5.1 per cent,
the unemployment rate under Labor was 8.2 per cent when Labor lost office and peaked at 10.9 per cent in 1992, when over 900,000 Australians were unemployed. That is a significant difference and is really at the heart of economic management by this government. Inflation, which is now at three per cent and has been averaging 2.5 per cent since March 1996, peaked at 11.1 per cent and averaged 5.2 per cent under Labor.

Very significant changes to superannuation have been introduced by this government. I was speaking this very day to James Mackenzie, a partner in Tynan Mackenzie, which is one of this country’s major companies offering financial advice. It has between 3,000 and 4,000 clients and a portfolio of around $3 billion. James Mackenzie was being very enthusiastic. I asked him, ‘What would your comments be on the budget?’ and he said:

Individuals, like governments, must plan their future carefully. It’s only through self-reliance that we can also provide the less privileged with a better standard of living. There are no instant pudding solutions to wealth creation and, by providing incentives now, individuals will have goals to work towards.

He continued:

The budget is a winner for both small and large taxpayers alike. The biggest winners, however, are the self-funded retirees and those younger people still in the workforce and planning their retirement through superannuation. The recent announcements made in the federal budget mean a significant focus of individuals on wealth creation must be towards superannuation and the provision of self-funded income streams. Because large lump-sum super contributions are restricted, this means that the investment strategies of individuals must be long term, which is what generally also produces the best long term returns ... and which therefore should also take pressure off the social security purse.

Tynan Mackenzie endorses the government budget and sees this as the first step in redressing a tax system which is out of date.

That is the view of one of our major financial advisers on the significant changes in superannuation that we have seen in this budget.

The superannuation changes mean that those people who pay tax on the way in and on their superannuation investment itself will not pay tax on the way out. It is a great incentive for those people who are over 60, because it means they can continue to work and draw on their super account at the same time but not be taxed twice. It means that they can work and pay tax on their appreciating income but the tax on their superannuation benefits will be removed. There will be no tax on lump-sum payments. There will be no reasonable benefit limits placed on the amount that can be put in as a part income. That will also provide a real incentive.

We will not have the arbitrary limits and the technical differentiation. We are saying to those who are saving for their superannuation: ‘If you have worked hard, put your money aside, paid your 15 per cent tax surcharge on the way in and your fund has been paying the tax either through capital gains tax or through other taxing provisions on the investments that it has provided, you will not have to pay it on the way out.’ That is a huge incentive for people to save through their superannuation. For the older generation who have put in the hard yards and are now looking forward to retirement, this is a huge boost to their savings. This is a huge incentive for people to enjoy their life, and it also provides an opportunity for those who want to work.

We have a double bonus for the many people who want to take a part-time job but who think that by the time their superannuation payout and the income of that job are added together they will be on the top mar-

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ginal rate and it will not be worth while. One is that the top marginal rate will be reduced significantly and the other is that the tax they would pay on their superannuation payout will be removed. This does not apply to all schemes, but it applies to those where taxation is paid on the way in and on the way out. Those in government schemes—government employees—will have a 10 per cent tax reduction with regard to what the government has contributed to the scheme. This is a huge plus, a huge bonus. This is what the *Australian* said about it:

The Treasurer’s other significant achievements are the budget’s salves to the present lacerating treatment of superannuation. By abolishing tax on superannuation lump sums and the benefits people over age 60 receive from their super funds, the Treasurer is giving all Australians a long overdue reason to save for their retirements. This is a commonsense approach and, while it has been too long coming, his cuts to super taxes are entirely commendable. As is the reduction in the rate at which retired people lose pension payments as invested income from their superannuation increases. The existing situation is a demonstrable disincentive for people to invest money in their old age.

I have to ask, as we listen to the members opposite: what have they had to say about these superannuation changes? Where was it part of their policies? And that goes back to the editorial in the *Herald*. What did Kim Beazley say in response with regard to superannuation? What did he say, other than rather tired rhetoric, as he came in to try to appease the backbenchers in his own caucus? The fact is that he did not put forward any worthwhile proposals or any incentives in terms of superannuation. This is despite the ageing of the Australian community. The percentage of people who are now over 65 in my electorate alone is now 18½ per cent. We need to address the issues that confront people who are retired or who wish to retire and we need to provide real incentives for them to stay in the workforce.

On a number of criteria, this government has moved very effectively. Mortgage rates are down from 10.5 per cent in 1996 to 7.55 per cent now. Under Labor they peaked at 17 per cent and averaged 12.75 per cent. They were 10.5 per cent when Labor left office. Real household wealth has more than doubled since March 1996. Household real net wealth has increased by 8.7 per cent per annum. Income has risen by close to 15 per cent under this government, but in the 13 years of Labor it increased by some three per cent.

People talk, as the member for Gorton has spoken about at length, about the IR reforms. But what is important to the Australian household? How much they earn—and, of course, household income has risen by 8.7 per cent under this government; it was 2.9 per cent under the Labor government. What is the number of jobs that have been created? Under this government, 1.7 million jobs have been created; under the previous government, the figure was often a minus. The income that has been created, the take-home pay, has gone up by close to 15 per cent under this government and only three per cent under Labor. Business investment has gone up by 8.9 per cent under the current government. Under Labor’s last 9½ years, new private investment grew by just 4.1 per cent, which is not surprising seeing that the then Prime Minister kept talking about banana republics.

It is an enviable track record. It is about successful management of the economy. It is about growth rates which are the envy of many of the OECD countries around the world. We have been averaging 3½ per cent growth per annum, and the forecast is that next financial year we can expect growth in
excess of that. So we have been very fortunate, but it does not come by accident.

We have not only that but also major infrastructure growth in terms of this budget. In the five-year period from 2004-05 the government has allocated $12.7 billion to the AusLink program, and now there is an additional $2.3 billion—an increase of nearly 20 per cent—for that program. The largest allocation is to the Hume Highway, and the Pacific Highway will get $160 million. AUSTRAC will get $550 million to upgrade the interstate network between Perth and the Queensland border, and an additional $270 million will be allocated for the north-south rail corridor between Melbourne and Brisbane. There are so many features of this budget that commend themselves to the Australian public.

Tax cuts over the next four years will amount to some $36 billion. Taxes will be eliminated for people over 60 receiving lump sum superannuation payments. There are major infrastructure proposals. Also, the tax changes will mean that the highest rate of tax will be for those earning more than $150,000, which is two per cent of the population. Eighty per cent of the working population will be paying 30 per cent or less, and the rates are being reduced from 47c to 45c and from 42c to 40c. This is real economic management. It is about getting the economy right and the management of Australia as well. (Time expired)

Ms BURKE (Chisholm) (8.35 pm)—I also rise tonight to speak on Appropriation Bill (No. 1) 2006-2007 and cognate bills. You have to marvel at the institution of federal parliament. This morning I was speaking on a motion in fierce agreement with the member for Cook and now I follow him this evening in fierce disagreement with his position on the budget before us. I think this budget suffers from sins of omission, because there is so little in it. There was so much money to spend yet the government have not spent it. They have given away tax cuts—and, yes, the Labor Party welcome those tax cuts; we asked for them 12 months ago. Indeed, if you had given the tax cuts to families 12 months ago, you might have assisted those families, but now the tax cuts are being given with one hand and taken away with the other. They are being swallowed up by petrol prices and the recent interest rate hike. Sadly, they may again be swallowed up by interest rate hikes if we do nothing about curbing the money going back into consumer spending.

I always marvel at this government’s crowing about its great economic management and its fantastic record on budgets and all the rest of it, because it is all on consumer spending. Eventually the day of reckoning will come when the credit card bills come rocking in and someone has to pay them off. There is record household wealth, mainly in the bricks and mortar people are living in—and it is all well and good to have a house that is worth anywhere between $200,000 and $700,000, but you are not going to sell your house to recognise it. You are paying it off day in and day out and you are mortgaged to the hilt; you are geared to the hilt. So any little movement in the interest rate is an absolute killer for the ordinary family.

These tax cuts are welcomed by Labor, but they should have been given a long time ago. There should have been more assistance in this budget for families. Tax cuts, though they have been given, will not help with families’ costs of daily living. This budget has done nothing to address this country’s spiralling record household debt. It has done nothing to address our spiralling credit card debt. It has done nothing to put a damper on consumer spending. Indeed, the government boasts that consumer confidence is up. These tax cuts will go back on the government’s
credit card, which one of these days will have to be paid off.

The budget was a huge missed opportunity and tonight I want to address some specific and glaring areas of missed opportunity. For me, the No. 1 missed opportunity was child care. Here is this government saying that it has done many great things for child care, but there was not one dollar in this budget for child care. It lifted the cap—whoopee do! The budget has done nothing. The government has lifted the cap on family day care and outside hours care. That may help in some areas, but it will not help in my electorate of Chisholm. We already have a massive waiting list for family day care. So the cap has been lifted. So what? No-one has the skills or the willingness to provide family day care throughout my two municipalities. So lifting the cap will not help. The outside hours care may assist—I will acknowledge that—but, at the same time, places that have not been utilised by centres could easily have been swapped around. But for ages the government has said, ‘No, we can’t do that.’ There was a very simple fix.

There is a child-care crisis in Australia and this budget has not fixed it one iota. Child care is one of the biggest issues affecting local families in Chisholm, yet the Howard government continues to ignore the problem. This budget does nothing for child care. It promises a lot, but it is all smoke and mirrors. It fails to guarantee one extra child-care place in the Chisholm electorate—or anywhere else in Australia, for that matter. It also fails to address the issue of child-care affordability, which is the No. 1 issue in my electorate. I have been contacted by several parents who are struggling to find child care and to afford good quality child care. By ignoring child care, the Howard government is ignoring Australian families. The government is ignoring the Herring family of Chadstone, who emailed me at the end of last year in absolute panic because the father works full time and the mother was set to return to work and they could not find child care for their baby. They wrote:

Dear Ms Burke,

We require your help in finding child care for our six-month-old daughter.

Even though we signed up to our preferred child care provider four months before the birth of our daughter, we have been advised that there are so few places we may have to wait another year. At the time of putting our name on the waiting list, we were encouraged to believe that early 2006 was a realistic possibility.

As you can understand, in today’s society it is not always possible for either the mother or father to stay at home, and no grandparents are available to help out. A nanny cannot be considered due to financial constraints.

The lack of government or council provided child care is a source of distress for us, as it must be for many young families. The current government is encouraging us to have children, and is taking some responsibility for the current baby boom, [but] it is not providing any infrastructure to support young families.

The Herring family was in absolute distress. But, after several phone calls by my office to dozens of child-care centres, we finally were able to cobble together a temporary solution: two days at one centre and three at another. It was not ideal, but it was the best we could do.

Recently I conducted a survey of local child-care centres in Chisholm. Of the 24 child-care centres surveyed, 15 had absolutely no vacancies. This is long day care and, for those who do not understand, generally this is the preferred option of most people; generally it is what they are after—not always. Some people prefer family day care, but we are talking about long day care. Of the nine remaining centres, several had only a few places available, many of which were part time on specific days. The Howard gov-
government seriously needs to put more funding into child care. This budget, as I said, has done nothing to assist that. This government also needs to stop shirking its responsibility for child-care planning. At present, new centres are being built in areas where there is an oversupply, while areas with great need go without. This needs to be addressed—and the government cannot keep passing the buck and saying that it is a state issue; it is not. It is an issue that needs to be addressed across the board.

To make matters worse, child-care costs have risen by 62 per cent since 2000. This is hitting families really hard. Child-care fees are currently rising at a higher rate than everything, except petrol. That is a crying shame for our families, who are doing it tough already. It is not just Labor who has criticised the Howard government for its neglect of child care. Even the member for Lindsay, one of its own, has joined in attacks on the coalition’s record on child care, saying that the budget was not an adequate response to the crisis. She said that Labor is much more in tune with the issue and she has commended Labor’s policy of establishing 260 new child-care centres on primary school grounds.

The government needs to make sweeping reforms to child care as a matter of urgency. Australian families do not want imaginary places; they want real ones. If families cannot access child care, they cannot work. Extreme new industrial relations laws coming into place and the changes from Welfare to Work will force even more families to work for longer hours at shorter notice, which will place even greater pressure on the system.

Unlike the coalition, Labor has a plan to fix Australia’s child-care system to give families affordable child care that is easy to access. The Howard government should adopt Labor’s policy, which would provide new capital funding to establish new child-care centres on primary school grounds, solve the workforce issues that are crippling the system and establish a single waiting list in local areas. This budget has failed child care and it has failed families.

The other issue I want to look at is illegal fishing. This is something that you would not think of as a big issue in downtown Chisholm, I admit; but, as chair of Labor’s task force on transport and maritime security, it is something I have become quite interested in and quite passionate about. I would say again that the Howard government’s measures to fight illegal fishing are woeful also. While it is encouraging that the government has finally acknowledged that illegal fishing is a problem—for many years now, it has put its head in the sand and said that it was not actually an issue—it seems it has no idea about just how out of control illegal fishing is in our northern waters.

Peter Costello boasted in his budget speech that this new measure will double the number of apprehensions of foreign vessels each year. Again, whoopdedo!—because last year alone there were only 204 apprehensions. Considering that there were 13,018 sightings of illegal fishing vessels in our waters by coastguards, doubling the current rate will only bring apprehensions to 408 next year, which is around three per cent of all illegal fishing vessels which enter our waters. What a joke! Labor believes Peter Costello should aim to catch 100 per cent of illegal fishing vessels coming into our waters and, indeed, he should be deterring these fishing vessels from even starting the treacherous journey from Indonesia, not settling for just a lousy three per cent.

While I welcome the fact that the government has finally recognised that Indigenous sea rangers have a role to play in combating illegal fishing, I concur with the
Northern Territory fishing minister, Kon Vataskalis, that $6.9 million for the program is not adequate. Indigenous sea rangers should have a big role to play in this issue. They are already doing a fantastic job on a shoestring budget—most of them are paid for out of the communities’ own money and most are also paid under CDEP, not for the proper job they are doing. We should recognise the value of the work these people provide and pay them a proper wage as proper rangers, as we do for any other person who performs this great role for our nation. We should be doing more because they are doing more to protect their waters, their culture, their heritage and their communities. As numerous as the people are who I have seen on my various trips around the country recently, as part of our custom and our tradition we need to do this anyway. As we are the only ones who actually live up in these very remote communities, why are we not being adequately utilised to protect our borders?

After years of Howard government neglect, an illegal fishing crisis has emerged in northern Australia. The Labor transport and maritime security task force has travelled the country. I have been to some great places—sadly generally for only a day so I have not really got to enjoy them—Perth, Broome, One Arm Point, Maningrida, Brisbane, Cairns and Launceston. We have heard first hand from the industry and community groups about this issue. Mostly they tell us that they are sick and tired of being ignored and overlooked. They believe that this government has failed them miserably. As we heard time and time again, ‘It is because we are in the Kimberley; it is because we are up here out of sight, out of mind. If one of these boats arrived in Sydney Harbour, someone would do something about it.’ That is tragic.

The evidence gathered by the task force is alarming. The Howard government has neglected our national border security to the point where foreign criminal syndicates now view Australia as a playground for illegal fishing. If 13,000 boats are getting onto our shores, what else is coming? They are not just coming into our waters; there was multiple evidence of landing. It is not just commercial fishers who are suffering. The illegal fishing crisis threatens the very existence of a number of our Indigenous communities. The fantastic people at One Arm Point, the Bardi community, need to be commended. They are producing the trochus shell in hatcheries on shore, a beautiful shell that is sold on and made into pearl buttons. In the hatchery, they get them to a point where they can go and reseed them on the reefs. Later they harvest them. It is very hard work because you have to get down on the reef and pluck these sea snails off. Last year they sent off a container to Italy and made $85,000. That might not sound a lot to some people in this place but to a very remote Indigenous community, off their own bat, $85,000 was a lot of money. This year they are not going to make anything because Indonesians have stolen the majority of the trochus. For anybody else that would probably be theft but, again, it is a remote Indigenous community and it seems nobody cares. Our ecosystem is also under threat, with Indonesian fishers killing our sharks in huge numbers. They take dolphins and turtles as bait. By leaving ghost nets throughout our waters, a lot of turtles, dugongs, sharks and other species are being caught in these nets and killed.

Biosecurity is another great risk, and there is a very real concern that our import markets could be compromised by the introduction of animal diseases such as rabies, foot and mouth disease and swine fever, to name a few. I could go on forever on this topic but I want to get to my last point which is telemarketing. Whilst I welcome the money in this budget for telemarketing I reckon somebody could have at least had the decency to
recognise me because it has been my campaign and nobody else’s that has finally got the government to introduce a do not call list. We get the blame for being oppositionist for opposition’s sake.

Helen Coonan was great. She heard that Labor was going to announce its policy. I had Kim Beazley lined up in my electorate one morning—thank you to Erin, a lovely constituent of mine, who was going to have us in her house—and at 8.20 that morning Senator Helen Coonan put out a press release saying, ‘Here’s a do not call register.’ Twelve months before that she told me that it was a waste of time, it was a joke and it could not be done. So at least in this budget line she could have said, ‘Thanks Anna.’ Previously the Howard government said it would not work and this is despite the fact that similar registers currently operate in the UK, the US and Canada. When I introduced a private member’s bill in this place last October, the government would not allow a vote. Instead, Minister Coonan announced a discussion paper on the issue. I could have told the minister that the overwhelming number of submissions would be in support of the proposal.

Australians receive over one billion calls from telemarketers each year. They are simply driving our constituents nuts and we should be doing something about it. I have received over 1,000 phone calls, emails and letters from the community in support of my campaign for a do not call list. Here is just a sample of what some of my constituents have had to say on this issue. In September last year, Kathie of Mount Waverley emailed me saying:

I have lost track of how many times I have had difficulty feeding and putting my baby and toddler to bed because of these annoying calls. I get at least five each week—and they are never convenient for me. Thanks for taking up the issue.

And in October, Heather, also of Mount Waverley, emailed me the following:

Thank you for your newsletter that I received through the mailbox. I would very much like to have information on how to stop telemarketers targeting our home. We receive so many calls that I’m beginning to think there is a large notice next to our name in the phone book saying ‘ring these people frequently’.

And Robert of Surrey Hills wrote:

I fully support your efforts to stop the scourge of telemarketing phone calls. I work from home and the calls are an endless nuisance.

It is now six months later and people are still getting in touch with me to express their frustration and dismay at the government’s inaction. It is unbelievable to think that many Australians are now reluctant to answer their phones. Just last month I received an email from a constituent called Allison, who said: I was very interested in your telemarketing campaign. We received three overseas calls in one week ... I would dearly love to have our phone number off these telemarketing lists ... We have caller ID so now every time I see that it’s from overseas I hesitate to answer it. The only reason I do answer it is because we have relatives over in New Zealand ... thank you for listening.

And it is not just constituents. People from all over Australia have contacted me in support of this issue. I put on the record that I do not want people to abuse the individuals who are working for these telemarketing call companies. I do not want you to be picking up a whistle and blowing it in their ears. I had a very nice email from a woman the other day who said her daughter worked in one of these centres. She said that while she supported the do not call register, she did not want us to take it out on the people making the calls. I wholeheartedly endorse that. These are people making a hard buck—it is a tough gig—and I do not want people to be taking their frustrations out on the people making the calls. That is why I think people...
should have the option to say, ‘No, I don’t want to be on this list.’

Time and time again people ask me, ‘Why isn’t the government doing anything about this? We’re being driven nuts in our own homes.’ There was very much a sense of disbelief that they had no rights to protect their privacy and their family time in their own homes. Finally, the government has acted, but it was forced to act in such a hurry that we are still not sure what this all means. Only today, an article by Neil Shoebridge in today’s Australian Financial Review says:

The Howard Government is silent about several key details of its do-not-call register for consumers and small businesses:
- The definition of a small business
- How often the register will be updated
- How much it will cost telemarketers to access the register
- How the set-up cost of $33 million was determined
- How industry’s contribution of $15.8 million was determined
- How industry’s contribution will be enforced
- How calls from overseas companies will be stopped
- The days and times telemarketers will be allowed to call people and businesses that are not on the register
- If the Australian Communications and Media Authority, which will manage the register, will outsource the running of it

All these questions were asked in the Financial Review today. The minister has to have the answers. She has told the industry that she will not speak to them until the bill is out there. I say that it is easier than that. You have only to look at what is currently happening in the US, Canada and the UK to see how these can operate.

For a do not call list to be successful it has to target calls made from overseas. There is nothing to stop the government from penalising Australian companies using overseas call centres to sell their wares. The do not call list must also be administrated by a government agency. If the industry is in charge, I fear it will be a second-rate registry which simply will not work. If this is going to work, it has to be complaints driven. It has to put the best interests of the consumer first, not the best interest of the industry.

The government must also close off any loopholes which will allow telemarketers to continue bugging people who sign up with the register. For instance, it should consider making caller ID mandatory for direct marketers. At present Telstra refuses to divulge the identity of incoming telephone calls made from a private number, so if a direct marketer’s number is not listed, it will be impossible to register a complaint. As I say, I welcome this move, but this budget is appalling by its omissions. (Time expired)

Mr BROADBENT (McMillan) (8.55 pm)—I can concur with what the former speaker, the member for Chisholm, has had to say. It is very important that people do have some privacy in their own home when it comes to phone calls. Her exposition today has been worth listening to, though she claims all the credit—and rightly so, if she has put that work in. It was probably before my time. I congratulate her and all those who have been concerned about the issue of pesky phone calls that we all get in our homes at the most inappropriate times.

I rise this evening to speak in the debate on Appropriation Bill (No. 1) 2006-2007 and cognate bills. Firstly, I congratulate the government, and particularly the Treasurer, on its economic performance which has led to a great and historic opportunity to deliver a budget and has, as the member for Cook said, delivered nine surpluses in a row. He gave a very good speech. I was impressed
with the fact that not only have we had nine surpluses in a row but we were able to reduce the debt that Labor left us as we came into government.

In 1997 the Treasurer allowed me to have a meeting with him at which I told him that we had a real problem with the Pakenham bypass. I told him that the community of both South and East Gippsland could not access the city and the city could not access the country. I said that we had a bottleneck in Pakenham and that we needed to do something about it. He said, ‘What do you want to do?’ I said, ‘I’d like some planning money to put in place the groundwork to be done for a complete bypass of Pakenham—a 30 kilometre bypass—planned in the future by VicRoads.’ The Treasurer acquiesced and in 1998 we announced $30 million for the initial planning stages for the Pakenham bypass. I think it went unheralded. I do not think it was noticed—there was an election campaign on and a lot of other issues were being addressed at the time. I accepted that, but the $30 million was on the table for the state government of the day to address the issue of the Pakenham bypass.

Here we are now in 2006 and finally the sods have been turned and three contracts have been let. There has been argy-bargy over who is going to pay for what. The federal government spent $121 to coerce the Bracks government in Victoria to pay for their share of the Pakenham bypass. The Pakenham bypass will go from Beaconsfield to Nar Nar Goon. It will make a huge difference to what is happening not only in Gippsland but also in South Gippsland, because we need to do a link road that goes from Pakenham right across to Koo Wee Rup, where the South Gippsland Highway will join with the Pakenham bypass. So we are going to end up with a situation where the whole of the economy of Gippsland and South Gippsland will benefit from what the Treasurer did when he put the first $30 million into the planning of the Pakenham bypass. It will provide great opportunities for business in Gippsland and South Gippsland. More importantly, we want to commit further moneys to connect the whole of Gippsland to the city of Melbourne. Even the member for Corangamite praises the government for the Geelong bypass. However, whilst that may be important to his electorate, can I say that bridging the gap—

Debate interrupted.

ADJOURNMENT

The SPEAKER—Order! It being 9 pm, I propose the question:

That the House do now adjourn.

Chisholm Electorate: Payphones

Ms BURKE (Chisholm) (9.00 pm)—I would like to say a big thank you to the people of Mont Albert who joined in my campaign to save their public payphone at the Mont Albert Village shops. Well done. A few weeks ago, a very community minded resident phoned my office because he had noticed that Telstra had placed a sticker on the payphone earmarking it for removal. This is despite the fact that countless locals use the payphone on a daily basis. Mont Albert has a fairly ageing population, and the phone is right next door to the train station. Young people and senior citizens in particular rely heavily on what is an essential service. But Telstra said it was not profitable enough to warrant its continued operation. Of course, Telstra did not bother to contact me about this, as it tried to draw as little attention to its plan as possible. As soon as I found out, I wrote to Telstra outlining my strong opposition to the phone’s removal. I also started a petition, which got a great response from the community. In a very short time, some 70 people signed the petition to keep the Mont Albert payphone going. This just goes to
show that it is not just regional communities which rely heavily on public payphones.

A Telstra spokesperson actually had the nerve to tell one of my local newspapers that many people supported its decision to remove the payphone. I do not know where he got the idea from, because the reality is that countless of the Mont Albert residents use this payphone on a daily basis. Not everybody has a mobile phone and in emergencies, particularly at night when it is quiet, you cannot rely on someone being around with a mobile phone.

Thus, I was overjoyed when Telstra wrote to say it had reversed its decision. So with the help of people of Mont Albert we were able to save the payphone. This is a huge win for the community. It goes to show that people power is still alive and kicking and that ‘community’ is alive and out there, regardless of what people say about ‘community being dead’.

When I informed local residents of the good news, they were extremely pleased. One gentleman phoned to say how much he relies on the payphone. He is a senior citizen and not very mobile, so it takes him some time to walk to the shops. He does not have a mobile phone and he often needs to use the payphone, for instance, when he requires transport home. If Telstra had removed the payphone, he would have been stranded. Actually, what it would have done was ensure that he did not get out of his home any more and go down to the local shops, which he does on a daily basis. It is his bit of interaction with the community. Predominantly he is going down to the TAB—we will not condemn him for that—but it is his social outing and he relies on it to get out and about. It is keeping him vibrant, it is keeping him alive and it is keeping him connected with his community. If the payphone had gone, it would have stopped him doing that.

Another resident, Mrs Wheelton-Atkinson of Mont Albert, contacted me on this issue. She emailed:

Great news about the retention of the Mont Albert Station payphone. The hairdressers, who signed the petition, are very aware of the number of people using the phone.

I thank Mrs Wheelton-Atkinson for mentioning the good news on 3WBC 91.4FM, our local community radio station, on Anything goes with Ken Lyons. I would like to thank all those who signed the petition for their efforts. People are so busy in this day and age that it is great they took the initiative. It is proof that people really do care deeply about their community. There are too many people to name, but people like the Mackay family of Mont Albert did a great job and collected a number of signatures.

While this has been a very great victory for Mont Albert, sadly Telstra plans to remove almost 300 payphones in Melbourne’s eastern suburbs alone, including a number of other payphones in Chisholm. One of these is located at 271 Lawrence Road in Mount Waverley. I have just started up another petition to stop its removal. I hope we have a similarly successful outcome. I have also written to Telstra to voice my opposition to the removal of the payphone at Box Hill, near the corner of Elgar Road and Canterbury Road.

Telstra would not exist if it were not for the support of its millions of Australian customers. So it is extremely disappointing that it repays that support by removing essential services like payphones from the community. I will fight for each and every payphone in my electorate. I call on Telstra to listen to the people of Chisholm: we do not want you to take our payphones away. But I fear that with the full privatisation of Telstra, which I proudly voted against in this place, this is just the beginning of the downgrade and re-
moval of essential telecommunications services. There is a need for services in the suburbs like there is everywhere else.

Queensland: Religious Education

Mr LAMING (Bowman) (9.05 pm)—It was 1910 when Queenslanders voted by referendum to incorporate religious education in state school curricula, and since that time that system has worked extraordinarily well—or that was until the Beattie government took a bat to it with their modifications to the Education (General Provisions) Bill from last week. The long and short of it is that, with very little consultation, this bill was brought off the shelf at a time when the nation was focused on Beaconsfield and the federal budget and the communities around Queensland that have the most to lose with this religious education bill found it hovering above them to be debated in state parliament in the next couple of weeks.

That was until today. Today the federal Minister for Education, Science and Training stood up for Queenslanders, and six hours later the fold came—the Beattie Bible backflip—when the Queensland Minister for Education, Rod Welford, withdrew the bill at 2.30 today. To analyse that story a little further, very little consultation has occurred in what is now being called the ‘opt-out’ provisions of the education bill. In short, the Beattie government attempted to move from the current situation that works well, with a high degree of participation in religious education in our state schools, to an opt-in arrangement mandating that every parent sign a consent form for their child to be exposed to religious education, as if it were an optional extra in the cafeteria of educational provision that religious education was something that required a consent form collected by principals who, fearing litigation, would have no option but to caution chaplains in their day-to-day work and delivery of pastoral care. It was an appalling piece of legislation that should never have been drafted.

In this retraction today we do not have a terribly clear indication that this backflip is a permanent removal, because the education minister in Queensland states that ‘the proposed changes have not been well understood’ by members of the Queensland public. He says there would be no change and then in the fine print of the press release he says, ‘The appropriate course of action is not to proceed with the amendments at this time.’ Is that code for ‘after the next state election’? I am sure they hope so. Later in the press release he states that ‘state schools have not brought significant objections’ and that they appear to be ‘a satisfactory arrangement at this time’.

So this clearly remains on the agenda of Anna Bligh, the former education minister. When we brought church leaders together at community meetings in Bowman their concerns were entirely reasonable. There will always be 30 per cent of Australians—certainly over the last decade—who identify strongly with their Christian faith and who will support and sign whatever they have to sign to ensure religious education is available in state schools. There are 25 per cent who do not identify with a religious faith and, under the current provisions, can opt out. My concern was for the 45 per cent of Christian families who support Christian values in schools but are not actively practising Christians, who stood to lose if this bill had been passed. You do not have to be at Sunday school every Sunday to know that Christian values play an important part in our education. You do not have to doorknock many houses to know that, even if people are not going to church every Sunday, they strongly support having 40 hours of religious education each year available to their children until they can make up their own minds. Those who support smaller faiths are wel-
come to opt out under the current provisions—and those arrangements currently exist. In short, there was no good reason for changing what we have.

Of the state members in my area, the electorate of Bowman, one chose not to turn up to the community forum, one was there for two minutes and then scurried away and one had the honesty to stand up and say he did not support the bill conceived by his own state education minister—but later said he could not vote against it. It is great to be honest, but not at the expense of integrity. I refer to it as the ‘Old Cleveland Road syndrome’ whereby on the way towards the parliament in George Street one votes differently to what was said to constituents. Thankfully, with the Queensland education minister pulling this bill, his local members have been spared the decision. I am grateful for the support of the federal Minister for Education, Science and Training in this matter.

I think these changes were unconstitutional and represent a recurring pattern of behaviour. The state government has used antidiscrimination laws, levied rates on church schools and has now removed the Bible from Queensland public hospitals. If there were a time I would want to be able to reach for the Bible, it would be in one of the Queensland public hospitals from which Peter Beattie is removing the Bible. I say to Peter Beattie: commit to returning the Bible to public hospitals—they have served us so well for so long—fund chaplaincy adequately and have a state policy to do so.

(\textit{Time expired})

\textbf{Gorton Electorate: Roads}

\textbf{Victoria University}

\textbf{Mr BRENDAN O’CONNOR} (Gorton) \textit{(9.10 pm)}—I rise to speak on two important issues in my electorate. Firstly, I have been overwhelmed by the response to a petition I organised to seek the government’s providing funding to fix the intersections on the Calder Highway in my electorate. To date, the signatures of 1,563 petitioners have been provided to me. The petitioners have asked the House to acknowledge that a section of the Calder Highway is in desperate need of upgrading, to guarantee funding for the construction of the proposed interchanges at Kings Road, Calder Park Drive and Sunshine Avenue and subsequently to enable the intersection with Robertsons Road to be closed and to support general improvements to the Calder Highway.

Whilst I was overwhelmed, I am not surprised by the level of concern shared by the constituents of the electorate of Gorton with respect to the Commonwealth’s failure to provide the rather meagre amount of $20 million and join with the state government in the construction of aboveground intersections on the Calder Highway. It is in fact entirely a Commonwealth responsibility, but the Commonwealth has not been forthcoming in providing the resources required. The Victorian government said it would meet the Commonwealth half way. Unfortunately, although that offer has been there for 12 months, the Commonwealth has refused to provide any funds to ensure the construction, which would remove congestion but, more importantly, reduce the incidence of injury and mortality on that important freeway. I call on the government to listen to the petitioners of the electorate of Gorton and provide the resources required to fix this major problem. I will be attending a public meeting at the Sydenham Community Centre on 6 June to discuss the issues.

I also want to mention concerns raised with me about staff cuts at the Victoria University in my electorate. Victoria University has a number of campuses. The St Albans campus is in my electorate and many of my constituents go to a number of the university's campuses.
university’s campuses. There have been efforts by the university to reduce staffing levels through the forced and voluntary redundancy proposals that have been put on the table. Under the guise of so-called workforce renewal, the university intends to get rid of between 50 and 100 senior academic staff and replace them with junior and less experienced staff. The justification for this is that the Victoria University staffing profile includes too many senior academic staff and not enough junior staff. That is not the case. The university seems to forget that it employs many casual employees — many sessional staff — who are not senior staff and it does not take them into account when it considers the ratios. The university is not taking into account that it has the highest proportion of casualised academic staff of any university in Australia.

Getting rid of senior academic staff and replacing them with a smaller number of less experienced staff is likely to lower the research output profile in the short term, rather than raise it, and negatively affect staff-student ratios and student outcomes. It is really just an exercise in replacing expensive staff with less expensive staff. The university seems to have caught the Commonwealth government’s disease. It is cutting labour costs at the expense of future growth and future benefits — certainly for students who reside in the electorate of Gorton. I call upon the university’s management to abandon its current workforce renewal process and return to its earlier stated objective of converting casual staff to ongoing positions to clarify the university’s staff profile. I would certainly be willing to meet with the management of the university to talk to them about the problems they may have, but I think it is critical that they focus on a better way of providing education services to the western suburbs of Melbourne. (Time expired)

Cook Electorate: Program Funding

Mr Baird (Cook) (9.15 pm)—It is with great pleasure that I rise to advise the House of two recent funding announcements which will greatly benefit the people of the Sutherland shire. In the early hours of 27 April 2006, the replica of HM Bark Endeavour sailed through the heads of Botany Bay, anchoring off Captain Cook’s landing site at Kurnell, mirroring the events which changed Australia forever some 236 years ago. The Endeavour visited Kurnell to commemorate Cook’s landing. This is a major announcement by the Australian government to more properly celebrate and commemorate Cook’s landing in Australia. The Minister for the Environment and Heritage, Senator Ian Campbell, had come to Kurnell to announce various programs which will ensure that this area is better conserved and commemorated now and into the future. The largest component of Senator Campbell’s announcement is the provision of $1 million to run a competition and construct a new and more fitting monument to Cook’s achievements and landing in Australia. The landing of James Cook was a momentous event in our history. It was from Cook’s few steps onto the mainland that Australia was born. The dispatch of the First Fleet and the establishment of the Colony of New South Wales were a direct result of Cook’s exploration of Australia and particularly of Kurnell.

The current monument to Cook is an obelisk that was constructed in the 19th century, and it will of course remain at the site. The Australian government has moved to ensure that the area has a more fitting tribute to Cook, one that is more prominent and forms a focal point for visitors in the area.

The second component to the announcement was funding to restore part of the Kurnell landing site, adjacent to the memorial to Banks, to reflect the native flora that
was present when Cook and Banks landed. This will be a great aid to the many schoolchildren and visitors who visit the landing site, and it will give a context to the important discoveries and studies made by Banks.

Finally, the Australian government has announced an annual national essay prize for primary and secondary students. This essay prize will aim to promote greater understanding amongst our youth of the prominent place my electorate played in the early history of Australia.

Kurnell is one of the great testaments to maritime discovery, together with sites such as Plymouth Rock in the United States. I applaud the moves by the Australian government to ensure that Kurnell is finally commemorated for its unique part in Australia’s history. For too long Kurnell has been subject to abuse and neglect by government and industry alike. Kurnell is unparalleled in Australia in terms of its central place in the story of modern Australia. Kurnell was the site where Lieutenant James Cook RN and the crew of the original Endeavour first made landfall on the Australian mainland. Kurnell was also the site where Captain Arthur Phillip RN and the First Fleet made their initial landing on the Australian continent.

As well as the announcements about Kurnell, I am also very pleased to advise the House of a series of funding announcements which will greatly benefit local schools in my electorate. These grants, which come under the successful Investing in Our Schools program, total some $1.1 million, which will deliver much-needed projects to 13 local schools. These announcements are particularly significant as they directly fund projects which have been identified by the school communities themselves as being critical to the education and safety needs of their students.

In my experience, many capital projects at schools are desperately needed, but for some reason they never seem to make it onto the priority list of the New South Wales government. Too often, schools are forced to go through the lengthy and arduous process of trying to raise the required moneys from the parents of students through fetes et cetera. I am very glad to report that the Australian government is continuing to step in to assist local schools to provide the best facilities to enhance the education and wellbeing of students.

I am very pleased that the Bates Drive Special School at Kareela, which caters to mentally and physically handicapped children, has been given almost $75,000 to provide covered walkways for its students. Similarly, Bundeena Public School has been granted almost $70,000 to upgrade its IT facilities, airconditioning and security for its students. Burraneer Bay Public School, which has suffered particularly badly by missing out on priority funding status, has received almost $100,000 for various proposals. Burraneer Bay Public School is a wonderful facility with great teachers. However, it has been chronically underfunded to the point where students are forced to use toilets that are of Third World standard.

Caringbah High School, which is a selective school, received more than $100,000 for computers and airconditioning. Cronulla High School received $97,000 for audiovisual equipment and Cronulla Public School received $64,000 for new IT facilities. Gymea North Public School received $90,000 for airconditioning; Laguna Street Public School, $113,000; Port Hacking High School, $30,000 for airconditioning; Taren Point Public School, $94,000 for refurbishment; Woolooware High School, $150,000; Woolooware Public School, $61,000 for its library and airconditioning upgrades; and, finally, Yowie Bay Public School received
$55,000 for a shade structure. I applaud both Minister Ian Campbell and Minister Julie Bishop for these outstanding grants programs, which will be of great assistance to my electorate. (Time expired)

Integrated Humanitarian Settlement Strategy

Ms GRIERSON (Newcastle) (9.20 pm)—I rise to draw the attention of the parliament and the Australian people to ongoing concerns about the delivery of Integrated Humanitarian Settlement Strategy (IHSS) services to refugee families in the Newcastle and Hunter region. This is the fourth time since September 2005 that I have raised this matter. IHSS services were specifically designed to provide intensive assistance to refugee and humanitarian entrants for the first three to six months after their arrival.

Last September, I criticised the tender process for excluding regional communities and organisations from bidding in their own right for the delivery of local IHSS services. In November, I highlighted distressing examples of the failure of the successful tenderer, ACL, to satisfactorily fulfil its contractual obligations. Earlier this year, I alerted the parliament to further examples of the disappointing way in which the IHSS program was being administered in my electorate of Newcastle. All of the cases I have put before this parliament go to the issue of inadequate service delivery and highlight an extraordinary lack of preparedness, delivery systems and accountability.

Despite ACL’s protests that all allegations were without factual basis, I note that their so-called independent Fiora report of the Inquiry into the Management by ACL of the IHSS vindicated the issues I have raised. Banki Haddock Fiora provide legal services to ACL and as such have a prior commercial relationship. Although the Fiora report argues that ACL has conducted and managed its IHSS program in accordance with the service principles, its recommendations and findings highlight the very same problems that have been raised. For example, the Fiora report noted that, if income support payments are delayed beyond the first week, the standard initial food package and food vouchers or cash are insufficient, that the provision of a single standard initial food package does not cater for all different family compositions or meet all cultural and religious needs and that feminine hygiene products were not included in initial food packages. It noted that the standard tenancy agreement used by ACL was too difficult for new arrivals to understand, that telephones were not provided in all rental properties, that the basic furniture package given to new arrivals was inadequate for large families and that adequate written and visual communication was not provided to refugees for the purpose of orientation to their accommodation.

The Fiora report also noted insufficient staff training in Newcastle in 2005. It also noted that ACL did not have in place adequate specific written policies and procedures, that ACL needed to improve its record-keeping procedures and that ACL had failed to engage sufficiently with experienced volunteers and established volunteer networks, in particular in Newcastle, at the beginning of the service provision period.

These findings go to the heart of the issues that I and others in my electorate have been raising for the last eight months, and ACL must continue to work with all stakeholders to achieve satisfactory resolutions. I look forward to ongoing, constructive dialogue with ACL, DIMA and the minister to ensure the provision of better IHSS services for refugee families in Newcastle.

But I wish to place on the record new allegations that have been brought to my atten-
tion. It is alleged that ACL staff have arranged for or assisted IHSS clients to apply to Centrelink for a $500 advance payment to cover food and other basic living costs within the initial weeks of their arrival. I am advised that in at least one instance this $500 Centrelink loan was taken out prior to the commencement of regular income support payments. No matter how well intentioned this may have been, it contravenes Centrelink policy.

If it is true that these loans are being used to cover essential items like food, prior to the receipt of any regular Centrelink payment, then this practice would appear to be in breach of the Commonwealth’s agreement with the ACL-IHSS consortium, which clearly states that ACL will provide food until such time as Centrelink assistance is available. Moreover, there exists doubt that these applications for a $500 loan have been made with the free, prior and informed consent of the IHSS client. Given that Centrelink recovers the $500 advance payment by withholding approximately $40 per fortnight from the client’s fortnightly payment for a period of six months, I am concerned that this practice will put refugees into an endless cycle of debt. Is this really what the minister and DIMA envisaged for refugees under the IHSS program? I hope not. Any practice that allows ACL to shift responsibility and costs to Centrelink, community welfare organisations or charities must be stopped. I call on the minister to investigate this issue as a matter of urgency. If the government intends to continue to rationalise and centralise tenders for service delivery across its portfolios then it should make sure that it builds in some better accountability and some quality assurance of desired outcomes. (Time expired)

Queensland: Religious Education

Mr SLIPPER (Fisher) (9.25 pm)—I wish to raise my concerns today in the House about the plans that the Queensland Labor government had to introduce laws that would change the structure of and access to religious education in Queensland public schools. I congratulate the Minister for Education, Science and Training, the honourable member for Curtin, for her similar views expressed in a very appropriate media release today.

It is good to see that widespread concern about these proposed changes, including from Premier Beattie’s own backbench, has resulted today in the proposed changes being withdrawn for now. However, there remains a concern that the Queensland Labor government are determined to introduce the laws in future. Why they remain so unwavering in the face of so much opposition remains a significant concern to all Queenslanders and other Australians.

The proposals announced by Queensland Premier Beattie meant that any organised religious group—provided that it is not political—would have been able to send representatives into our schools to teach their beliefs. I must say that I agree with the sentiments of Christian leaders in general that this would have opened the door to a raft of unacceptable problems. I find it quite personally incredible that someone as astute as the Premier seems to remain totally oblivious to this.

The federal minister for education has pointed out today that the proposed wider definition of allowable teachings would include ‘religious or other belief’. There have been concerns that the changes would allow cultish groups to bring instruction to our young and impressionable. I place on record also that some members of the community have expressed concern that Satanism and witchcraft, as a result of these changes, would legally have been allowed to be taught in Queensland schools. These are concerns
that continue to escape the Premier of Queensland.

To top it off, the thing that makes this whole issue even more concerning is that the Premier decided to announce these changes on Holy Saturday, the day before Easter. Premier Beattie recently demonstrated a lack of understanding of the concept of the Anzac spirit, suggesting that one of his backbenchers travelling to Thailand to visit another backbencher who was suffering personal issues was on a par with the sacrifices made by our diggers in the trenches at Gallipoli. Now he is demonstrating an equal lack of understanding on the true meaning of Easter.

The Premier must understand the importance and fundamental nature of a Christian belief system in our society. The laws of this country, the character and stability of this country and the character of a significant proportion of our greatest leaders all have their foundations in the fundamental beliefs of the Christian religion. And there is a simple reason: it works. We should be encouraging increased adherence to biblical principles. We should not be introducing laws that increase the accessibility of alternate philosophies that make it easier for unacceptable beliefs to be taught.

The Queensland education system currently offers religious education for all students. Parents, if they desire, are able to formally request that their children not attend. Under the Beattie plan, children would automatically have no access to religious education, with parents having to make a written request if they wish for their children to attend. This means that the children of those parents who do not normally show a great deal of interest to religious and moral teachings will miss out. In the *Courier Mail* both the Catholic and the Pentecostal churches raised their concerns. Their fears include that these changes are part of a ‘gradual phasing out of religious education in schools’.

I urge the Premier not to steer Queensland on a journey down this unacceptable path and to drop this dangerous proposal permanently. This is a serious matter, and while it is good news today that the proposed changes have been withdrawn for now, it is important that these changes are never allowed to be introduced and implemented on a more permanent basis. I urge honourable members on both sides of the House who hail from the state of Queensland to contact the Premier of Queensland to advise him of the gravity of this situation. Happily, what has happened at the present time is that the government of Queensland sought to introduce unacceptable changes that would have undermined the standard and availability of Christian education in Queensland schools. What we have seen is a community outcry. We have seen members, even of the Queensland government party, objecting to these proposed changes. What we have seen today is a backflip. What we want is a new government in the state of Queensland.

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

**House adjourned at 9.30 pm**

**NOTICES**

The following notices were given:

**Mr Brendan O’Connor** to move:

That this House:

1. condemns the detention by the Philippine Government of Congress Member Crispin Beltran;

2. expresses its concern that five Members (Satur Ocampo, Teodor Casio, Joel Virador, Liza Maza and Rafael Mariano) of the Philippine House of Representatives were recently unable to leave the Congress building, where they had obtained sanctuary for more than two months, due to threats to arrest
(3) expresses its concern at the persistent threat by the Arroyo government to arrest the five Members of the Philippine House of Representatives, despite the lack of arrest warrant;

(4) condemns the recent killings of journalists, trade union and other community leaders;

(5) expresses its deep concern at the recent erosion of democracy and human rights in the Philippines; and

(6) calls on the Australian Government to express to President Arroyo its deep concern at the ongoing attacks on human rights in the Philippines, the continued detention of Congressman Beltran, and the harassment of other opposition politicians.

Mr Byrne to move:
That this House:

(1) notes the continuing and alarmingly high fuel prices in the South Eastern suburbs of Melbourne and across Australia;

(2) recognises the enormous impact of these high fuel prices for families and their budgets and local businesses in the region;

(3) acknowledges residents concerns about price gouging within the petroleum refining and distribution industry and their desire for some action to be taken by the Howard Government to reduce fuel prices; and

(4) asks that, at the very least, the Treasurer take action to direct the Australian Competition and Consumer Commission to formally monitor fuel prices under Part VIIA of the Trade Practices Act 1974.

Mr Katter to present a bill for an act to amend the Trade Practices Act 1974. (Trade Practices Legislation Amendment Bill 2006)
Debate resumed.

Mr CAMERON THOMPSON (Blair) (4.00 pm)—It is an honour to rise in this chamber to speak about Australia’s defence relationship with the United States and in doing so to make comment on and recommend to the House and to Australians generally the report of the Joint Standing Committee on Foreign Affairs, Defence and Trade entitled Australia’s defence relations with the United States. In recent years international events have forced countries around the world to rethink their defence capabilities and strategies. Known threats such as those experienced in the Cold War and in the years of communism have joined unilateral actions as belonging in the past. Today non-state threats—terrorism—are the top priority. Threats to our defence have become truly global, with country boundaries not dictating sources of threats nor cohesion in their preparation. Our security is no longer separable from international security. We need to stay at the top level of defence preparedness and ability. To do that we must have the support, shared intelligence and involvement of the US, a country beyond all others in scale and capability when it comes to defence.

I would like to reflect for a moment on what has been for some time Australia’s defence doctrine, as espoused in the 2000 Defence white paper and the 2003 update of the white paper. The goals set out within that doctrine are: to ensure the defence of Australia and its direct approaches, to foster the security of our immediate neighbourhood, to work with others to promote stability and cooperation in South-East Asia, to contribute in appropriate ways to maintaining strategic stability in the wider Australian Asia-Pacific region and to support global security. The Joint Standing Committee on Foreign Affairs, Defence and Trade recommends that the ANZUS treaty be maintained in its current form and treated as a document that evolves with threats and binds countries of shared values. The ANZUS treaty has served us well. I will reflect on that shortly. Firstly, I want to speak about the framework that produced this report and then reflect some more on some of the recommendations it contains.

The focus of the report was set out in its terms of reference, which included: the applicability of the ANZUS treaty to Australia’s defence and security; the value of US-Australian intelligence sharing; the role and engagement of the US in the Asia-Pacific region; the adaptability and interoperability of Australia’s force structure and the capability for coalition operations; the implications of Australia’s dialogue with the US on missile defence; the development of space based systems and the impact this will have for Australia’s self-reliance; the value of joint defence exercises between Australia and the US, such as Exercise RIMPAC; the level of Australian industry involvement in the US defence industry; and the adequacy of research and development arrangements between the US and Australia.

On 14 October 2003, the Joint Standing Committee on Foreign Affairs, Defence and Trade commenced the inquiry into defence relations with the US. There has been a new level of cooperation reached between the US and Australia in recent years. That has been evident in our
joint involvement in the Gulf War, in the Afghanistan and Iraq coalitions and in other international operations. This has been in part because of a new level of need for cooperation caused by, as I discussed earlier, the emergence of terrorism as a worldwide threat and coalition operations in Afghanistan and Iraq to tackle terrorism threats.

Let me speak for a moment about the relevance of the ANZUS alliance, which is the security treaty between Australia, New Zealand and the United States of America. This document was signed in San Francisco on 1 September 1951 by Australia, New Zealand and the United States of America, although it did not come into force until 29 April 1952. Its purpose, at the time of the Cold War, was to address increasing regional instability and the increasing power of communist states and aggression. An attack on one member of the treaty would be an attack on all members under the treaty. Article IV of the treaty says:

Each Party recognises that an armed attack in the Pacific area on any of the parties would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional processes.

Any such armed attack and all measures taken as a result thereof shall be immediately reported to the Security Council of the United Nations. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security.

The impact of this, according to the Australian Strategic Policy Institute, is not in the US coming to our defence but in making potential attackers aware of the magnitude of any such action. The treaty provides options for a response to attack. If Australia is attacked, the US may choose to engage in a military response or assist Australia through the supply of military equipment, diplomatic pressure, economic sanctions or a combination of these. The US Department of Defense described the defence relations between our countries as being based on ‘shared values underpinned by a considerable history of common sacrifice’.

In relation to intelligence, the Australian Strategic Policy Institute, ASPI, in its submission, said:

Without the alliance, Australia would be substantially blind in many critical areas of intelligence gathering and assessment. We cannot afford the investment levels necessary to duplicate America’s intelligence gathering capability.

The committee supports enhancing this intelligence sharing while ensuring our own capability to analyse US intelligence is sufficiently invested in.

In relation to access to the US defence market, the Department of Industry, Tourism and Resources stated in a submission that the US was:

... poised to spend more on defence in 2003 than the next 15-20 biggest spenders combined.

The future of our defence relationship with the US has to be built on our very solid foundations, which will grow with developments that occur throughout the world. The benefits we reap from this relationship include shared experience, intelligence sharing and access to defence equipment. We can gain from the relationship greater knowledge of methods and resources in defence, and cooperation in exercises and in action. The alliance has proved quite flexible and has grown with international developments over the last 50 years.

In the short time remaining to me I want to reflect on a couple of the comments in this report, particularly in relation to our relationship with the US and the interaction we have with our near neighbour Indonesia—probably the key defence issue in our region. There are some
very interesting comments in relation to Indonesia in this report. It says in the section under ‘Indonesia’, in relation to Australia’s US relations in the Asia-Pacific:

Australia has a key role to play in supporting the development of Indonesian democracy. The US has been constrained in its ability to support the development of the security force structures in the world’s third largest democracy by restrictions imposed by the US Legislature. As a result, the US values the relationship Australia has established with the Government of President Susilo Bambang Yudhoyono, and ongoing practical measures between Australia and Indonesia, particularly at the military level.

Earlier in the report it also states that, during the Asian financial crisis in 1997, Australia’s success in winning a softening of terms from the International Monetary Fund for a financially extended Indonesia to repay or extend loans was gratefully acknowledged by Indonesia. However, despite these efforts to positively influence US and international policy in relation to Indonesia, the Australian military intervention in East Timor in 1999 coincided with a temporary perception in some quarters that Australia endorsed the Bush administration’s new pre-emption strategy directed against rogue states. Those are just a couple of issues on which our alliance with the US has benefited our region directly, particularly in that key relationship with Indonesia—something that is manifestly evident in this report, which I commend to the House.

Debate (on motion by Mr Baird) adjourned.

DELEGATION REPORTS

Delegation Visit to Australian Defence Forces Deployed to Support the Rehabilitation of Iraq

Debate resumed.

Mr BAIRD (Cook) (4.11 pm)—It was my privilege to join the delegation of eight members who visited Iraq from 22 to 27 October. During that time we visited Dubai, Kuwait and parts of Iraq: Al Muthanna province and the international zone in Baghdad. It was a particularly interesting time. The visit was difficult for us as a delegation because of the security involvement and the danger that was present. I commend those people who escorted us. I think of the leadership of the team, including Commodore Geoff Ledger, who was in charge of operations in Iraq at that time; Captain Trevor Jones, who was on duty protecting oil terminals north of the Arabian Gulf; Lieutenant Colonel Roger Noble; and our ambassador in Baghdad, Howard Brown. I would like to pay particular tribute to the members of the protection unit, including Kurt Black Sinclair, Luke, Fletch, Cliff Bell and Adrian Beard. They were outstanding young men who did a wonderful job in protecting us, and we thank them very much for their assistance and cooperation.

I was impressed by the professionalism of the Australian defence personnel, male and female, right across the board. I was surprised by the high morale among the troops, despite the very difficult, dangerous environment in which they were located. They are on rotation for a limited period. They exit after three months and return to Australia after six months, so that assists morale. We can all be very proud of the young people we have there. In the way they outlined the details of their operation, they were articulate, impressive and professional. All of them were people you would hire for any job in an Australian corporation. We should be pleased with their approach. I was also very impressed with their flexibility in thinking. It was not a stereotyped, gung-ho approach but one that indicated their sensitivity to the different cultural environment in which they were placed. We thought the way they related to people
and their cooperation in the local area, particularly in Al Muthanna province, was excellent. It is a credit to them and the way they operate that, until the death of Private Kovco in the last few weeks, none of our people was killed during activities in Iraq.

We did a number of things. There was a visit to look at air operations. Flying over Iraq was very interesting and impressive. We visited the Kuwait facilities, looking at supply headquarters and mixing with the troops there, and then we visited a number of people in Al Muthanna province. There were great briefings from an impressive group of people doing a worthwhile job.

We met with some of the Japanese defence force leaders, who were also a very impressive group. Our job in Al Muthanna province is to provide defence for them, and it certainly seems to have worked very well. It was interesting that there was an Australian with them who speaks fluent Japanese to be able to communicate. The Japanese people who met us for lunch and talked to us about their role were a very personable lot.

In Dubai, we visited the naval vessel HMAS Newcastle. It was patrolling the area around the gulf oil platforms, which produce 80 per cent of Iraq’s wealth. It is involved in boarding various vessels. We also met with Air Force personnel and, as I mentioned, visited Al Muthanna province and Camp Smitty.

It was also our privilege to meet the Speaker of the Transitional National Assembly of Iraq, Mr Hajim Al-Hassani. Mr Al-Hassani is a Sunni who left Iraq under the former regime and studied in the United States. He was particularly interesting as he talked about the challenges that lie ahead and how Iraq would like the cooperation of Australians, particularly in relation to agriculture and the programs they would like to see for dryland farming and desalination of soil. He was very complimentary about the quality of the troops that we sent to Iraq and spoke of Iraq’s wish to see them stay there on a long-term basis.

No matter what our views may be on the various sides of the chamber regarding the question of whether it was appropriate to go into Iraq, there is no question that we should be involved in the rebuilding of Iraq. They have enormous challenges in terms of infrastructure, and I was proud to see the role that Australians were playing. It was also interesting that the Australian troops in Al Muthanna province had been involved in the rebuilding of some infrastructure there. We saw the Aussie kangaroo on a number of projects there, which identified that those were projects in which Australians had been involved. We were well regarded because of that. It is an interesting approach in that not only are we providing defence but we are also involved in the rebuilding activities and in providing aid.

The Governor of Al Muthanna province was very complimentary about the Australian troops and our involvement. He also called for the involvement of Australians in providing expertise in dryland farming. He said that during the days under Saddam Hussein the area had been totally ignored, as the injection of money had gone into the areas surrounding Baghdad. They were left somewhat decimated in terms of their agriculture, and they want to rebuild the area. It was also interesting that it seemed to have quietened down very much in that area, so there is hope that at some stage in the not too distant future they may be able to withdraw troops from the area.

I was pleased to hear about the work that we have been involved in, Australia having committed $173 million to Iraq’s rehabilitation and reconstruction; $47 million to the UN and
World Bank Iraq trust funds; $70 million to reconstruction with a focus on governance and rehabilitation of the agricultural sector, supported electricity generation and distribution, water sanitation and food supply distribution; and approximately $8 million to assist refugees and internally displaced persons. We have since March 2003 deployed over 30 technical experts to help establish government services and directed assistance to capacity building for police and officials from the trade, human rights, agriculture and foreign ministries and the Board of Supreme Audit.

The ADF deployment of 1,400 people helping to restore Iraq’s security obviously has a key function. Particularly interesting is that we are also providing opportunities for Australian companies to get involved in the reconstruction of Iraq. Australian firm WorleyParsons is undertaking a $US800 million oil rehabilitation project, and Woodside Energy Ltd has signed a two-year agreement to identify oil and gas projects in northern Iraq. So there are spin-offs in terms of our involvement in the area, including the ability to search for oil and be involved in rehabilitating the oil exploration and processing projects.

SAGRIC and CSIRO are partners in an agricultural contract valued at up to $155 million. We had high-level visits to Iraq by the Prime Minister, Mr Downer, Mr Vaile and the Minister for Defence, and the Iraqi ministers for trade and agriculture have visited here. Australian companies have reported securing 43 Iraqi contracts, valued at over $460 million, in the last financial year, and it is hoped that the number will be greater in the foreseeable future.

On our visit to Iraq, my colleagues and I were impressed by the professionalism of our troops. Of course, there is a challenge ahead for the Iraqi people in terms of rebuilding the country. There are many challenges but we will not walk away from those challenges. Rebuilding remains pre-eminent. We will work with the Japanese for as long as they are involved in Iraq. All of us, from all sides of the chamber, who were part of our delegation recognised the challenges as well as the great opportunities to develop a special relationship with the people of Iraq, to work with them towards a future which provides greater promise and the potential to live in a democratic environment with institutions which will reflect greater human rights than ever experienced under Saddam Hussein. I commend this report to the House.

Mr CAMERON THOMPSON (Blair) (4.21 pm)—Again, it is a privilege to speak in the House on this debate, particularly after having been so greatly informed of the situation in Iraq when I joined the member for Cook and members from both sides of the parliament for that visit to Iraq in October last year. It was a tremendous privilege to go to that country and to see the tremendous work that is being done on our behalf by Australian service men and women. It is extremely impressive.

The comments from my colleague the member for Cook need to be reiterated. The high degree of professionalism and the outstanding nature and calibre of our service men and women really puts them head and shoulders above everyone else in that theatre. I am not exaggerating when I say that. During the time we were there we had briefings from corporals—not colonels or people at the top of the tree but just people there to do the job, corporals operating some of those wonderful ASLAV vehicles and those sorts of things—that you would really expect from someone out of a staff college. They were that well informed on the performance of the vehicle, the requirements and the safety aspects. It was really impressive that that is the average standard of people within our Defence Force, that they are able to present so effectively and to be so ‘situationally aware’—I think that is the military term. They are absolutely fami-
iar with the environment in which they are fighting. They are absolutely committed to the goals that they are seeking. And they are absolutely confident of their own abilities and the abilities of the equipment they are using to achieve those goals. That was the overwhelming experience of everyone who went on that trip, regardless of what side of the House they came from.

Like the member for Cook, I would like to give thanks to Commodore Geoff Ledger, Captain Trevor Jones of the HMAS Newcastle, Lieutenant Colonel Roger Noble and Howard Brown. I would also like to give thanks to that very well-drilled military police close protection unit that followed us through the theatre and looked after us all the way there. During the time we were there we got to experience first hand the activities of people involved in the P3C surveillance of the gulf and overland Iraq. I got to fly with the member for Swan on a P3C for eight hours over that environment. Having looked at it through the high-tech gizmos and equipment that exist on that aircraft, I can say it is incredibly powerful in its ability to offer surveillance and to pass on effective intelligence to people on the ground. I think my understanding of that theatre has been greatly boosted by my experience on board that aircraft.

I also met members of the security detachment based in Baghdad whose job it is to protect our diplomats and people who might go there representing the people of Australia. They do a magnificent job. They are very well drilled in the operation of the Bushmaster vehicles and the ASLAVs. They are using them in an environment that is very hazardous. But, as I said earlier, the equipment that they are provided with, the ASLAVs and the Bushmasters, is head and shoulders above the Humvees and the Land Rovers that people from other forces are driving. Our troops know it and they are very pleased and proud to be operating with that degree of force support from Australian taxpayers and with the good wishes of the Australian people in general.

I want to talk about the fact that we visited the Al Muthanna task force area at Camp Smitty. We got to see the troops and the wonderful work that they are undertaking there in direct consultation with the local community. We met the Governor of the Al Muthanna province. His vision for the future of that area is stunning. This is a person who wants to see crops in the ground again and wants to see them flourishing. As we found out when we hopped on the helicopters and flew from Camp Smitty up to Baghdad, this is not a country that is all desert. It is a country that has a huge area of irrigable land. There is huge potential for Iraqis to grow crops of their own. There is great potential only if the jackboot of Saddam Hussein is permanently removed from their necks and they are able to proceed in a democratic fashion with the liberation of their country and the sharing of the tremendous wealth among the people of that country.

In our time in Baghdad we met the speaker of the parliament, Hajim Al-Hassani, and the two deputy speakers. I was very impressed that we got to see those people and members of the Iraqi Transitional National Assembly’s foreign relations committee. I would be proud to have those people as members of our parliament, because their strong belief in democracy, their fervent desire to see it delivered to their country, is a wonderful beacon for those of us in Australia who may from time to time become jaded with the benefits of democracy. That is not the case in Iraq. Those people strive for and desire democracy. It is wonderful that our troops are setting out to go and help them deliver it.
I mentioned the speaker and the deputy speakers. I want to note that one of the deputy speakers—we met the two of them—Hussain al-Shahristani, is a very impressive man. He is a nuclear scientist who was jailed and tortured after refusing to design an atom bomb for Saddam Hussein. He has been promoted in the ministry that has just been announced and has been declared the oil minister for Iraq. I congratulate him. I congratulate the people of Iraq on the formation of this wonderful new government to take them forward.

We arrived in that country immediately after the referendum. It was put to the people of Iraq: ‘Do you want to proceed with this democratic process?’ They all put their thumbs on a bit of paper, saying, ‘Yes, we do.’ Fifteen million of them turned out and said, ‘Yes, we do.’ That is an incredibly powerful commitment to democracy by the Iraqi people. Three times now they have turned out, in the face of insurgents, terrorists and people who are trying to deny them the freedom of democracy and have put their thumbs on a bit of paper and have gone ahead. The vote that we were there for was the referendum to proceed. Now we are seeing the government of Iraq forming, establishing itself. It is a wonderful time. If people get that self-determination, if the principles of democracy finally take hold and start to flourish, there will be such a strong advance in benefits for the people of Iraq. All our troops in Iraq are going to be so pleased when that happens, because the long fought for freedoms and benefits that Iraqis seek will at last manifest themselves.

In the face of that, one of the things that absolutely bamboozles me—and I really feel upset and concerned about it—is the failure of the United Nations to actively participate in this process, particularly now that the Iraqi people have turned out three times and said, ‘Yes, this is what we want.’ They are not getting the international commitment to democracy that I think they are entitled to expect. Where is the commitment of the United Nations, of the international community, to people like Hajim Al-Hassani, who is prepared to put himself up as the speaker of the parliament? Where is the commitment to that person who stared down Saddam Hussein when Saddam Hussein wanted him to build him a bomb? That person has gone on to become the oil minister. These are good people who are striving to do good things in a country that really can provide tremendous benefits to its people, if only they are given the opportunity to share in its wealth. That is the opportunity that presents itself now.

I would like to finish by talking about our view from the chopper. When we took off from Al Muthanna province and flew all the way to Baghdad at 60 feet from the ground, what did we see out of the window? We saw an incredible expanse of irrigated crops—very small crops, just the size of someone’s backyard. We went for two hours at that altitude and all we saw was water and irrigated crops. The potential in that country is not just date palms and oil and that’s about it; it is hugely complex. Iraq has a highly trained and skilled workforce. It has great underlying opportunities, and it is about time that the international community banded together and allowed the Iraqi people to realise the country’s potential. I am very proud that our country is participating in Iraq. I am very proud that we took the stand that we did in the first place and that—thank heavens—the Americans and the British did the same thing. Now is the time for the world community to come out, get behind it and help drive it forward.

Mr HAASE (Kalgoorlie) (4.31 pm)—I rise to vehemently support the report handed down on our visit in October 2005 to meet with Australian defence forces supporting the rehabilitation of Iraq. I say I am proud to stand in support of this report today because it was one of the most emotional and enlightening experiences that I have enjoyed over my seven years in par-
The intensity of commitment by the Australian defence forces in Iraq was exceptional. 'Exceptional' is an easy and perhaps glib term to use, but there is no other word. The amount of training, the commitment and the level-headed objectivity of our ADF personnel employed throughout that operation were consistently impressive. I am proud to admit that their performances constantly stood out by comparison with others. Their leaders, who are quite obviously well briefed, well trained and well suited to the task, had nothing but praise for the men and women under their command.

We were absolutely privileged to enjoy the opportunity, on a very thorough and intense itinerary, to view all of the aspects of the operation. We went into Al Muthanna; we visited Camp Smitty; we flew up the Euphrates valley in choppers into the centre of Baghdad and saw the operations of our embassy there; we looked at the deployed forces whose major responsibility is security of government personnel and others moving about Baghdad; we were well briefed by General Casey, who is in command of the multinational forces in Iraq. The conditions that we found ourselves in were exceptional for a thorough briefing on what was going on in Iraq. The overwhelming impression one got as part of that delegation was that our men and women serving in Iraq were incredibly proud to be doing so. Some were back on a second—and, in one case, a third—tour of duty.

It struck me whilst I was there—and I have reflected on it since—how contrasting their view is with an often held view of the general public in Australia that these personnel would want to return home as quickly as possible and felt under some sort of duress that they were operating in the war zone that is Iraq today. As I say, I was constantly impressed with the fact that nothing could be further from the truth. They felt confident because they were well equipped. We have heard in this place today some of the details of that equipment, but certainly the Bushmaster and the ASLAVs are superior vehicles and well suited to the operations and limited space available to operate in in some of the villages. Some of the other members of the task force there were equipped with more cumbersome, more heavily armoured vehicles and were not capable of putting in the performances that our troops were. The relatively small number of ADF personnel deployed in the Iraqi situation was almost belied by the overwhelming praise of the achievements of that relatively small force. It made me feel incredibly proud to be a member of that delegation.

Apart from the military and security efforts of the ADF, one of the outstanding achievements that ought to be recognised is that of the group responsible for the placement of the famous red kangaroo symbol that we saw on projects that had been constructed in Al Muthanna province. The red kangaroo is a symbol that has been placed there by the Army, the CIMIC group. They have spent, in Al Muthanna, for instance, a mere $2.25 million and the accolades received for the effort and that expenditure are absolutely overwhelming. The local governor had nothing but praise for the way the efforts of that group had been so effective. It is worth saying that it is an incredibly efficient way of spending developmental dollars on the ground.

It struck me at the time—and I think it was realised by all members of the party—that so often when taxpayer dollars are deployed into reconstruction in these war zones there are so many levels and so many palms to cross, if you like, that it becomes an inefficient method of spending dollars. By putting these dollars into the Defence Force, so much is done directly. Amongst other things, a laboratory for the testing of grain had been constructed in Al
Muthanna province, and that was the pride of the locals and considered to be a great facility. I urge those who have the opportunity to influence more of those dollars being invested in a similar way to do so in a very positive manner.

The symbol of the red kangaroo is held in exceptionally high esteem and it is one that will be enduring in the minds of locals as a very positive contribution from the land down under. I might add that corrugated iron that was sent overseas during the Second World War persists in some of those locations with the orb symbol from Australia on it. Locals will tell you that that came from Australia and how pleased they are to have had that assistance. The governor of the Al Muthanna province, Mr Mohammed al Hassani, certainly made it clear that his people are anxious to see real development, and they are concerned of course that there be a foundation on which civilian security can be built. There is a great need for the training of both military and civil forces in Iraq so as to maintain law and order. But, having achieved that, and we hope to God that we will achieve that in a shorter rather than a longer time, there is so much infrastructure to be created—infrastructure that has been destroyed or did not exist in the first place. So much needs to be done.

One of the major things that have to be done is that irrigation water be made available so the Iraqi people in the Al Muthanna area can once again go back to the creation of productive crops. That water was cut off as an overt act to, presumably, flush out some of the enemies of Saddam Hussein. It was a purposeful act to create poverty and have the whole economy fail. One of the things that will be positively and permanently reversed when democracy is once more effectively restored to Iraq is that that water will flow again and those people who have produced good grain crops for many hundreds of years will be able to do so again. It is when we have achieved success in those sorts of activities that we can reflect and say there was no question as to why we gave the people of Iraq the opportunity for democracy. It is our belief today that those people deserve their shot at real democracy and they deserve to have the yoke of tyranny that has been imposed by Saddam Hussein permanently removed from their shoulders. I strongly recommend this report to the House.

Debate (on motion by Mrs May) adjourned.

COMMITTEES

Procedure Committee

Report

Debate resumed from 27 March, on motion by Mr Melham:

Mr MELHAM (Banks) (4.42 pm)—I seek leave to speak without closing the debate.

Leave granted.

Mr MELHAM—I do not propose to speak for very long in relation to this matter. I tabled this report on behalf of the Standing Committee on Procedure in the absence of the chair on 27 March. The report basically covers two areas. The first area is that current standing order 11(g) does not permit debate to take place on the election of a Speaker unless there is more than one candidate. This provision was the same in the former standing orders. In recent times we have had Speakers elected unopposed and members, whilst they have spoken, have strictly been outside the standing orders, and that point has been made by the Clerk at the relevant time.
The committee felt it was important that, even if a Speaker was elected unopposed—there was only the one candidate—the mover and seconder should be allowed to say something on their candidate’s behalf, for a number of reasons. It is a matter of record. At the time, I think it is important and it adds to an occasion when a member moves and another seconds someone for a particular position. It is important that they be given an opportunity to say why it is that that person is suited for the job. Even if there is no election, if the Speaker is unopposed, it is an important part of the record that the mover and seconder can point out particular qualities of the candidate for Speaker. We feel that that recommendation is not contentious; it is one that adds to the dignity of the moment.

The second recommendation, the main one, relates to the fact that currently the explanatory memorandum to a bill is presented at the end of the minister’s second reading speech. The committee has considered the proposal that the explanatory memorandum be presented when the bill is introduced, at the first reading stage. We are of the view that it is appropriate that an explanatory memorandum be tabled at the same time as the presentation of a bill—at the beginning.

The committee recommends that standing orders 141 and 142 be amended to provide that the explanatory memorandum to a bill be presented when the bill is presented, rather than at the conclusion of the minister’s second reading speech. Some recent instances where it would have been more appropriate for that to have happened have been laid out in the report. Again, it is non-contentious. The important thing that the Procedure Committee does in its ongoing review of the standing orders is to pick up the practicalities of some of the standing orders, to see whether they can be modernised, consistent with modern practices. This is in order not to provide advantage for one side over the other but to have something that both sides can embrace. Ever since explanatory memorandums have been produced it does seem to have been standard practice for them to be released to members and to the public at the same time as the bill is released—that is, when the bill is presented. We think that this should be picked up. Again, it is non-contentious.

I commend the recommendations of the committee to the House. I thank the chair of the committee, the honourable member for McPherson, for the courteous way in which she conducts herself as chair of this committee and for the way that she seeks to obtain cross-party support for recommendations. She does not run the committee in a partisan way—nor should it be run that way. I know that there will be some more far-reaching recommendations put to the parliament on behalf of the committee. A number of members of the committee recently had the opportunity to use their study allowance to go overseas. I was not one of them—probably for the betterment of other members of the committee. I know that they have come back with enthusiasm for some reform that might be achieved in the House. The report before the House is non-contentious. I think there are two areas: to standardise the practice and to make it more commonsense.

Mrs May (McPherson) (4.48 pm)—As Chair of the Procedure Committee, I am delighted to have the opportunity to speak today on this report, Maintenance of the standing and sessional orders: first report: debate on the election of Speaker. I would first like to thank the deputy chairman, the member for Banks, who is here in the chamber today, for tabling the report in my absence, on 27 March. Unfortunately, I was not in Canberra. The deputy chairman did a great job in tabling the report. I would like to put on record my thanks to all the
committee members. They were unable to speak on the report on that day, I understand, because the Prime Minister of Britain was speaking to a joint sitting of both houses. I am delighted that today there are a number of members of the committee here who are going to speak. I am certainly delighted that I am able to say a few words on this report today.

The recommendations of the report, I am pleased to say, have already been implemented. The relevant standing orders, Nos 11, 141 and 142, have been amended to reflect those changes. In fact, those changes were made on 29 March. I would like to put on record today a few comments with regard to the report. I hope my committee members will bear with me while I put on record the two issues we looked at. This is the first report of an ongoing inquiry into the maintenance of the standing and sessional orders. The two matters that were discussed and that are in the report, as the deputy chairman has alluded to, were the debate on the election of the Speaker and the presentation of explanatory memorandums. Both these matters were brought to the attention of the committee for investigation and for us to have a bit of a hard look at.

During the election of the Speaker at the start of this parliament, I imagine that no member present had any inkling that the standing orders were not being observed when the member for Corangamite spoke for a few minutes in support of his nominee for the speakership. It just seemed a natural thing to do. I am sure the member for Corangamite thought so too at the time. Now that we have this precedent, we can look at it and say, ‘What harm was done?’ The committee could certainly see no harm. Indeed, we saw benefits in allowing the mover and seconder of a nominee for the speakership to introduce their candidate to the House.

When there is only a single candidate, such introduction is possibly technically unnecessary as the House does not have a choice to make. However, nowadays, at the start of each parliament, when most Speakers are elected, there could be many new members who would appreciate a brief outline of the background of the person proposed to be their Speaker. There are also people in the public galleries, which are full on that day, to consider and an increasing number of television viewers. As one of my colleagues pointed out, it is also useful to have such an account in the *Hansard* record. The deputy chairman has certainly alluded to that. The committee therefore recommended that the mover and seconder of all nominees for Speaker be able to speak for five minutes each in support of their candidate as now there will be no further debate unless there are two or more nominees.

The second topic in this report, the timing of the presentation of explanatory memorandums to bills, became an issue in the House with the presentation and second reading debate of the workplace relations bill in November last year. There was, as it turned out, a misunderstanding in relation to the release of the bill’s explanatory memorandum, which could have been avoided had our recommendations been in effect at that time. Previously the explanatory memorandum to a bill was presented at the end of the minister’s second reading speech. The Procedure Committee recommended that the explanatory memorandum be presented when the bill is introduced, at the first reading stage. This is to avoid any supposition or expectation that the public release of any explanatory memorandum has to be delayed until after the minister’s speech. Usually, of course, such a delay could only be a few minutes. But, as we saw last November, intervening proceedings could cause a longer delay. Theoretically, the second reading speech could be on an even later day. While it seems to have always been the usual practice for the Table Office to release explanatory memorandums at the same time as the bill,
it is possible to interpret the standing orders as requiring them to be kept under embargo until they have been presented. To avoid uncertainty it is preferable that standing orders and administrative practice should align, and our recommendations in this report certainly did that.

As I said earlier, the recommendations in the report have been adopted and the standing orders have been amended. However, this report is only the first report of the Procedure Committee’s ongoing inquiry into the maintenance of the standing and sessional orders. The committee will review the sessional orders—and there are quite a number of them—adopted by the House on 9 February.

One of those sessional orders in particular relates to expanding the time available to members for debating committee and delegation reports. Prior to my speaking today we just heard the honourable member for Blair and other colleagues speaking on a delegation report on a trip to Iraq. It has certainly given members huge opportunities to speak on delegation reports and also committee reports, those reports that they have put a lot of time and effort into. It has given them that extra time on a Monday. The day the report is tabled in the House, we are allowing two hours now on Monday afternoons for the debate of those committee and delegation reports. I would say that for those members who are utilising that time they see it as of great benefit to themselves, even in their communities. They are able to speak to those reports and put on record their own interpretations of trips they have had. We have heard from the member for Blair today about that very exciting trip to Iraq.

As I said, there are more to come. Of interest to you, Mr Acting Deputy Speaker Scott, may be the maintenance of order in the Main Committee. The deputy speaker brought that matter to the committee for consideration. These changes that we have recommended can now be utilised here in the Main Committee. They provide additional options for the chair of the Main Committee to maintain order—in particular, the new provision of being able to direct a member or members to leave the room for a period of 15 minutes and the discretion the chair now has as to whether or not to report the disorder to the House. I think that strengthens the role of the Deputy Speaker here in the Main Committee.

Mr Price interjecting—

Mrs MAY—Well, prior to these changes, in cases of disorderly conduct occurring in the Main Committee the chair could only suspend or adjourn the committee and report the disorder to the House. Generally, such reports have resulted in the naming and suspension of the member concerned.

There is also the issue of members’ three-minute statements in the Main Committee. Often, if there was a division in the main chamber that happened during those three-minute statements, that time was lost to members. That time has been given to members and will not now be lost if a division happens during that 30-minute period. There are speaking times for dissent motions and the anticipation rule. They are all recommendations of the Procedure Committee and are all sessional orders which we will be reviewing as a committee.

We would also like to encourage members to give some feedback on those sessional orders. It is important that we as a procedure committee take on board any issues that members may have and any expansion or strengthening of standing or sessional orders that they would like to see in this House. Members must remember that this is their House. This is their place, where they put on record their thoughts and speak to their bills, their reports and their delega-
tion reports. So it is up to members to give us some input so that we know where they are coming from, can help them and very much strengthen and modernise the processes of the House.

Before completing my remarks today, I place on record my particular thanks to the committee secretariat for all of their work. They certainly do a tremendous job. Judy Middlebrook, the secretary of the committee, accompanied those members who went on the overseas delegation recently. There will be a report tabled, hopefully within the next few months, on our trip overseas. The members for Charlton and for Chifley are in the chamber today, both of whom came on the trip. I think all would agree that we have come back with a lot of enthusiasm for some changes that we hope to see happen in the House.

Mr Price—Even the secretary!

Mrs MAY—Yes, even the secretary of the committee. She has some great ideas. I thank Judy Middlebrook in particular for accompanying us on the trip and for all her advice and support over the past 12 months in the committee with the changes we are hoping to implement. I also thank Peter Fowler. I commend the report to the House.

Ms HOARE (Charlton) (4.57 pm)—The report that we are speaking on today, Maintenance of the standing and sessional orders: first report: debate on the election of Speaker, is the first of the inquiry into the maintenance of the standing and sessional orders. The committee was of the view that there are various issues brought to its attention in relation to standing orders that are relatively minor and which we do not necessarily need to have a full-blown separate inquiry into. That allows the committee to address those concerns and issues and to make recommendations about them. As the chair of the committee has said, this is the first report of what will be an ongoing inquiry.

As other speakers have indicated, there are three recommendations. Two are main recommendations and one is incidental. The first recommendation relates to the debate on the election of the Speaker, which others have spoken about. As the standing orders stood, there was no opportunity for any debate, discussion or speeches in relation to supporting a candidate for Speaker when there was only one candidate. If members would like to have a look at this first report, on pages 2 and 3 they will see that there are two different ways that the Speaker is elected and that the discussion on the election of the Speaker happens in the House of Representatives. The first example given is on the election of the former member for Wakefield as Speaker in 2002. If you look at that example, you will see that it was a very short nomination and acceptance process.

On page 3 of our report, the member for Corangamite and the member for Mallee both had something to say on the nomination and the seconding of the nomination of the Speaker in the parliament on 16 November 2004. The subtitle of this chapter in our report is called ‘Background—the Clerk’s “uncomfortable duty”’. There was an interjection by the Clerk on that day, where he said:

It is my uncomfortable duty to remind the House that it is strictly not in order to speak in favour of the candidates unless the election is contested.

In changing this standing order we have allowed that to happen so that, following an election, the nominee and the seconder of the Speaker in the House of Representatives are not breaking standing orders by supporting their nomination.
Another recommendation is on the presentation of explanatory memorandums. The standing orders as they were allowed for the explanatory memorandum to a bill to be presented at the end of the minister’s second reading speech. However, in November last year, because of various activities in the chamber at that time, the minister’s second reading speech on the workplace relations legislation ended a couple of hours after he began it, so there was a time lag and there was confusion in the Table Office as to whether the explanatory memorandum should have been made public when it was not actually presented to the House of Representatives. The change to this standing order has been made to allow the EM to be presented to the parliament at the same time as the bill is introduced to the parliament and provides for access to that explanatory memorandum. I am pleased to say that both of these recommendations have been accepted and implemented.

As outlined, the ongoing inquiry by the House of Representatives Standing Committee on Procedure into the maintenance of the standing and sessional orders also includes the review by the committee of those sessional orders which have not yet been made into standing orders. They have been put in place for a specific period to allow the committee and other members of the House to review them and to make recommendations, expand upon them and provide feedback to the committee. I understand that the sessional orders do not become standing orders without the support of members. Later this year the chair will be writing to all members of the House of Representatives reminding members of the changes and these new sessional orders and requesting feedback.

One of the major sessional orders is the one that provides the opportunity that we now have on a Monday afternoon from 4 pm to 6 pm in the Main Committee to discuss delegation and committee reports. We all put a lot of time into committee work. Committee work is very important parliamentary work. Committees, by and large, end up with the unanimous reports, with specific recommendations for the government of the day. The first committee I was on after my election in 1998 was the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs. The report of that committee was entitled Unlocking the future. It was a report of the inquiry into the Reeves review of the Aboriginal Land Rights (Northern Territory) Act 1976.

For me, as a new member of parliament, it was quite an extraordinary experience. The clerk at the table was the secretary of that committee at that time and would probably agree with me that visiting those places and meeting the people as we travelled across the breadth and width of the Northern Territory in Caribou aeroplanes was an amazing experience. An extended period of time to discuss our reports, our interpretation of them and our experiences of the inquiries that we participate in is a much-welcomed recommendation. It has been implemented now as a sessional order, but we would like to see that feedback. It also provides an opportunity for members who are not members of a committee but may have a specific interest in a particular report of a committee. One that springs to mind is Every picture tells a story, where there is not the opportunity for all members to participate in the inquiry but we all have a personal and professional interest in the areas in which the recommendations were made. I know I made a contribution to that. There were also another two that I would have liked to make contributions to, but I was not a member of those committees. One was the Boys: getting it right report on the inquiry into the education of boys and the other was Work-
ing for Australia’s future: increasing participation in the workforce, which was from the Standing Committee on Employment, Workplace Relations and Workforce Participation.

So it is a welcome result. I would encourage all members to make use of the time available to them. We now have these extra two hours every sitting Monday. It gives us the opportunity to speak on a report at its currency, not weeks or months down the track. It also gives us the opportunity to put that in the context of our own electorates and communities. As I said, the chair will be writing to all members to seek feedback on some of these changes. In conclusion, can I place on the record my thanks to the chair and the deputy chair for the way that these inquiries are conducted and to my fellow committee members. I also thank the secretariat, in particular Judy Middlebrook; thanks for all your assistance and support. I look forward to participating in more discussions in the Main Committee between 4 o’clock and 6 o’clock on a Monday evening.

Mr PRICE (Chifley) (5.07 pm)—I rise to support the remarks of my colleagues on the Standing Committee on Procedure. The report entitled Maintenance of the standing and sessional orders: first report: debate on the election of Speaker, which we are currently considering, is noteworthy for the speed with which it has been implemented. I wish I could say that about all other reports. As has already been said, it deals with the nomination and seconding of a new Speaker and—as we have a learned deputy speaker in the chamber—whether or not the Clerk was within standing orders in permitting such a nomination and seconding. I think the whole purpose of this report is to indicate that perhaps he was outside the standing orders. This makes a change so that if there is only one nomination then both the nominator and the seconder can still speak.

My party has been associated with a proposal for an independent Speaker, under the former leader the honourable member for Hotham, Simon Crean. I thought that that proposal was a very worthwhile addition to the discussion about parliamentary reform, but I remain of the view that, more than just an independent Speaker, it is the commitment of a government—and in particular of the Leader of the House—to parliamentary reform that is the key to lifting the standards in parliament. In my party, we are prepared to embrace parliamentary reform in the interests of the people.

The Procedure Committee sounds quite an arcane sort of title for any particular committee, but it has done good work over some time. If I mentioned the lack of commitment to reform, can I mention some reports: the excellent report initiated by former Speaker Andrews about reducing the time of second reading speeches to 15 minutes and allowing five minutes of questions. It is a proposal that was designed to ensure that there was a greater interaction, particularly in the House itself. That report has languished and not been responded to. We brought down an excellent committee report and recommendation on establishing an estimates committee. I might say that all these things are unanimous proposals of the Procedure Committee. Again, the proposal for an estimates committee languishes without support in the government. Three parliaments ago, the then Chair of the Procedure Committee, the honourable member for Eden-Monaro, now Special Minister of State, brought down a report about changing the proceedings for the opening of parliament, including a component of an Indigenous welcome in those proceedings. That report has never been responded to.

With regard to the tabling of reports that have been referred to, let me say that I am unequivocally very supportive not only of the proposals of the Procedure Committee but also of
the fact that they be adopted. If I am critical of any area, it is the lack of response by chairs
and deputy chairs of parliamentary committees expressing views about how these procedures
should operate. I do hope that chairs and deputy chairs in particular take up the invitation of
the chair of the Procedure Committee to respond. This is a significant improvement on pre-
existing arrangements. Any member of the House, as well as those committee members who
have worked so hard on committee reports, gets a timely opportunity to make a contribution.
Again, I do not walk away from the recommendations of the Procedure Committee, but I
might say that I was personally in favour of having the whole procedure done on a Monday
morning in the Main Committee—that is, the initial tabling and debate of the report on a
Monday morning. That did not happen but, again, I in no way wish to denigrate or walk away
from my support and the unanimous acceptance of the current arrangements as they exist.

We are going to review the 15 minute sin-bin rule that has been instituted in the Main
Committee. I would be less than honest if I said I did not have some reservations about it.
This is supposed to be a very informal, interactive chamber. That is its character and nature,
and I think we should try to preserve it. If the Deputy Speaker or the Speaker’s panel are of a
mind to implement it, as I say, I think it should be done judiciously, cautiously and only at an
extreme. I place on the public record that I do not believe it should be applied in some way in
terms of the standing orders on relevance in debating legislation in this chamber. If it is used
to enforce a very strict application of relevance, the opposition would need to rethink its atti-
dtude. It has not happened, and I am pleased that that is the case. Again, as the chair of the
committee has said, the preservation of three-minute statements in the Main Committee, not-
withstanding any divisions that may occur in the House, is a giant step forward, and I know it
will be of great benefit to all members of the House.

Some discussion has been had of the trip of the Procedure Committee. I place on record my
thanks to the chair of the committee, who led the delegation, and the secretary for being the
one who was involved in heaps of arrangements and last-minute scrambling on occasion. It is
ture that we have come back really fired up and enthusiastic about further reform. But that
will come to naught if members of this House do not take the time and the trouble to acquaint
themselves with what it is that the Procedure Committee is proposing, whether they are in
government or whether they are in opposition.

I will finish on a couple of notes. The Procedure Committee has always in its recommenda-
tions gone out of its way to enhance the opportunities for ordinary members in this place,
whether we are bringing down reports about the way committees are run, whether we are
looking at changing standing orders or whether we are entrenching things like the three-
minute statements. There are no two better examples, Mr Deputy Speaker Scott—and I know
that you are Chair of the Defence Subcommittee of the Joint Standing Committee on Foreign
Affairs, Defence and Trade—of important reports than the reports on Australia’s defence rela-
tions with the United States and a report about a delegation visit to Iraq. The fact is that under
previous arrangements the only speaking time would have been five minutes a side in the
House and then many weeks later, if people were of a mind to then debate it. But we now
have a very timely handling of committee reports.

Committees do two things. Firstly, they are the universities of the parliament. It is an op-
portunity for all members of parliament to gain greater knowledge and understanding of im-
portant issues affecting our constituents. Secondly, in my view, it puts on display the best tra-
ditions of the parliament—that is, members of parliament coming together to tackle an issue or a question in the best interests of the nation. They are on that parliamentary committee not as a National Party member, not as a Liberal Party member, not as a Labor Party member but as members of a committee determined to do the best by the people of Australia. I have always believed in parliamentary committees and in enhancing and expanding their roles. Last, but not least, I repeat what I started with. I belong to a party that believes in robust parliamentary reform. The pendulum of executive dominance of this place has reached an extreme and we have to start winding it back.

Mr JENKINS (Scullin) (5.17 pm)—I welcome not only the opportunity that is given by the discussion of this first report of the Procedure Committee’s inquiry into the maintenance of the standing and sessional orders to discuss the recommendations of that first report with regard to the debate on the election of Speaker and the presentation of explanatory memorandums but also the opportunity to review the work of the Procedure Committee. It is something of an indictment of the way members of the House show little interest in the work of the Procedure Committee that I am the only person outside of the committee to enter into this debate. I have to admit to you, Mr Deputy Speaker, that in part I was dragooned into this debate—but that is the way of the Chief Opposition Whip, perhaps encouraging me to set my mind to this task.

Much of what has been said in the discussion of this report is, I think, very important. The Procedure Committee, especially in this parliament and the last parliament, has well and truly set out to modernise the way in which we look at our work here in the parliament. Think of how the standing orders are now presented and then think how they were presented only a couple of parliaments ago, before the plain English standing orders came in. What a mystery just the words were, let alone the practices. We have tackled some of the problems in relation to these two aspects, the debate on the election of Speaker and the presentation of explanatory memorandums, and we have ensured the importance of the issue of executive governments putting a proposition after the committee has reported to the parliament to then be voted on.

I want to briefly talk about these two items and then perhaps talk at greater length about the work of the committee. One of the things we see is that sometimes, whether unwittingly or deliberately, members can seek change. The change to standing order 11 needs to be called the McArthur amendment. The fact is that the committee has fitted the honourable member for Corangamite by showing that in 2002 he was aware of what the standing orders allowed and then in 2004 he pushed the envelope a little bit, which suggests Fergus actually knew what he was doing.

The main thing is that the parliament, through the Procedure Committee, has picked it up. I think that this is a much more satisfactory arrangement. When you compare the election in 2002 to the election in 2004, for all the reasons that have been mentioned, it is obvious that the mover and seconder should get a chance to speak, even where there is not to be a contest. However, those who are proposing this course of action in the future, where they think they are going to be unopposed, should pick their movers and seconds wisely. I am sorry that the honourable member for Chifley has left the chamber, but he will know what I am alluding to there.

The bit about explanatory memorandums also makes a lot of sense. People think that a government should give some of the reasons behind a bill at the time that it is first presented.
It is, in a way, an anachronism to have it tabled at the end of the second reading speech, which is partly into the second part of the proceedings of the parliament in considering legislation. For all the reasons that the chair of the committee gave in this debate today—and one particular instance was highlighted—I think that it goes not only to solving those problems but to providing a much better and clearer way for people who are observing and for the practitioners, as members of parliament, to look at legislation.

Let us review some of the ideas. As the election of the Speaker is one of the main things we see on the opening day of parliament, I was surprised that the honourable member for Chifley reminded us that it was over three parliaments ago that a previous Procedure Committee reported on new ideas for the opening of parliament. That is one area where there is an interface with the public and where we could change the way in which we present ourselves. As members of the House of Representatives, we tramp over to the other place to listen to the Governor-General’s address on behalf of the government. In the opening of parliament report it was suggested that the Great Hall be used as neutral ground. There was discussion of an Indigenous component to the opening day. I think that these things would make for a proceeding that reflects much more a modern Australia. If we are going to modernise and strengthen the standing orders, that is one way that we can grab that banner, to show people that this parliament is serious about those matters.

I reflect on when we went down to Melbourne to celebrate the centenary of the opening of parliament. The opening of parliament took place in the Exhibition Building, then the two houses went off to start their business in the chambers of the Victorian parliament. We mirrored that in the way that we conducted ourselves on the centenary of parliament. We met in the Exhibition Building and then we went the next day to our chambers. Even over 100 years ago, the founding fathers of Federation had an idea about the way in which they would do things.

Mention has been made of the Procedure Committee’s recent study tour. A few years ago I had the opportunity to visit the Palace of Westminster and also the National Assembly for Wales, which was a greenfield site. I think that we as parliamentary practitioners need to look at both those systems. One is the parent of all Westminster parliaments. It plays a very definite role in ensuring that it is open to change. It has a modernisation committee that not only goes to the procedures of the parliament but looks at the way in which other things are done. The Welsh Assembly is exciting because, as I said, it is a greenfield site. It is open for people to think of different ways of doing things. At the time I visited, the officers were very excited by the way in which technology could be used. I hope that that was embraced by the members, but I am not too sure. We will listen very intently to the report of the Procedure Committee about that study tour.

The other matter I wish to go to is that in strengthening the role and the opportunities for private members the Procedure Committee is clearly indicating that they understand that, in the modern interpretation of the Westminster system that we see in place in Australia, it is very important for private members to see that they have a role outside the party disciplines. That is something that I have talked about often in this place. As a person who was a backbencher in a government I know how difficult it is to decide how far you go within the party disciplines to put the executive on notice through the parliamentary processes, or whether you only use the party processes.
I thought it was quite exciting last year to see the changed way that—despite the present government having the numbers in both chambers—within the parties that make up the coalition, private members were pushing the envelope to put the executive government on notice. As has been said, much of the work done by parliamentary committees is usually done on a unanimous basis, by consensus and by cutting back on things to try to get an agreement. But it is important that private members push through the ideas, whether they be the subjects mentioned by the honourable member for Charlton or other subjects.

I look at some of the parliamentary committees that I have been on—the sustainable cities committee inquiry that reported early in this parliament and the committee that reported into Indigenous health. There is a lot of discussion through the sustainable cities inquiry outside the parliament—the community seems to have embraced it. With the Indigenous health inquiry, we asked that parliament keep that debate up. Regrettably, it lapsed and now we find that we are having a debate that I think will be polarised because party positions will be taken, whereas we could have moved forward from that committee report and continued the dialogue and discussion without that partisan debate. That would have been important.

I think the Procedure Committee is to be congratulated on continuing a developing tradition of protecting the rights of private members, suggesting to government that there is a way of ensuring that government business can go forward at the same time as giving private members additional opportunities. I look forward to further discussion of the maintenance of the standing and sessional orders inquiry that the Procedure Committee has in place. I congratulate the committee on this first report and its ongoing work.

Debate (on motion by Mr Neville) adjourned.

Main Committee adjourned at 5.29 pm
QUESTIONs IN WRITING

Media Monitoring and Clipping Services
(Question No. 1297)

Mr Bowen asked the Minister for Revenue and Assistant Treasurer, in writing, on 11 May
2005:

(1) What sum was spent on media monitoring and clipping services engaged by the Minister’s office in
(a) 2002-2003, (b) 2003-2004, and (c) 2004-2005 to date.

(2) What was the name and postal addresses of each media monitoring company engaged by the Min-
ister’s office.

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

(1) Sum spent on media monitoring and clipping services engaged by the Minister’s office in
(a) 2002-2003 was $31,794.18
(b) 2003-2004 was $37,219.42
(c) 2004-2005 was $42,645.97
(d) 2005-2006 to date is $22,191.53

(2) Media Monitors Australia Pty Ltd
131 Canberra Avenue
GRIFFITH ACT 2603
Rehame Australia Monitoring Services Pty . Ltd.
33 Flinders Way
MANUKA ACT 2603

Legal and Constitutional Affairs Legislation Committee
(Question No. 1416)

Mr Murphy asked the Treasurer, in writing, on 24 May 2005:

(1) Has he acted on the recommendation by the House of Representatives Standing Committee on Le-
gal and Constitutional Affairs in its report on the Inquiry into the exposure draft of the Bank-
rupcy Legislation Amendment (Anti-Avoidance and Other Measures) Bill 2004 that subsection
16(4) of the Income Tax Assessment Act 1936 and section 3C of the Taxation Administration Act
1953 be amended to authorise the Commissioner of Taxation to provide publicly available informa-
tion to prescribed industry or professional organisations; if so, what action has he taken; if not, why
not.

(2) Does the Government intend to amend the legislation to permit the Commissioner to provide pub-
licly available information to the (a) law societies of the States, Territories and Commonwealth of
Australia and (b) bar associations of the States, Territories and Commonwealth of Australia.

Mr Dutton—The Treasurer has referred this question to me as it falls within my ministe-
rial responsibilities and the answer to the honourable member’s question is as follows:

(1) The Inquiry highlighted conflicting views on whether the Commissioner of Taxation could provide
publicly available information to prescribed industry or professional organisations under the se-
crecy provisions.
The Solicitor-General has subsequently advised that public information is not subject to the secrecy provisions. As a general principle, where the Commissioner obtains tax information from a public source he may disclose this information to entities such as the New South Wales Bar Association. However, the Solicitor-General further advised that when disclosing public information, the Commissioner must make it clear to the recipient that the accuracy of the public information has not been confirmed by reference to his own records. The Commissioner’s records are subject to the secrecy provisions in the tax law and therefore cannot be disclosed. However, a recent meeting between representatives of the Australian Taxation Office and key legal professional associations has resolved that the practicalities associated with the Commissioner making public information available in this way are such that the required process would prove administratively and practically unworkable.

(2) As the current law does not prohibit the Australian Taxation Office from disclosing public information, an amendment to the legislation as described, would not achieve the intended outcome.

In view of the limitations associated with the way the Australian Taxation Office can deal with publicly available information, an amendment to the legislation that would achieve the intended outcome may well be significantly more complex than it first appears.

Minister for Revenue and Assistant Treasurer

(Question No. 2181)

Mr Bowen asked the Minister for Revenue and Assistant Treasurer, in writing, on 18 August 2005:

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

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

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

(1) I have been advised that my predecessor did not receive any training, coaching or assistance in public speaking or voice projection.

(2) N/A

Fuel Prices

(Question No. 2343)

Mr Murphy asked the Prime Minister, in writing, on 12 September 2005:

Is there anything the Government can do to reduce the price of petrol; if so, what are the details; if not, why not.

Mr Howard—I refer to the answer previously supplied to the honourable member and refer to Hansard, 7 February 2006, page 114:

Paragraph six of the answer provided states that: “That said, the ACCC already undertakes extensive informal monitoring of petrol, diesel and auto LPG prices at over 4,000 sites across Australia, as well as the international crude oil, refined petroleum, and wholesale prices. The ACCC publishes much of this information on its website and recently announced that retailer margins will also be published in order to further inform and educate consumers. Informed consumers, both individuals and businesses, can exert downward pressure on prices and increase understanding of the operation of the petrol market. In addition, the ACCC has and will continue to investigate complaints of price fixing, predatory pricing and other anti-competitive conduct in the petroleum industry and take legal action where appropriate.”

QUESTIONS IN WRITING
In light of further advice provided by the ACCC, the reference to 4,000 sites should be corrected to read 3,600 while the word much should be replaced with the word some. The word retailer should be corrected to read refiner.

Fuel Prices
(Question No. 2421)

Mr Georganas asked the Minister for Revenue and Assistant Treasurer, in writing, on 10 October 2005:

(1) What was the percentage increase for the past two financial years of the (a) average price of petrol and (b) cents per kilometre method for claiming a tax deduction for work related car expenses.

(2) Is the increase in the cents per kilometre method for claiming a tax deduction for work related car expenses consistent with the increase in the average price of petrol.

(3) Will the Government increase the rates of the cents per kilometre method for work related car expenses; if so, by what sums.

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

(1) The average price of petrol increased by 1.8 per cent in 2003-04 and by 11.3 per cent in 2004-05 (these are the most recent financial years for which complete data is available). The average cents per kilometre rate increased by 1.7 per cent in 2004-05 and by 6.2 per cent in 2005-06 (the cents per kilometre rates apply for a one year period from March).

(2) The average price of petrol and the average cost of work related expenses, calculated under the cents per kilometre method have both increased over the last financial years for which complete data is available.

(3) The cents per kilometre rates are adjusted annually in line with the Public Service Motor Vehicle Allowance set by the Department of Employment and Workplace Relations in line with the annual movements in the Private Motoring Subgroup of the Consumer Price Index (CPI). The subgroup, among other items, takes into account price movements in automotive fuel.

Domestic and Overseas Air Travel
(Question No. 2447)

Mr Quick asked the Minister for Human Services, in writing, on 11 October 2005:

(1) For 2004-2005, what sum was spent by the Minister’s department on domestic and international air travel.

(2) For 2004-2005, what proportion of domestic air travel by employees of the Minister’s department was provided by (a) Qantas, (b) Regional Express, and (c) Virgin Blue.

(3) For 2004-2005, what sum was spent by the Minister’s department on domestic air travel provided by (i) Qantas, (ii) Regional Express, and (iii) Virgin Blue.

(4) For 2004-2005, what sum was spent by the Minister’s department on (a) economy and (b) business class travel on (i) domestic routes and (ii) international routes.

(5) For 2004-2005, what proportion of the expenditure on air travel by the Minister’s department was on the domestic route (a) Sydney to Canberra, (b) Melbourne to Canberra, (c) Sydney to Melbourne, (d) Sydney to Brisbane, (e) Melbourne to Hobart or Launceston, and (f) Sydney to Perth.

(6) For 2004-2005, how many employees of the Minister’s department had membership of the (a) Qantas Chairman’s Lounge, (b) Qantas Club, (c) Regional Express Membership Lounge, and (d) Virgin Blue’s Blue Room paid for by the department.

(7) Which company provides travel management services to the Minister’s department.
Mr Hockey—The answer to the honourable member’s question is as follows:

**Core Department**

1. Domestic $28,436  
   International Nil

2.  
   (a) 98%  
   (b) 0%  
   (c) 1%  
   Other 1%

3.  
   (a) $27,970  
   (b) Nil  
   (c) $208

4. (a) Economy  
   (i) Domestic routes $22,589  
   (ii) International routes Nil  
   (b) Business Class  
      (i) Domestic routes $5,846  
      (ii) International routes Nil

5. (a) Sydney to Canberra 24%  
   (b) Melbourne to Canberra 11%  
   (c) Sydney to Melbourne 0%  
   (d) Sydney to Brisbane 0%  
   (e) Melbourne to Hobart 0%  
      Melbourne to Launceston 0%  
   (f) Sydney to Perth 3%

6.  
   (a) Nil  
   (b) Nil  
   (c) Nil  
   (d) Nil

7. Qantas Travel provides travel management services to the Minister’s department.

**Child Support Agency**

1. Domestic $1,211,289  
   International $36,766

2.  
   (a) 82%  
   (b) 0%  
   (c) 1%

3.  
   (a) $990,709  
   (b) $4,567  
   (c) $11,176
(4) (a) Economy & Discount Economy
   (i) Domestic routes $1,077,929
   (ii) International routes $1,996
(b) Business Class
   (i) Domestic routes $133,360
   (ii) International routes $34,770
(5) (a) Sydney to Canberra 6%
   (b) Melbourne to Canberra 13%
   (c) Sydney to Melbourne 4%
   (d) Sydney to Brisbane 4%
   (e) Melbourne to Hobart 3%
       Melbourne to Launceston 0%
   (f) Sydney to Perth 2%
(6) (a) Nil
   (b) 19
   (c) Nil
   (d) Nil
(7) Qantas Business Travel provides travel management services to CSA
    CRS Australia
(1) Domestic $1,077,000
    International Nil
(2) (a) 74%
   (b) 3%
   (c) 2%
(3) (a) $795,000
   (b) $36,163
   (c) $20,866
(4) (a) Economy
   (i) Domestic routes $862,000
   (ii) International routes Nil
(b) Business class
   (i) Domestic routes $215,000
   (ii) International routes Nil
(5) (a) Sydney to Canberra 4%
   (b) Melbourne to Canberra 7%
   (c) Sydney to Melbourne 5%
   (d) Sydney to Brisbane 6%
   (e) Melbourne to Hobart or Launceston 3%
   (f) Sydney to Perth 0%
(6) (a) Nil  
(b) 17  
(c) Nil  
(d) Nil  

(7) Qantas Travel provides travel management services to CRS Australia.

To prepare the answer to this question, it has taken approximately 17 hours at an estimated cost of $730.

**Governor-General: Counter-Terrorism Exercises**

(Question No. 2511)

Mr Melham asked the Prime Minister, in writing, on 31 October 2005:

(1) Did (a) the Governor-General or (b) an Administrator of the Commonwealth participate in the Mercury 05 National Counter Terrorism Exercise; if so, what is the nature of the Governor-General’s or the Administrator’s participation.

(2) Did the Official Secretary to the Governor-General participate in the Mercury 05 Exercise; if so, what was the nature of the Official Secretary’s participation.

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

(1) I am advised that the then Administrator of the Government of the Commonwealth, Mr John Landy, presided over simulated meetings of the Federal Executive Council as part of Exercise Mercury 05. The Administrator was also briefed by officials prior to the commencement of Exercise Mercury 05.

(2) I am advised that the Acting Official Secretary to the Governor-General participated in Exercise Mercury 05 and that his role involved facilitating the Administrator’s participation.

**Governor-General: Counter-Terrorism Exercises**

(Question No. 2512)

Mr Melham asked the Prime Minister, in writing, on 31 October 2005:

(1) Further to the answer to question No 140 (Hansard, 17 February 2005, page 159), which Ministers participated in the simulated Executive Council meeting held during the Mercury 04 National Counter-Terrorism exercise.

(2) Which Ministers participated in any simulated Executive Council meeting held during the Mercury 05 National Counter-Terrorism exercise.

(3) What is the status of documents signed or approved by the Governor-General or an Administrator of the Commonwealth in any simulated Executive Council meeting in the Mercury 04 and Mercury 05 exercises, in particular, are they (a) security classified and (b) Executive Council documents.

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

(1) I am advised that the Attorney-General and the Minister for Justice and Customs participated in the simulated Federal Executive Council meetings held for the purposes of Exercise Mercury 04.

(2) I am advised that the Minister for Justice and Customs, as Acting Attorney-General, and the then Parliamentary Secretary to the Prime Minister participated in the simulated Federal Executive Council meetings held for the purposes of Exercise Mercury 05.

(3) (a) I am advised that the documents considered by the Governor-General or the Administrator of the Government of the Commonwealth in the simulated Federal Executive Council meetings held for the purposes of Exercise Mercury 04 and Exercise Mercury 05 were classified. (b) I am also advised that those documents are treated as Executive Council documents.

QUESTIONS IN WRITING
Prime Minister: Small Business Payments
(Question No. 2656)

Mr Bowen asked the Prime Minister, in writing, on 28 November 2005:
For 2004-2005, (a) how many and (b) what proportion of payments made by the Minister’s department to small business were not made within (i) 30 and (ii) 60 days of receipt of the goods or services and a proper invoice in accordance with Government procurement policy.

Mr Howard—The answer to the honourable member’s question is as follows:
I have been advised that the department does not hold specific information on small business so this answer is provided in relation to all private sector businesses.

(i) For 2004-05, 434 payments, or 5.4% of payments to private sector businesses were not made within 30 days of receipt of the goods and services and a proper invoice in accordance with Government procurement policy by the Department of the Prime Minister and Cabinet.

(ii) For 2004-05, 64 payments, or 0.8% of payments to private sector businesses were not made within 60 days of receipt of the goods and services and a proper invoice in accordance with Government procurement policy by the Department of the Prime Minister and Cabinet.

Legal Services
(Question No. 2704)

Ms Roxon asked the Minister for Employment and Workplace Relations, in writing, on 28 November 2005:
(1) What sum did the Minister’s department spend during 2004-2005 on external (a) barristers and (b) solicitors (including private firms, the Australian Government Solicitor and any others).

(2) What sum did the Minister’s department spend on internal legal services.

(3) What is the Minister’s department’s projected expenditure on legal services for 2005-2006.

Mr Andrews—The answer to the honourable member’s question is as follows:
(1) During the 2004-2005 financial year, the Department of Employment and Workplace Relations spent:
   (a) $115,109.93 (including GST) on external barristers, and
   (b) $5,749,532.75 (including GST) on external solicitors including the Australian Government Solicitor.

(2) During the 2004-2005 financial year, the cost of internal legal services was not separately identified for budgetary purposes by the Department of Employment and Workplace Relations.

(3) There is no projected expenditure on legal services for 2005-2006.

Legal Services
(Question No. 2705)

Ms Roxon asked the Minister representing the Minister for Communications, Information Technology and the Arts, in writing, on 28 November 2005:
(1) What sum did the Minister’s department spend during 2004-2005 on external (a) barristers and (b) solicitors (including private firms, the Australian Government Solicitor and any others).

(2) What sum did the Minister’s department spend on internal legal services.

(3) What is the Minister’s department’s projected expenditure on legal services for 2005-2006.
Mr McGauran—The Minister for Communications, Information Technology and the Arts has provided the following answer to the honourable member’s question:

(1) (a) and (b) $710,328.22 inclusive of GST and any disbursements. Financial records relating to legal services do not distinguish between payments in respect of barristers and solicitors. In any event, the Department had very little litigation in the financial year and payments to barristers would be minimal.

(2) $2,387,809.77 inclusive of GST. This includes salaries of support staff and contracts officers and all other expenses met by the Department’s Legal Group.

(3) The projected legal services expenditure could be as high as $3,319,248.00 inclusive of GST. This figure incorporates the inclusions referred to in the preceding answers.

Prime Minister and Cabinet: Staffing
(Question No. 2724)

Ms Macklin asked the Prime Minister, in writing, on 29 November 2005:

(1) For the department and each agency in the Minister’s portfolio, what was the total staffing level in (a) 2001, (b) 2002, (c) 2003, (d) 2004, and (e) 2005.

(2) For the department and each agency in the Minister’s portfolio for (a) 2001, (b) 2002, (c) 2003, (d) 2004, and (e) 2005 how many New Apprentices (i) had commenced and (ii) were employed.

(3) How many of the New Apprenticeships referred to in part (2) were traditional apprenticeships (as defined by the National Centre for Vocational Education Research as an apprenticeship in an occupation in Australian Standard Classification of Occupations Group 4—Tradespersons and Related Workers—at AQF level 3 or above with an expected duration of more than 2 years full time).

(4) How many traditional apprenticeships does the department and each agency in the Minister’s portfolio intend to offer to commence in 2006.

Mr Howard—I am advised that the answer to the honourable member’s question is as follows:

(1) This information is available in the Annual Reports for my department and each of the portfolio agencies.

(2) (i) Nil, (ii) Nil

(3) Not applicable

(4) Nil

Legal Services
(Question No. 2757)

Mr Brendan O’Connor asked the Minister for Industry, Tourism and Resources, in writing, on 1 December 2005:

(1) Further to the answer to question No. 2544 (Hansard, 29 November 2005, page 88).

(a) is it the case that the legal service providers will be paid regardless of whether work is undertaken,

(b) is his department contractually bound to provide $3 million over three years for each legal service provider regardless of services performed, and

(c) did the legal service providers provide a contractually assured undertaking to perform a minimum level of service to the department.

(2) Have any of the legal service providers received any money; if so.

QUESTIONS IN WRITING
(a) in which specific fields of departmental responsibility has the legal service provider been involved, and,
(b) what sum has been paid to each legal service provider.

(3) In respect of the statement that the legal service providers will be working independently and will not deal with the same or similar issues.
(a) can he provide information on the different duties provided for in each contract, and
(b) will the Chief Legal Counsel be publicly disclosing the activities of the legal service providers.

(4) In regard to the tender process.
(a) how many other legal service providers were involved in the tender process but were unsuccessful in obtaining a contract, and
(b) why were the unsuccessful legal service providers not selected.

Mr Ian Macfarlane—The answer to the honourable member’s question is as follows:
(1) (a) No. (b) No (c) The Deed of Standing Offer requires each of the panel firms to ensure that its legal services to the Department of Industry Tourism and Resources (not including IP Australia and the Geoscience Australia) are:
(i) responsive, professional, constructive and timely;
(ii) addresses all questions put by the Department of Industry Tourism and Resources in plain English, and
(iii) must satisfy the proper standard of performance for those lawyers specialising in the areas of law covered by their tender.

Further the Deed of Standing Offer requires each of the panel firms in undertaking a matter for the Department of Industry Tourism and Resources must ensure that its advice:
• is consistent with the Legal Services Directions issued under section 55ZF of the Judiciary Act 1903;
• helps to ensure that the Department of Industry Tourism and Resource’s actions are legal and enforceable;
• reduces legal risk to the Department of Industry Tourism and Resources;
• complies with all Commonwealth Government directions, guidelines and policies that are relevant to its provision of services, and
• adopts a proactive approach in relation to the risks associated with the Department of Industry Tourism and Resources legal matters. The Deeds, without attempting to prescribe all aspects of such a proactive approach gives the following examples:
  - promptly notifying the Panel Manager if a particular matter presents a high legal risk for example, where the Department of Industry Tourism and Resources is considering terminating an agreement; and
  - advising of any weaknesses in systems and procedures which the Firm becomes aware of in undertaking work for the Department of Industry Tourism and Resources.
(2) Yes, since 25 July 2005

(a) Panel firm | Specific fields of departmental responsibility
---|---
Australian Government Solicitor (some matters ongoing prior to establishment of the new panel but continuing after that date) | Petroleum (Submerged Lands) Act 1967 and related legislation
 | Petroleum Retail Marketing legislation
 | Automotive Competitiveness Investment Scheme Legislation
 | The Bounty Acts
 | Liquid Fuel Emergency Act 1984
 | Textile Clothing and Footwear Strategic Investment Program Act 1999
 | Greater Sunrise Unitisation Agreement Implementation Act 1989
 | Tradex Scheme legislation
 | Space Activities Act 1998
 | Pooled Development Funds Act 1992
 | Energy Markets Reform Debt Recovery
 | Litigation
 | Program development and operational issues
Clayton Utz | Employee Relations
 | Procurement
Corrs Chambers Westgarth | Procurement/contractual issues
 | Program development and operational issues
 | R&D Start Program issues
Mallesons Stephen Jaques | Procurement/contractual issues
 | Program development and operational issues
 | Secondment
Minter Ellison | Procurement
Phillips Fox | Program development and operational issues

(b) Panel firm | Total sum paid – inclusive of GST
---|---
Australian Government Solicitor | $1,210,631.81
Clayton Utz | $13,523.95
Corrs Chambers Westgarth | $180,547.53
Mallesons Stephen Jaques | $213,922.70
Minter Ellison | $2,196.72
Phillips Fox | $63,344.96
TOTAL | $1,684,127.67

- in the case of firms new to the panel the figures represent amounts billed after 25 July, on work started after 25 July.
- in relation to firms who were reappointed to the panel the figures represent amounts billed after 25 July on work started after 25 July and/or started before and continuing but not billed before 25 July.

(3) (a) No, each firm will be allocated work based on a number of requirements, including skill, suitability, value for money, availability of suitable Lawyers, conflicts of interest, past performance and compliance with the Legal Service Directions and Deed of Standing Offer. (b) No, in
order to maintain legal professional privilege the Chief Legal Counsel does not currently intend to publicly disclose the activities of the legal service providers.

(4) (a) (4) (b) The unsuccessful legal service providers were not selected as, in a highly competitive field, their ranking was below the selected tenderers.

**Early Childhood Education Qualifications**

(Question No. 2820)

Ms Plibersek asked the Minister for Education, Science and Training, in writing, on 8 December 2005:

(1) For each year since 2002, how many Australians in each State and Territory (a) applied for and (b) were offered a place in a diploma course in early childhood education or other cognate child care worker qualification at TAFE.

(2) For each year since 2002, how many Australians (a) applied for and (b) were offered a place in a diploma course in early childhood education or other cognate child care worker qualification at each TAFE Institute.

(3) For each year since 2002, how many Australians in each State and Territory (a) applied for and (b) were offered a place in a degree course in early childhood education or other cognate child care worker qualification at university.

(4) For each year since 2002, how many Australians (a) applied for and (b) were offered a place in a degree course in early childhood education or other cognate child care worker qualification at each university.

Ms Julie Bishop—The answer to the honourable member’s question is as follows:

(1) and (2) I am advised that the Department of Education, Science and Training (DEST) does not hold this information.

(3) and (4) Data on applications and offers for degree courses provided to the Department of Education, Science and Training (DEST) by State Tertiary Admission Centres do not separately identify early childhood education or other cognate child care worker courses.

**Graphic Design Services**

(Question No. 2823)

Mr Bowen asked the Minister for Industry, Tourism and Resources, in writing, on 8 December 2005:

Did his department engage Whalen Images Solutions to provide graphic design services at a cost of $16,500; if so, what services were provided under the terms of this contract.

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

Yes.

Whalen Image Solutions was engaged under a restricted tender process to provide design services, including graphic design, desk-top publishing and final artwork for Australian Building Codes Board publications.

**Office of National Assessments: Staffing**

(Question No. 2831)

Mr Rudd asked the Prime Minister, in writing, on 8 December 2005:

How many staff work in the Office of National Assessments and what are the areas of their expertise.
Mr Howard—The answer to the honourable member’s question is as follows:

I am advised that, as at December 2005, 110 staff work in the Office of National Assessments (ONA).

As well as the Director-General and his two deputies, ONA has:

- 50 analytical staff who assess international political, strategic, economic and scientific issues, drawing on their wide range of expertise in these fields. A significant number (seventy-one per cent) hold post-graduate qualifications, and most have extensive experience in relevant areas of government or military service or in universities;
- 13 staff carrying out foreign intelligence co-ordination and liaison;
- 14 staff in the Open Source Branch accessing open source material, including translation of foreign material; and
- 30 staff providing corporate support services, IT and security.

In accordance with the recommendations of the Flood Inquiry into the Australian intelligence services, ONA’s staff numbers are projected to grow to a total of 145.

Legal Services
(Question No. 2910)

Ms Roxon asked the Minister for Health and Ageing, in writing, on 8 December 2005:

1. For 2004-2005, what sum did the Minister’s department and portfolio agencies pay to (a) Clayton Utz, (b) Blakes Dawson Waldron, (c) Philips Fox, (d) Sparke Helmore, (e) Freehills, (f) Minter Ellison, (g) Corrs Chambers Westgarth, (h) Mallesons Stephens Jacques, (i) Deacons, and (j) Craddock Murray Neumann Solicitors for legal services.

2. Which partners or principals of (a) Clayton Utz, (b) Blakes Dawson Waldron, (c) Philips Fox, (d) Sparke Helmore, (e) Freehills, (f) Minter Ellison, (g) Corrs Chambers Westgarth, (h) Mallesons Stephens Jacques, (i) Deacons, and (j) Craddock Murray Neumann Solicitors were responsible for undertaking or supervising legal services supplied by the firm to the department or agency in 2004-2005.

3. For each partner listed in the response to part (3), what was the total amount billed to the department or agency for services undertaken or supervised by that partner or principal in 2004-2005.

4. What are the details of legal services provided to the department or portfolio agencies by (a) Clayton Utz, (b) Blakes Dawson Waldron, (c) Philips Fox, (d) Sparke Helmore, (e) Freehills, (f) Minter Ellison, (g) Corrs Chambers Westgarth, (h) Mallesons Stephens Jacques, (i) Deacons, and (j) Craddock Murray Neumann Solicitors in 2004-2005.

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

1. For 2004-2005, the amounts paid by the Department of Health and Ageing and portfolio agencies to each law firm listed in the question were as follows:

| (a) | Clayton Utz | $1,679,612 (GST exclusive) |
| (b) | Blakes Dawson Waldron | $163,784 (GST exclusive) |
| (c) | Philips Fox | $2,050,917 (GST exclusive) |
| (d) | Sparke Helmore | $0 |
| (e) | Freehills | $0 |
| (f) | Minter Ellison | $1,620,044 (GST exclusive) |
| (g) | Corrs Chambers Westgarth | $990,113 (GST exclusive) |
| (h) | Mallesons Stephens Jaques | $0 |
| (i) | Deacons | $0 |
| (j) | Craddock Murray Neumann | $0 |

This amount is inclusive of solicitor’s fees, barrister’s fees and disbursement costs.

QUESTIONS IN WRITING
to (4) Records requested in these parts of the question are not readily available in an aggregated format. To compile a response would require a significant diversion of resources which I am not prepared to authorise.

Legal Services
(Question No. 2916)

Ms Roxon asked the Minister for Industry, Tourism and Resources, in writing, on 8 December 2005:

(1) For 2004-2005, what sum did the Minister’s department and portfolio agencies pay to (a) Clayton Utz, (b) Blakes Dawson Waldron, (c) Philips Fox, (d) Sparke Helmore, (e) Freehills, (f) Minter Ellison, (g) Corrs Chambers Westgarth, (h) Mallesons Stephens Jacques, (i) Deacons, and (j) Craddock Murray Neumann Solicitors for legal services.

(2) Which partners or principals of (a) Clayton Utz, (b) Blakes Dawson Waldron, (c) Philips Fox, (d) Sparke Helmore, (e) Freehills, (f) Minter Ellison, (g) Corrs Chambers Westgarth, (h) Mallesons Stephens Jacques, (i) Deacons, and (j) Craddock Murray Neumann Solicitors were responsible for undertaking or supervising legal services supplied by the firm to the department or agency in 2004-2005.

(3) For each partner or principal listed in response to part (3), what was the total amount billed to the department or agency for services undertaken or supervised by that partner or principal in 2004-2005.

(4) What are the details of the legal services provided to the department or portfolio agencies by (a) Clayton Utz, (b) Blakes Dawson Waldron, (c) Philips Fox, (d) Sparke Helmore, (e) Freehills, (f) Minter Ellison, (g) Corrs Chambers Westgarth, (h) Mallesons Stephens Jacques, (i) Deacons, and (j) Craddock Murray Neumann Solicitors in 2004-2005.

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

(1) For 2004-2005, the sums paid to each law firm listed in the question by each agency within my portfolio, including the Department of Industry, Tourism and Resources, were as follows:

<table>
<thead>
<tr>
<th>Department of Industry, Tourism and Resources (excluding GST)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Clayton Utz</td>
<td>$347.73</td>
</tr>
<tr>
<td>(b) Blake Dawson Waldron</td>
<td>$131,092.58</td>
</tr>
<tr>
<td>(c) Philips Fox</td>
<td>$3,185.00</td>
</tr>
<tr>
<td>(d) Sparke Helmore</td>
<td>$0.00</td>
</tr>
<tr>
<td>(e) Freehills</td>
<td>$0.00</td>
</tr>
<tr>
<td>(f) Minter Ellison</td>
<td>$0.00</td>
</tr>
<tr>
<td>(g) Corrs Chambers Westgarth</td>
<td>$713,262.17</td>
</tr>
<tr>
<td>(h) Mallesons Stephens Jaques</td>
<td>$425,509.34</td>
</tr>
<tr>
<td>(i) Deacons</td>
<td>$0.00</td>
</tr>
<tr>
<td>(j) Craddock Murray Neumann</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>IP Australia (excluding GST)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Clayton Utz</td>
<td>$0.00</td>
</tr>
<tr>
<td>(b) Blakes Dawson Waldron</td>
<td>$0.00</td>
</tr>
<tr>
<td>(c) Philips Fox</td>
<td>$0.00</td>
</tr>
<tr>
<td>(d) Sparke Helmore</td>
<td>$750.00</td>
</tr>
<tr>
<td>(e) Freehills</td>
<td>$0.00</td>
</tr>
<tr>
<td>(f) Minter Ellison</td>
<td>$0.00</td>
</tr>
<tr>
<td>(g) Corrs Chambers Westgarth</td>
<td>$2,442.70</td>
</tr>
<tr>
<td>(i) Deacons</td>
<td>$0.00</td>
</tr>
</tbody>
</table>
No payment was made by the National Offshore Petroleum Safety Authority to the firms listed in the question in 2004-05.

The partners or principals responsible for undertaking or supervising legal services provided to the agencies within the Minister’s portfolio in 2004-2005 by the law firms listed in the question were as follows:

### Department of Industry, Tourism and Resources

<table>
<thead>
<tr>
<th>Firm</th>
<th>Partners/Principals</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Clayton Utz</td>
<td>Richard Morrison</td>
</tr>
<tr>
<td>(b) Blakes Dawson Waldron</td>
<td>Shaun Gath</td>
</tr>
<tr>
<td>(c) Philips Fox</td>
<td>Lex Holcombe</td>
</tr>
<tr>
<td>(d) Sparke Helmore</td>
<td></td>
</tr>
<tr>
<td>(e) Freehills</td>
<td></td>
</tr>
<tr>
<td>(f) Minter Ellison</td>
<td></td>
</tr>
<tr>
<td>(g) Corrs Chambers Westgarth</td>
<td>Sue McCarthy/Tom Brennan</td>
</tr>
<tr>
<td>(h) Mallesons Stephens Jaques</td>
<td>David Briggs/Adam Bartlett</td>
</tr>
<tr>
<td>(i) Deacons</td>
<td></td>
</tr>
<tr>
<td>(j) Craddock Murray Neumann</td>
<td></td>
</tr>
</tbody>
</table>

### IP Australia

<table>
<thead>
<tr>
<th>Firm</th>
<th>Partners/Principals</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Clayton Utz</td>
<td></td>
</tr>
<tr>
<td>(b) Blakes Dawson Waldron</td>
<td></td>
</tr>
<tr>
<td>(c) Philips Fox</td>
<td></td>
</tr>
<tr>
<td>(d) Sparke Helmore</td>
<td>Michael Will</td>
</tr>
<tr>
<td>(e) Freehills</td>
<td></td>
</tr>
<tr>
<td>(f) Minter Ellison</td>
<td></td>
</tr>
<tr>
<td>(g) Corrs Chambers Westgarth</td>
<td></td>
</tr>
</tbody>
</table>
For each partner or principal listed in response to part (2), the total amount billed to the Department or agency in 2004-2005 is as follows:

The Department does not collect information on legal work carried out by individual partners within a firm.

Details of the legal services provided to the Department and its portfolio agencies in 2004-2005 are as follows:

<table>
<thead>
<tr>
<th>Firm</th>
<th>Legal services provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clayton Utz</td>
<td>Management of several AAT appeals arising under the Textile Clothing and Footwear (Strategic Investment Program) Scheme; Assisting with departmental aspects of the establishment of Tourism Australia and wind up of See Australia Ltd.; legal advice on status of cruise ships stopping at Willis Island; Legal advice on status of cruise ships stopping at Willis Island; Speaker at Petroleum Industry briefing on the Trade Practices Act 1974.</td>
</tr>
<tr>
<td>Firm</td>
<td>Services Provided</td>
</tr>
<tr>
<td>------------------------------</td>
<td>-----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Freehills</td>
<td>Contract Drafting, contractual advice, Advice on R&amp;D Start Program, Administrative Law</td>
</tr>
<tr>
<td>Minter Ellison</td>
<td>Advice on Grants, legislative advice, contractual advice.</td>
</tr>
<tr>
<td>Corrs Chambers Westgarth</td>
<td></td>
</tr>
<tr>
<td>Mallesons Stephens Jaques</td>
<td></td>
</tr>
<tr>
<td>Deacons</td>
<td></td>
</tr>
<tr>
<td>Craddock Murray Neumann</td>
<td></td>
</tr>
<tr>
<td><strong>IP Australia</strong></td>
<td></td>
</tr>
<tr>
<td>Firm&lt;br&gt;Clayton Utz</td>
<td>Legal services provided</td>
</tr>
<tr>
<td>Blakes Dawson Waldron</td>
<td>Advice on and drafting of a confidentiality agreement.</td>
</tr>
<tr>
<td>Philips Fox</td>
<td></td>
</tr>
<tr>
<td>Sparke Helmore</td>
<td></td>
</tr>
<tr>
<td>Freehills</td>
<td></td>
</tr>
<tr>
<td>Minter Ellison</td>
<td></td>
</tr>
<tr>
<td>Corrs Chambers Westgarth</td>
<td>Contract advising and drafting.</td>
</tr>
<tr>
<td>Mallesons Stephens Jaques</td>
<td></td>
</tr>
<tr>
<td>Deacons</td>
<td></td>
</tr>
<tr>
<td>Craddock Murray Neumann</td>
<td></td>
</tr>
<tr>
<td><strong>Geoscience Australia</strong></td>
<td></td>
</tr>
<tr>
<td>Firm&lt;br&gt;Clayton Utz</td>
<td>Legal services provided</td>
</tr>
<tr>
<td>Blakes Dawson Waldron</td>
<td>Industrial relations advice</td>
</tr>
<tr>
<td>Philips Fox</td>
<td>General commercial advice where Minter Ellison and other firms declared a conflict of interest</td>
</tr>
<tr>
<td>Sparke Helmore</td>
<td></td>
</tr>
<tr>
<td>Freehills</td>
<td></td>
</tr>
<tr>
<td>Minter Ellison</td>
<td>Geoscience Australia has a contract with Minter Ellison to provide a range of legal advice and legal documentation.</td>
</tr>
<tr>
<td>Corrs Chambers Westgarth</td>
<td></td>
</tr>
<tr>
<td>Mallesons Stephens Jaques</td>
<td>Contract dispute where Minter Ellison and other firms declared a conflict of interest</td>
</tr>
<tr>
<td>Deacons</td>
<td></td>
</tr>
<tr>
<td>Craddock Murray Neumann</td>
<td></td>
</tr>
<tr>
<td><strong>Tourism Australia</strong></td>
<td></td>
</tr>
<tr>
<td>Firm&lt;br&gt;Clayton Utz</td>
<td>Legal services provided</td>
</tr>
<tr>
<td>Blakes Dawson Waldron</td>
<td>Legal Services related to general legal advice on matters such as contract law, procurement and dispute resolution.</td>
</tr>
<tr>
<td>Philips Fox</td>
<td>Legal Services related to general legal advice on matters such as contract law, procurement and dispute resolution.</td>
</tr>
<tr>
<td>Sparke Helmore</td>
<td></td>
</tr>
<tr>
<td>Freehills</td>
<td></td>
</tr>
<tr>
<td>Minter Ellison</td>
<td></td>
</tr>
</tbody>
</table>
Mr Kelvin Thomson asked the Minister for Human Services, in writing, on 7 February 2006:

(1) What training do case officers receive prior to being able to make decisions relating to change of assessment.

(2) Are there guidelines for a case officer to follow when assessing a child support case; if so, what are the details.

(3) How much discretion does a case officer have in determining child support.


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

(1) Senior Case Officers bring into their contracts the family law related qualifications, skills and experience necessary to make decisions relating to change of assessment. Prior to commencing case work, they are provided with administrative training to enable them to exercise their skills in the CSA environment. This training includes 3 days of formal training, where they learn about the organisation, the child support formula, change of assessment procedures, privacy matters, holding a conference, as well as detailed information about each of the reasons under which a change of assessment decision may be made (including case studies).

Following formal training, there is a mentoring program which, based on identified individual needs, may include buddying with more experienced Senior Case Officers, sitting in on conferences, or other training/guidance as required. In addition, Senior Case Officers have all of their decisions monitored, with changes made and guidance given as required, for a period of time after commencement. This continues until the manager is satisfied that decisions are being made and written up to an appropriate standard, or until a decision is made to terminate the Senior Case Officer’s contract.

Senior Case Officer contracts require them to independently maintain and improve their skill levels, and to participate periodically in refresher training and quality assurance in relation to the tasks associated with their decision-making.

(2) Senior Case Officers are required to follow Family Law precedents, and to have regard to CSA and government policy when making decisions. Child Support policy is reflected in The Guide which appears on the CSA website [www.csa.gov.au]. CSA also provides procedural instructions that indicate how CSA policies apply to Change of Assessment circumstances.

(3) The discretion is only limited by the grounds for departure contained in the legislation and any Family Court decisions determining how those grounds are to be considered.
(4) External Senior Case Officers only make decisions in Change of Assessment matters, including any objections to Change of Assessment decisions. CSA also has a small number of internal Senior Case Officers. The statistics do not record the breakdown between external and internal Senior Case Officers. By ‘granted’ I assume you mean that the assessment was changed. I provide information of the number of applications finalised rather than ‘made’ for the financial years ended 30 June 1999/2000 – 2004/2005 in the table below. Information prior to that would be costly to obtain. The Change of Assessment service option did not exist prior to 1993.

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Applications Finalised</th>
<th>Assessments Changed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999/2000</td>
<td>31,118</td>
<td>17,120</td>
</tr>
<tr>
<td>2000/01</td>
<td>33,120</td>
<td>18,680</td>
</tr>
<tr>
<td>2001/02</td>
<td>30,117</td>
<td>17,170</td>
</tr>
<tr>
<td>2002/03</td>
<td>30,983</td>
<td>16,279</td>
</tr>
<tr>
<td>2003/04</td>
<td>28,693</td>
<td>14,887</td>
</tr>
<tr>
<td>2004/05</td>
<td>25,935</td>
<td>14,315</td>
</tr>
</tbody>
</table>

To prepare this answer, it has taken approximately 16 hours at an estimated cost of $700.

Pensions and Benefits

(Question No. 2994)

Ms Hoare asked the Minister for Human Services, in writing, on 7 February 2006:

Further to the answer to question No. 2109 (Hansard, 11 October 2005, page 209), will he explain how the assessment of the employment income of an Age Pension customer who supervises examinations twice each year accurately reflects their current income, when for the two periods a total (annual) income of about $1,700 (which is well under the maximum annual income) results in a reduction in pension for a pensioner couple of approximately $300.

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

An Age Pension customer who undertakes exam supervision twice a year has the option of having these earnings assessed either in the period the income is earned, or by having the earnings held as income across the whole year.

The option chosen will produce different outcomes on the customer’s rate of Age Pension. The amount of reduction in the customer’s pension also depends on the amount of income already assessed from other sources such as investments.

Centrelink staff are expected to discuss the advantages and disadvantages of the different income assessments with an Age Pension customer when the customer advises they have commenced employment.

Customers are encouraged to decide which is the best method of assessment for them, so that they are not disadvantaged. At the same time they must satisfy the Customer Service Officer, as the delegate, that the method chosen is the best reflection of the customer’s current income on a per annum basis.

When income from exam supervision is assessed in the period in which it is earned, it may result in a reduction in a pensioner or pensioner couple’s pension payment, but only for the time that the income is earned and not for a whole year.

This can be to a customer’s advantage when income is high for a short period of time. Many customers prefer to reduce their pension payment for one or two fortights while they are earning additional money than receive a reduced pension for the whole year when they have no other source of income.

When the total income earned from exam supervision is assessed over the whole year, the pension may be reduced to a lesser extent or not at all. However, any reduction in pension will apply to the whole year. This option can be preferable where a customer wishes to receive their pension without any break in payments.
To prepare this answer, it has taken approximately 11 hours and 21 minutes at an estimated cost of $511.

Age Pension
(Question No. 2995)

Ms Hoare asked the Minister for Human Services, in writing, on 7 February 2006:

(1) In circumstances where an Age Pension customer is entitled to have their employment income annualised, does Centrelink’s computer system automatically calculate the income on an annual basis or are Centrelink’s staff required to assess their entitlement manually.

(2) What safeguards are in place to ensure those customers entitled to have employment income considered on an annual basis are not penalised for excess fortnightly employment income.

(3) For 2004-2005, how many Age Pension customers entitled to have their employment income considered on an annual basis had debts raised against them for overpayments.

(4) What does Centrelink do to raise the awareness of Age Pension customers of their entitlement to have employment income considered on an annualised basis.

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

(1) Under the Social Security Act 1991 the Age Pension is an annual amount based on current income. Therefore most income is assessed on an annual basis for Age Pension customers. An Age Pensioner’s employment income is recorded into the Centrelink computer system by the Customer Service Officer, who determines the frequency of assessment with the customer. Once input into the system the ongoing assessment is automatic from that point forward.

(2) Where income from employment is above the allowable limits, an Age Pensioner’s payments will be reduced. Safeguards in place to ensure customers who can have their income assessed annually are not penalised for excess fortnightly income include detailed policy and procedural information for staff to answer customer enquiries, either in person or via the telephone. These procedures include specific information regarding the options available for customers with short term earnings from employment, including having the earnings assessed either across the whole year, or only in the period the income is earned. Centrelink staff are expected to discuss these options and their effect on the customer’s rate of Age Pension and the advantages and disadvantages of the different income assessment processes with an Age Pension customer when the customer advises they have commenced employment.

Customers are encouraged to decide which is the best method of assessment for them, so that they are not disadvantaged. At the same time they must satisfy the Customer Service Officer, as the delegate, that the method chosen is the best reflection of the customer’s current income on a per annum basis.

From September 2005 Age Pension customers who have income from employment that reduces their pension to nil, have their payments suspended rather than immediately cancelled for the first 13 weeks of their employment. Where the work lasts for less than 13 weeks the customer does not have to go through the process of reclaiming pension but has their payment reinstated immediately once the income ceases or reduces sufficiently to allow them to receive payments again.

(3) This information is not available because the management information collected regarding overpayments cannot determine whether employment income is assessed on an annual or other basis.

(4) Customers who visit a Centrelink Customer Service Centre or call a Centrelink Call Centre will have any enquiries relating to the assessment of employment income answered in terms of the procedures discussed in question (2) above. The Centrelink Financial Information Service will also provide the same advice to Age Pension customers.
To prepare this answer, it has taken approximately 13 hours and 35 minutes at an estimated cost of $600.

**Export Finance Insurance Corporation**

(Question No. 3063)

Mr Bowen asked the Minister for Trade, in writing, on 15 February 2006:

(1) Has the Export Finance Insurance Corporation (EFIC) provided National Interest Cover or any other form of export assistance to the AWB Ltd, in particular, to contracts between AWB Ltd and the Iraq Grains Board under the (a) Commercial Account and (b) National Interest Account; if so, (i) what sums were provided, (ii) on what occasions, and (iii) what formula or factors were used to calculate the assistance.

(2) In relation to the provision of the export assistance in part (1), did (a) he, (b) his office, (c) his department, and (d) the EFIC seek independent advice on the pricing in the AWB Ltd contracts with the Iraq Grains Board, if so, (i) who provided the advice, (ii) what sum was spent obtaining the advice, and (iii) what conclusions did the advice contain, with respect to the pricing in the contracts.

(3) In relation to the provision of export assistance in part (1), can he provide details of (a) meetings, whether formal or informal and (b) contact (i) he, (ii) his office, (iii) his department, and (iv) the EFIC had with representatives of the AWB Ltd during the period 1999-2003.

(4) What steps is he, his department, or the EFIC taking to seek compensation from the AWB Ltd for the provision of export assistance.

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

(1) (a) and (b) EFIC has not provided any export assistance to AWB Ltd for sales of wheat to Iraq.

(2) See answer to (1)

(3) (a) and (b) (i), (ii), (iii) and (iv) No discussions of export assistance to AWB Ltd detailed in Part (1) to Iraq were held as no export assistance for sales to Iraq was provided to AWB Ltd.

(4) Not applicable

**Workplace Relations**

(Question No. 3078)

Mr Georganas asked the Minister for Employment and Workplace Relations, in writing, on 27 February 2006:

(1) Will he confirm that private law firms were hired to develop the WorkChoices legislation.

(2) Which legal firms helped to develop the WorkChoices legislation and what sum was each firm paid for its work.

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

(1) Yes. The Australian Government Solicitor and seven private sector law firms provided secondees to my Department to assist in the development of the WorkChoices legislation from June 2005 to March 2006.

(2) The firms and their costs were:
   - Australian Government Solicitor - $258,470;
   - Blake Dawson Waldron - $85,501;
   - Clayton Utz - $112,731;
   - Corrs Chambers Westgarth - $32,913;
   - Freehills - $88,615;
Harmers Workplace Lawyers - $90,137;
Minter Ellison - $103,986; and
Phillips Fox - $75,621.

My Department provided information about the costs associated with the development of the WorkChoices legislation to Senate Estimates on 3 November 2005 and 16 February 2006.

Iraq

(Question No. 3105)

Mr Kelvin Thomson asked the Prime Minister, in writing, on 27 February 2006:

(1) Does he recall saying in his Address to the Nation on 20 March 2003, on the eve of the invasion of Iraq, that “I want to assure all of you that the action we are taking is fully legal under international law. Back in the early 1990’s resolutions were passed by the Security Council authorising military action against Iraq. That action was only suspended on condition that Iraq gave up its weapons of mass destruction. Clearly we all know this has not happened. As a result, the authority to take military action under those earlier resolutions has revived.”

(2) What is the justification of the invasion of Iraq under international law in the absence of any weapons of mass destruction being found.

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

(1) The Honourable Member for Wills is correct. I did make that statement in my Address to the Nation on 20 March 2003.

(2) The legal advice provided by the Attorney-General’s Department and the Department of Foreign Affairs and Trade, tabled in Parliament by me on 18 March 2003, made clear that the use of force in Iraq was lawful. The legal authority for the use of force derives from successive UN resolutions stemming from UN Security Council Resolution 678. The presence or absence of Weapons of Mass Destruction in Iraq was not a pre-condition for the use of force, rather it was the continued violation of UN Security Council resolutions which justified military action.

Colmar Brunton Social Research

(Question No. 3139)

Mr Bowen asked the Minister for Revenue and Assistant Treasurer, in writing, on 1 March 2006:

Did the Australian Taxation Office engage Colmar Brunton Social Research to conduct ‘tracking the individual segment’ at a cost of $180,000; if so, (a) what is ‘tracking the individual segment’ and (b) why was it considered necessary to engage Colmar Brunton for this purpose.

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

(a) Yes. The ATO did engage Colmar Brunton Social Research to conduct the tracking the individual segment survey at a cost of $180,000.

The purpose of the survey is to ascertain perceptions individuals have towards the administration of the tax system and obtain their views on the products and services provided by the ATO as well as identifying any potential compliance risks.

Collecting this data will provide the ATO with early identification of changes in community confidence and emerging risks and enables the ATO to profile the different sub-segments within the individuals segment.

(b) In this particular case, services were acquired from an outside contractor because the ATO had a need for specialised skills.
Medical Students
(Question No. 3162)

Ms Macklin asked the Minister for Education, Science and Training, in writing, on 1 March 2006:

(1) Which Australian universities eligible to enrol domestic full fee paying medical students are not enrolling full fee paying medical students.

(2) Which Australian universities intend to enrol domestic full fee paying medical students in (a) the 2007 academic year and (b) future academic years.

Ms Julie Bishop—The answer to the honourable member’s question is as follows:

(1) No formal data is available for 2006. 2005 data will be available in mid 2006.

(2) (a) No information available with the exception that the University of Wollongong has indicated that it will enrol domestic undergraduate fee-paying medical students when its new medical school opens in 2007.

(b) No information available, with the exception of the University of Wollongong (see response to (2)(a)) and Deakin University, which has indicated that it will offer domestic undergraduate fee-paying medical places when its new medical school opens. This is expected to occur in 2008.

Visas
(Question No. 3176)

Mr Laurie Ferguson asked the Minister representing the Minister for Immigration and Multicultural Affairs, in writing, on 27 March 2006:

(1) What are the reasons for the non availability of backpacking access to Australia for citizens of the USA.

(2) Does the Minister’s department have an estimate of the potential number of entrants if the current situation was reversed; if so, what is it.

(3) Have discussions occurred between the USA and Australia to facilitate entry to Australia by US backpackers; if so, what are the details.

Mr Ruddock—The Minister for Immigration and Multicultural Affairs has provided the following answer to the honourable member’s question:

(1) US nationals (including backpackers) can enter Australia on a variety of visas. For example, eligible US nationals can enter on Tourist visas for holiday purposes and Special Program visas with work rights similar to those available under the Working Holiday programme. It is possible for people on visitor visas to apply onshore for visas with work rights, for example, the Long Stay Business visa (subclass 457).

(2) No. As indicated in the previous answer, there is no barrier to eligible US nationals entering Australia.

(3) Discussions with the Government of the USA concerning a reciprocal working holiday arrangement are continuing through diplomatic channels. The aim of the arrangement is not to “facilitate entry to Australia by US backpackers”, but is designed to enhance the holiday and work experience for both young US nationals coming to Australia, and, just as importantly, for young Australians wishing to work and holiday in the US.
Public Service Commissioner
(Question No. 3219)

Mr Kelvin Thomson asked the Minister Assisting the Prime Minister for the Public Service, in writing, on 27 March 2006:

(1) Is he aware of the questions asked by the Public Service Commissioner, Ms Lynelle Briggs, in launching the document ‘Supporting Ministers, Upholding the Values’, in particular, (a) “what do you do when a Ministerial staffer is screaming at you down the phone to recommend a particular project, or when they are adamant that you should recommend a project because the Minister really wants to fund it” and (b) “how do you manage when a staffer insists that the name of someone in particular should be on the list of possibilities for appointment to a board or should be the preferred tenderer in a procurement process”.

(2) Was the Public Service Commissioner referring to (a) the role played by the Ministerial Adviser, Mr Graeme Hallett, in the decision to award a Regional Partnerships Grant to dredge Tumbi Creek, (b) the way Mr Rob Gerard was appointed to the Board of the Reserve Bank, and (c) the way Mr Ted Horton was awarded the Government’s industrial relations advertising contract; if not, to which events was she referring and, if she was not referring to particular events, why did her speech include the questions.

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

(1) Yes.

(2) (a), (b) and (c). No.

Human Rights Council
(Question No. 3240)

Mr Melham asked the Minister for Foreign Affairs, in writing, on 27 March 2006:

(1) When the UN General Assembly on 15 March 2006 voted to establish a Human Rights Council did Israel, Marshall Islands, Palau and the United States vote against the resolution and Belarus, Iran and Venezuela abstain from voting on it.

(2) What are the texts of any statements which were made concerning the resolution by representatives of the Member States which voted against it.

(3) What are the texts of any statements which were made concerning the resolution by representatives of the Member States which abstained from voting on it.

(4) What is the text of the statement which was made by the representative of New Zealand on behalf of Australia, Canada and New Zealand after the resolution was adopted.

(5) Does Australia intend to nominate a candidate for election to the Council at the election on 9 May 2006; if so, what are the candidate’s name and qualifications.

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

(1) Yes.

(2) The relevant statements can be accessed at the following internet site:
Note: Palau and the Marshall Islands did not speak.

(3) The relevant statements can be accessed at the following internet site:
Note: Belarus did not speak.
(4) The relevant statement can be accessed at the following internet site:
(5) No.

Invest Australia
(Question No. 3242)

Mr Tanner asked the Minister for Industry, Tourism and Resources, in writing, on 28 March 2006:

(1) What sum was expended on running Invest Australia for (a) 2003-2004 and (b) 2004-2005 and what is the projected expenditure for (c) 2005-2006, (d) 2006-2007, and (e) 2008-2009.
(2) In respect of each program administered by Invest Australia, what was expended for (a) 2003-2004 and (b) 2004-2005 and what is the projected expenditure for (c) 2005-2006, (d) 2006-2007, and (e) 2007-2008.

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

(1) (a) $19,349,647.83;
   (b) $22,301,680.14;
   (c) $21,870,000;
   (d) and (e) Government decisions on future funding for Invest Australia are expected to be announced in the 2006-07 Budget.

(2) (a) $19,349,647.83 was expended on core Invest Australia activities.
   (b) $20,412,665.61 was expended on core Invest Australia activities and $1,889,014.79 on administering the application process for the Structural Adjustment Fund for South Australia (SAFSA).
   (c) Invest Australia is currently projected to expend $20,487,000 on core Invest Australia activities, $1,183,000 on administering the SAFSA application process, and $200,000 in administering Invest Australia’s involvement in Business Club Australia: Melbourne 2006.
   (d) and (e) Government decisions on future funding for Invest Australia are expected to be announced in the 2006-07 Budget.

Mr Nick Petroulias
(Question No. 3252)

Mr Fitzgibbon asked the Minister representing the Minister for Justice and Customs, in writing, on 28 March 2006:

What was the total cost to Government of the Petroulias investigation.

Mr Ruddock—The Minister for Justice and Customs has provided the following answer to the honourable member’s question:

The Australian Federal Police received a referral for investigation into allegations of criminal activities by Mr Petroulias on 23 March 1999.

The total expenditure for the Australian Federal Police investigation into the criminal activities of Mr Petroulias, and subsequent support to the prosecution, is $1,718,788.31. This amount is calculated on the period 23 March 1999 to 30 April 2006.

Please refer to answer to HoR QoN 2227 (Hansard, 13 October 2005, page 297) concerning Commonwealth Director of Public Prosecutions (CDPP) costs and Senate QoN 1437 (Hansard, 9 February 2006, Page 219) concerning Australian Taxation Office (ATO) costs.
Massage Service
(Question No. 3322)

Mr Bowen asked the Minister for Transport and Regional Services, in writing, on 29 March 2006:

(1) Did the department or any agency in Minister’s portfolio pay for massages for its staff in 2005; if so, what sum was spent on this purpose.
(2) What was the cost per massage.
(3) How many staff made use of the service.

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

(1) Air Services Australia is the only agency in the Transport and Regional Services portfolio that directly funded massages for staff in 2005. Air Services Australia spent $352.00 on massages in 2005.
(2) $44 per massage
(3) 8 Staff

I note also that data is not included for payments or reimbursements that may have been made by Comcare, direct to a staff member or provider, for massages where a staff member’s compensation approved rehabilitation plan includes such treatment.

Human Rights: Indonesia
(Question No. 3390)

Mr Murphy asked the Minister for Foreign Affairs, in writing, on 30 March 2006:

(1) Has he read the article appearing in CathNews referring to AsiaNews.it dated 27 March 2006 which reported on the pleas for clemency to the President of Indonesia by the families of three Indonesian Catholics sentenced to death for their alleged role in sectarian violence.
(2) Is he aware that His Holiness Pope Benedict XVI has sent an envoy seeking their release.
(3) What is the Australian Government’s position on the allegations and position of the accused in this matter.
(4) Will the Government make representations to the Indonesian Government seeking clemency in this case; if so, when; if not, why not.

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

(1) Yes.
(2) I am aware of reports on the visit.
(3) This is a matter for the Indonesian legal system.
(4) This is a matter for the Indonesian legal system. A request for clemency in these cases to the Indonesian President has been refused. Australia encourages universal ratification of the Second Optional Protocol of 1989 to the International Covenant on Civil and Political Rights which requires states-parties to abolish the death penalty within their jurisdictions.

Bangladesh: Police Reform Project
(Question No. 3398)

Mr Laurie Ferguson asked the Minister for Foreign Affairs, in writing, on 30 March 2006:
(1) Does Australia contribute to the UNDP managed Police Reform Project in Bangladesh; if so, what is the Australian contribution; if not, is Australia otherwise engaged in providing technical support.

(2) What are the aims of the project and have efforts been made to recruit indigenous Jumma people into the Bangladesh force.

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

(1) No – Australia does not contribute to this project. No – Australia is not engaged in providing technical support to the Police Reform Project.

(2) Given Australia does not contribute to this project, the Government is not in a position to provide answers to this question.

**Education: FEE-HELP Debt**

(Question No. 3402)

Ms Macklin asked the Minister for Education, Science and Training, in writing, on 30 March 2006:

(1) What are the latest projections of FEE-HELP debt for (a) 2006-2007, (b) 2007-2008, (c) 2008-2009, and (d) 2009-2010.

(2) On what assumptions about (a) the number of debtors and (b) the average debt levels are the projections based.

Ms Julie Bishop—The answer to the honourable member’s question is as follows:

(1) Estimated FEE-HELP debt incurred in each year (as at 11 April 2006).

<table>
<thead>
<tr>
<th></th>
<th>2006-07 ($m)</th>
<th>2007-08 ($m)</th>
<th>2008-09 ($m)</th>
<th>2009-10 ($m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FEE-HELP debt*</td>
<td>434.446</td>
<td>470.413</td>
<td>502.651</td>
<td>536.920</td>
</tr>
</tbody>
</table>

*At currently legislated loan limit.

(2) Debtors and debt levels

The following estimated Equivalent Full-time Student Load (EFTSL) taking out FEE-HELP loans and average loans (by calendar year) have been used.

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) EFTSL</td>
<td>33,592</td>
<td>36,379</td>
<td>38,149</td>
<td>40,004</td>
<td>41,939</td>
</tr>
<tr>
<td>b) Average Loan*</td>
<td>$11,714</td>
<td>$11,854</td>
<td>$12,082</td>
<td>$12,312</td>
<td>$12,554</td>
</tr>
</tbody>
</table>

*Average loan amount does not include loan fee for undergraduate courses of study.