HOUSE OF REPRESENTATIVES

Votes and Proceedings

Hansard

TUESDAY, 23 MAY 2006

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Tuesday, 30 May 2006

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BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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SITTING DAYS—2006

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- **CANBERRA**: 103.9FM
- **SYDNEY**: 630 AM
- **NEWCASTLE**: 1458 AM
- **GOSFORD**: 98.1 FM
- **BRISBANE**: 936 AM
- **GOLD COAST**: 95.7 FM
- **MELBOURNE**: 1026 AM
- **ADELAIDE**: 972 AM
- **PERTH**: 585 AM
- **HOBART**: 747 AM
- **NORTHERN TASMANIA**: 92.5 FM
- **DARWIN**: 102.5 FM
FORTY-FIRST PARLIAMENT
FIRST SESSION—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>Vale, Hon. Danna Sue</td>
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<td>Windsor, Antony Harold Curties</td>
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<td>Wood, Jason Peter</td>
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### PARTY ABBREVIATIONS

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

### Heads of Parliamentary Departments

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

Prime Minister
Minister for Trade and Deputy Prime Minister
Treasurer
Minister for Transport and Regional Services
Minister for Defence
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. Eric Abetz L</td>
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<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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<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>The Hon. Bruce Frederick Billson MP</td>
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<td>The Hon. Dr Sharman Nancy Stone MP</td>
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<td>The Hon. Christopher Maurice Pyne MP</td>
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<td>Senator the Hon. John Alexander Lindsay (Sandy) Macdonald</td>
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<td>Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs</td>
<td>The Hon. Andrew John Robb MP</td>
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<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon. Malcolm Bligh Turnbull MP</td>
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<td>Parliamentary Secretary to the Treasurer</td>
<td>The Hon. Christopher John Pearce MP</td>
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<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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<td>Parliamentary Secretary to the Minister for Education, Science and Training</td>
<td>The Hon. Patrick Francis Farmer MP</td>
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<td>Parliamentary Secretary (Foreign Affairs)</td>
<td>The Hon. Teresa Gambaro MP</td>
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<tr>
<td>Deputy Leader of the Opposition and Shadow</td>
<td>Jennifer Louise Macklin MP</td>
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<tr>
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<td>Research</td>
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<tr>
<td>Leader of the Opposition in the Senate, Shadow</td>
<td>Senator Christopher Vaughan Evans</td>
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<tr>
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<tr>
<td>Minister for Family and Community Services</td>
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<tr>
<td>Deputy Leader of the Opposition in the Senate and</td>
<td>Senator Stephen Michael Conroy</td>
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<td>Shadow Minister for Health and Manager of</td>
<td>Julia Eileen Gillard MP</td>
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<tr>
<td>Shadow Treasurer</td>
<td>Wayne Maxwell Swan MP</td>
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<tr>
<td>Shadow Attorney-General</td>
<td>Nicola Louise Roxon MP</td>
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<td>Shadow Minister for Foreign Affairs and Trade</td>
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<td>and Shadow Minister for International Security</td>
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<td>Shadow Minister for Primary Industries, Resources,</td>
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<td>Shadow Minister for Environment and Heritage,</td>
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<td>Shadow Minister for Water and Deputy Manager of</td>
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<td>Shadow Minister for Housing, Shadow Minister for</td>
<td>Senator Kim John Carr</td>
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<td>Urban Development and Shadow Minister for Local</td>
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<td>Government and Territories</td>
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<td>Shadow Minister for Public Accountability and</td>
<td>Kelvin John Thomson MP</td>
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<td>Shadow Minister for Human Services</td>
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<td>Shadow Minister for Finance</td>
<td>Lindsay James Tanner MP</td>
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<td>Shadow Minister for Superannuation and Intergener-</td>
<td>Senator the Hon. Nicholas John Sherry</td>
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<td>ational Finance and Shadow Minister for Banking</td>
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<td>and Financial Services</td>
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<td>Shadow Minister for Child Care, Shadow Minister</td>
<td>Tanya Joan Plibersek MP</td>
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<tr>
<td>Shadow Minister for Employment and Workforce</td>
<td>Senator Penelope Ying Yin Wong</td>
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(The above are shadow cabinet ministers)
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| 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 Grant 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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The SPEAKER (Hon. David Hawker) took the chair at 2.00 pm and read prayers.

CONDOLENCES: MR RICK FARLEY

Mr COSTELLO (Higgins—Acting Prime Minister) (2.00 pm)—Mr Speaker, I seek the indulgence of the House to mourn the death of Mr Rick Farley. Rick Farley would be known to many people on both sides of this chamber. I first met Rick Farley when he was working at the National Farmers Federation. He was recruited—from the Cattlemen’s Union, I believe—by the then Executive Director, Andrew Robb, and the then President of the National Farmers Federation, Ian McLachlan.

At that time I was a counsel for the National Farmers Federation in various legal matters and national wage cases and I got to know Rick reasonably well. He was always someone who had a great idea. He had an incredibly fertile mind. He gave everything that he had to the National Farmers Federation and he was somebody who, I think, could bridge the gap between farmers, who are generally on the conservative side of politics, and environmentalists, who are generally on the opposite side of politics. That is the way that I think many of us will remember Rick Farley—as somebody who bridged a lot of divides in his life and brought many people together who normally would not have known each other.

Rick was born in Townsville and he grew up in Brisbane. He went to university in the 1970s and began his political career protesting against the South African rugby tour. He dropped out of university and became a journalist—by his own description, ‘a bit of hippie’ with long hair and bracelets. He went to work with Doug Everingham in the Whitlam government. Many people would have thought that that would set the direction for the rest of his life, but his life was one of total surprises.

Rick was recruited to the Cattlemen’s Union, which was a breakaway from the pastoralists in Queensland. The Cattlemen’s Union was a mildly conservative organisation with a very firm agenda. Rick observed that, in moving to the Cattlemen’s Union from being a Whitlam government staffer, he moved from being a vegetarian to a meat eater. He is reported as saying: ‘You couldn’t work for the Cattlemen’s Union and not enjoy a good steak.’

As I said earlier, he was recruited to the National Farmers Federation under Andrew Robb and Ian McLachlan. When Andrew Robb moved on to become the Federal Director of the Liberal Party, Rick became the Executive Director of the National Farmers Federation. The National Farmers Federation had raised a considerable sum of money, which was used to assist farmers but also to fund a lot of legal actions in relation to the waterfront and against some trade unions. But Rick took that organisation and he brought a new respect, I think, to land care and environmental matters. One of his great achievements was that, under the period of the Keating government, with Phillip Toyne he joined the Landcare program and brought farmers into that program—farmers who, of course, have an interest in respecting the environment, which, of course, is their livelihood and their life.

After he worked for the National Farmers Federation he became a member of the Council for Aboriginal Reconciliation, bringing a new group of people into Aboriginal reconciliation and mainstreaming that for a lot of people on the centre-right of Australian politics. He ended his political career, as far as I know, by running for the Democrats in 1998. So, by this stage, he had been with the Whitlam government, he had been close to the Liberal Party and he had become a candidate for the Australian Democrats and stood unsuccessfully for the Senate in 1998.

To Linda Burney, a New South Wales Labor MP, I know that his death will be a terrible loss. Through Linda and through his work in reconciliation he had many friends on the other side of the House. Rick had two children from a previous marriage. We will remember Rick as a talented man with an abiding commitment to rural issues and a deep involvement in reconciliation. Fifty-three is too young to die. To his partner, Linda Burney, and to his children, from his many friends on this side of the parliament and on the other side of the parliament, we mourn his loss and we send our condolences to his family.

Honourable members—Hear, hear!

Mr BEAZLEY (Brand—Leader of the Opposition) (2.06 pm)—With your indulgence, Mr Speaker: I am pleased to join the Acting Prime Minister in this reflection on a great life, and a life well led. It is a tribute to the memory of Rick Farley that we are doing this at all. It is a most unusual thing for a person who has not been a member of parliament to be reflected on in this chamber. The fact that we are doing this is testament enough to his contribution to national life.

Rick Farley was a man who worked to break down barriers, succeeding in drawing together the shared aspirations of cattlemen, farmers, conservationists and Indigenous Australians. During his life he had a profound influence on what were otherwise sensitive and divisive issues. As Director of the National Farmers Federation, he led the farmers into an inspirational partnership with the conservation movement, creating the National Landcare movement, which has changed attitudes forever in regard to farming practices and conservation matters. In 1991 he became a member of the Council for Aboriginal Reconciliation. Along with the environment, that was to be the great driving issue...
in his life. His role was critical in negotiations with the Keating government over the passage of the native title bill.

I remember the roles he played during his discussions on many issues with the Hawke and Keating governments. It was always a matter of, in the first instance, surprise and then great gratification that it was possible for the government, through Rick Farley, to have a dialogue with many diverse interest groups who are not naturally in dialogue with the Labor Party, the labour movement and a Labor government. He was an important source of transmission of ideas from the national parliament and the national government through to a very important sector of our society. The role he played in reconciliation when he took this same approach in matters related to Aboriginal affairs was an equivalent.

In the days since his death, many people have spoken with very great feeling about his contribution and the ability I mentioned to reach out to people everywhere—farmers, conservationists, Indigenous Australians. He has been described by Aboriginal leader Pat Dodson as ‘a peaceful warrior and patriot who changed Australia, a champion who carried the vision of reconciliation and justice for Indigenous people in his heart and in his hands; he delivered where others postured’. His partner, Linda Burney, said this of him: His legacy is immense, and one of justice and decency. He was full of foresight, principle and practical good sense, and this shone through constantly ... His life mattered, he made a difference.

Today we remember the difference that Rick Farley made. We mourn his early passing. Our thoughts are with Linda and his children, Jeremy and Cailin. I would like to conclude with some words spoken by Rick Farley in his Australia Day address three years ago. They reflect his passion for his country and his irrepressible optimism for its future:

Our nation has come a long way in a very short time and we have much to be proud of. We have made mistakes along the track, but we can try to correct them. We live in a unique place and we know enough to look after it better. We have the priceless gift of the oldest living culture in the world. Caring properly for our country and resolving unfinished business with our first peoples can unify our communities and create greater national certainty and confidence.

I would like to think that we will make a devoted effort in this parliament to live up to those remarks and the spirit that exists behind them. Indeed, as Rick Farley said, it is a privilege to inhabit this continent with the oldest living culture on earth. It is a relationship that we should treat as precious, in the same way that he treated it as precious.

A number of members of my frontbench and backbench attended his funeral, because in later years he became well known to members of the party in Sydney and I think he was a member of the party in the Grayndler electorate. But his political interests were far broader than simply us; that was merely his final resting place. He went through the spectrum of the political process as he sought constantly in his life to pattern out that sense of reconciliation that went with his profound patriotism. We can pay Rick Farley no better tribute than to take those words of his very seriously indeed as we contemplate the affairs of this nation for the remainder of this parliament.

Honourable members—Hear, hear!

Ms GILLARD (Lalor—Manager of Opposition Business) (2.12 pm)—Mr Speaker, as I believe you are aware, a number of parliamentarians would like to make a contribution on this matter. The opposition proposed a mechanism to facilitate that, which we thought was both highly appropriate and consistent with past practice. I understand that you have determined an alternative mechanism, and that is that indulgence will be granted to members in the Main Committee who wish to make a contribution on this matter. Could I clarify with you, Mr Speaker, that in using that mechanism of indulgence no member will be constrained from making a contribution.

The SPEAKER (2.13 pm)—I thank the Manager of Opposition Business. There have been discussions about allowing members to make statements on this matter in the Main Committee. I have spoken with the Deputy Speaker and he has agreed that indulgence will be granted.

MINISTERIAL ARRANGEMENTS

Mr COSTELLO (Higgins—Acting Prime Minister) (2.13 pm)—I inform the House that the Minister for Veterans’ Affairs will be absent from question time today. He is attending the New South Wales RSL conference event in Sydney. The Minister for Defence will answer questions on his behalf.

QUESTIONS WITHOUT NOTICE

Asylum Seekers

Mr BEAZLEY (2.14 pm)—My question is to the Acting Prime Minister. Does the Acting Prime Minister agree that kids should be locked up in immigration processing centres?

Mr COSTELLO—This government has put in place arrangements which mean that no children are being locked up in mainland Australia detention centres. That is because we have now processed all people who have made applications. We have also set aside housing arrangements for families to stay together. More than all of that, the government has done that whilst complying with its obligations under the UN convention on refugees and ensuring that Australia has strong border protection. I can assure the honourable member of this: whilst our government are still in office, Australia will have strong border protection and
we will be doing it whilst observing the UN convention on refugees.

**Indigenous Communities**

**Mr ANDERSON** (2.15 pm)—My question is addressed to the Acting Prime Minister. Would the Acting Prime Minister inform the House on the action that is required to address child abuse and violence in Aboriginal communities?

**Mr COSTELLO**—Can I thank the honourable member for Gwydir and acknowledge his deep interest in this issue over a long period of time. No Australian would be pleased to see the reports of violence in Aboriginal communities or the level of violence in Aboriginal communities which appears to be occurring at present. This is a problem—

*Opposition members interjecting—*

**Mr COSTELLO**—This is a serious issue, and I hope that the opposition will take it seriously, because I believe people of goodwill on all sides of Australian politics will want to see a situation where those who live in Aboriginal communities are safe—safe from rape and child abuse—and will want to see a situation where those people who perpetrate violence against others in those communities are brought to justice, prosecuted and punished.

The Minister for Families, Community Services and Indigenous Affairs, Mr Mal Brough, has recently been on a tour of some of these communities to see for himself the level of abuse and violence. I want to pay tribute to him for the way in which he has taken on this issue so forcefully and thoughtfully.

The government believes that there is no substitute for law enforcement in Aboriginal communities. The government believes that there is no such thing as a cultural defence for rape or child molestation. The government believes that, whatever the colour of a child’s skin, it deserves a safe life; and the government believes that, whatever the colour of the skin of a perpetrator, that perpetrator must be brought to justice.

The federal government pledges every support to the Northern Territory government and its police force in relation to bringing to justice those people who perpetrate violence against others in those communities are brought to justice, prosecuted and punished.

Yesterday I wrote to all of the premiers and chief ministers of the states and territories to invite them to a summit on violence and child abuse called by Minister Mal Brough, the minister responsible for Indigenous affairs. I urge all premiers and chief ministers, including the Chief Minister of the Northern Territory, to attend. The aim of the summit will be to develop a concrete set of actions to improve law and order in Indigenous communities, to strengthen policing of laws that protect children against abuse and to ensure that support is given to those who report and give evidence. It is important that witnesses and those who give evidence feel safe about doing so if the perpetrators are to be brought to justice.

In June 2004 COAG approved a national framework on Indigenous family violence and child protection and agreed that further work would proceed through bilateral agreements between the Australian government and each jurisdiction. Whilst this has produced some useful outcomes, many important issues remain. I would urge each of the premiers and chief ministers to attend the summit. I say again that the federal government stands ready to assist them in the business of policing and law enforcement. Can I indicate, I hope on behalf of both sides of this parliament, that the people of Australia would want us to take a strong stand in relation to safety in Aboriginal communities, and this government will ensure that we do.

**Asylum Seekers**

**Mr BEAZLEY** (2.19 pm)—My question is to the Acting Prime Minister and follows his answer to my previous question. Does the Acting Prime Minister support his government’s new policy which means that kids can now be locked up in offshore immigration processing centres?

*Honourable members interjecting—*

**The SPEAKER**—Order!

**Mr Downer interjecting—**

**The SPEAKER**—Order! The Minister for Foreign Affairs is not helping.

**Mr COSTELLO**—I thoroughly support the policy which this government has announced in relation to offshore processing of people who make asylum claims in relation to Australia. What that means is that people who get to mainland Australia will be processed offshore in exactly the same way that people who arrive on offshore islands do, including islands such as Christmas Island. I may have missed it, but I thought the Labor Party had supported that policy as well. There was the flip and the flop of the Leader of the Opposition, but as I recall it, in relation to islands such as Christmas Island, the Leader of the Opposition, in a previous incarnation, supported that.

**The SPEAKER**—The Leader of the Opposition on a point of order.

**Mr Beazley**—I am very happy to have a debate on that, Mr Speaker—

**The SPEAKER**—Order! The Leader of the Opposition will come to his point of order!

**Mr Beazley**—but it has got absolutely nothing to do with the question I asked, which was very explicit: kids being locked up in offshore—

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**CHAMBER**
The SPEAKER—The Leader of the Opposition will resume his seat. The Acting Prime Minister is in order.

Mr COSTELLO—There is no need to debate it. Between his flips and his flops he actually voted to excise offshore islands from the Australian immigration zone. He supported the Pacific solution in relation to Nauru.

Mr Beazley—Mr Speaker, on a point of order: it is a very specific question asking about kids being held in offshore detention centres in Nauru.

The SPEAKER—The Leader of the Opposition will resume his seat. I remind the Leader of the Opposition that, if he rises on a point of order, he should state his point of order and not debate the question.

Mr COSTELLO—As I said earlier, in relation to mainland Australia the same provisions will apply. Australia will deal with those claims at third-party processing centres. That is the appropriate way to deal with these things. We will comply with the UN convention on refugees and, in addition, our government will ensure, as we always have done, that Australia has a strong and secure border protection policy.

Indigenous Communities

Mr ENTSCH (2.23 pm)—My question is addressed to the Minister for Families, Community Services and Indigenous Affairs. Is the minister aware of reports that ‘customary practice’ has been used to justify serious crimes in Indigenous communities? What steps is the government taking to ensure the safety of women and children in these communities?

Mr BROUGH—I thank the member for Leichhardt for his question. The member for Leichhardt knows the Indigenous communities up in the cape and the Torres Strait. He advocates for them and wants to see a better future for them. With the recent media attention, he is no doubt aware, as everyone in this place is, that the use of what some people have described as ‘customary practices’ or ‘cultural practices’ as a defence is totally unacceptable in modern Australia. These are not cultural practices; if they have been, they have no role to play in 2006.

The Acting Prime Minister has written today to the premiers and chief ministers. He has outlined in that letter that this is a key issue that we collectively as a nation can deal with. We can ensure that all Australians are treated equally under the law and that no group can use ‘cultural significance’ as a defence and thereby get a lesser penalty for the rape of a 14-year-old girl.

Ms Plibersek interjecting—

Mr BROUGH—There is an interjection from the other side that the High Court has dealt with this issue. I am referring to a 14-year-old girl who was raped for two days. The offender received a one-month sentence in the Northern Territory. When the sentence was appealed, the perpetrator of that crime received three years, suspended after 18 months. I do not believe that any Aboriginal Australian or any other Australian would believe that is an acceptable penalty for that crime.

Ms Plibersek interjecting—

Mr BROUGH—that is unacceptable, I say to the member for Sydney. The Prime Minister has said: … I have the strongest possible view that every citizen of this country, whatever their ethnicity, is entitled to the protection of Australian law but is also subject to Australian law in all its dispensations and I do not believe in any shape or form in the application of customary law by our courts or anywhere in this country.

Ms King interjecting—

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

Mr BROUGH—What I have asked for is that we come together as a nation to acknowledge that the major reason people find it impossible to report crime is that they know what the outcome will be.

I have not had the chance to inform the Acting Prime Minister yet—but I am able to do so now and, in doing so, to inform the House—that the Northern Territory has today informed me that its police minister and attorney-general will be attending the summit. That is a very positive thing. I spoke last night to the South Australian Indigenous affairs minister, who was also very positive and intends to attend the summit—as does the New South Wales minister.

Opposition members interjecting—

Mr BROUGH—I remind those members from the opposition who continue to interject that law and order and the criminal justice systems have always been the responsibility of the states and territories. The Howard government are saying, ‘We are going to stand by you and we are going to assist Australian men and women no matter who they are or where they live.’ We are putting partisan politics aside. We are putting aside the issue of states and territories. I am very saddened by the attitude of some who sit opposite.

DISTINGUISHED VISITORS

The SPEAKER (2.27 pm)—I Inform the House that we have present in the gallery this afternoon Dr Donya Aziz, a member of the Pakistan national assembly. On behalf of the House, I extend to her a very warm welcome.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Indigenous Communities

Mr SNOWDON (2.28 pm)—Mr Speaker—

Mr Tuckey—He’d know all about it.

Mr Beazley interjecting—
Mr Abbott—Mr Speaker, on a point of order: the Leader of the Opposition made an offensive remark and it should be withdrawn.

The SPEAKER—If the Leader of the Opposition made an offensive remark, he will withdraw it.

Mr Beazley—Mr Speaker, what I said in response to the heckling of the member for O’Connor was that he was an expert in bashing Aboriginals. I withdraw it.

The SPEAKER—The Leader of the Opposition will withdraw without reservation.

Mr Beazley—I withdrew it.

The SPEAKER—The Leader of the Opposition will stand up and withdraw.

Mr Beazley—I stood and withdrew it, and I will do it again.

The SPEAKER—I thank the Leader of the Opposition. I call the member for Lingiari.

Mr Snowdon—My question is to the Minister for Families, Community Services and Indigenous Affairs. Minister, given the concerns that you have recently expressed for Indigenous families in Central Australia, particularly in remote communities, why was your department’s recommendation to establish one of the 65 family relationship centres in Alice Springs ignored by the government, leaving only one centre in Darwin to service the entire Northern Territory?

Opposition members interjecting—

The SPEAKER—Order! A member of the opposition has asked a question. I presume members of the opposition want to hear an answer. I call the Minister for Families, Community Services and Indigenous Affairs.

Mr Brough—In the very first meeting I had in Darwin with the Chief Minister, she highlighted to me the sad plight of the people in Alice Springs. I did not go back to my department and say, ‘Let’s consider this’; I said to her on the spot, ‘I will assist you. Our department and government will assist you and work with the Northern Territory’

Mr Crean interjecting—

Mr Brough—If you wouldn’t mind, you might just learn something. At that meeting I made a commitment that we would do so. The reason I was back in Alice Springs some two to three weeks later or shortly thereafter was not to give hollow promises but to deliver on a commitment to fundamentally change the way the town camps—the itinerant population that comes in—

Mr Snowdon—Mr Speaker, I raise a point of order on relevance. This is a question about family relationship centres, not about his trip to Central Australia.

The SPEAKER—The member for Lingiari will resume his seat. The minister is in order.

Mr Brough—What we committed to there was not one centre. We committed to doing the following: first of all, upgrading what people refer to as the town camps, which all of us would understand to be suburbs which are run by Indigenous people rather than the municipal council.

Opposition members interjecting—

Mr Brough—$20 million. I inform the honourable member, so that power, water, sewerage and rubbish collection could be brought up to scratch. Over the next two years—

Opposition members interjecting—

The SPEAKER—Order!

Mr Brough—Mr Speaker, I wonder why it is that this upsets the Labor Party so. We also undertook to establish additional hostels and additional dry-out centres, to address the sad plight of people who are picked up by the night patrols, picked up by the police, who are taken to the one centre at the moment, given a shower, a bed for the night, clean clothes and sent on their way the next day and who then repeat the cycle—so that they will have somewhere to go where they can have real interventions to change their lives. I have been back a second time in order to try and secure the land to do that.

That is not all we are doing. We have also put into place in Mutujulu funding for a police station so that law and order can be delivered—real resources into real communities. We also promised last week to provide additional resources to the intelligence desk between Western Australia, South Australia and the Northern Territory to get to the perpetrators of crime so that fewer people are subject to the abuse you are referring to.

Mr Snowdon interjecting—

The SPEAKER—Order! The member for Lingiari!

Mr Brough—Furthermore, we have put a sniffer dog team into Darwin—

Mr Snowdon interjecting—

The SPEAKER—The member for Lingiari is warned!

Mr Brough—and now we commit a further one to Alice Springs to get to the root and branch cause of these problems: substance abuse. We are going to the cause of the problem, not simply dealing with the symptoms, as governments of all persuasions with goodwill have done far too much of in the past, while dealing with the problem far too little.

Opposition members interjecting—

The SPEAKER—Order! The minister will resume his seat. Has the minister completed his answer?
Mr Brough—Yes.

**Occupational Health and Safety**

**Mr HARTSUYKER** (2.33 pm)—My question is addressed to the Minister for Employment and Workplace Relations. Would the minister explain to the House how the government is protecting workers’ occupational health and safety? Is the minister aware of any alternative views?

**Mr ANDREWS**—I thank the member for Cowper for his question. I indicate to him and the House that this government is committed to occupational health and safety, but those opposite continue to make false claims about the availability of occupational health and safety training after Work Choices. For the record: can unions conduct occupational health and safety training since the introduction of Work Choices? The answer is yes. Will occupational health and safety training continue after the introduction of Work Choices? The answer is yes.

Yesterday we had the AWU boss, Bill Shorten, on *Sky News*. He was repeatedly making misleading claims about occupational health and safety. He had a question from David Speers, who asked Mr Shorten, ‘Do you accept that workers at this mine or any other workplace will still be able to receive union-provided safety training under the laws?’ to which Mr Shorten replied, ‘No, I don’t accept that.’ This is simply wrong. What Mr Shorten says is simply not true. He is wrong about that—that is, either he is totally ignorant of the laws that operate in Australia or he is being deliberately misleading about the effect of those laws.

How can the unions and the Labor Party possibly object to us saying that occupational health and safety clauses must be about occupational health and safety? How can they object to that? We are saying that those clauses should not be about other union training which has nothing to do with occupational health and safety. Take this example of union training which is being promoted by the union movement at the present time, by the ACTU, with a flyer around to workplaces in Australia encouraging members to take three days off work in order to attend an activists course in Sydney. This is the sort of thing which does not pertain to the employment relationship. We are simply saying that occupational health and safety clauses ought to be about occupational health and safety, not a range of other things like this and the sort of abuse that has occurred in the past.

The reality is this: over the last couple of months, nearly eight weeks, of operation of the Work Choices legislation, the Employment Advocate has had lodged with him agreements—collective agreements and others—which provide for occupational health and safety training, and those agreements have been vetted as being okay by the Employment Advocate.

That is the reality. Clauses relating to occupational health and safety have been contained in agreements that have been lodged with the Office of the Employment Advocate. So workers like the miners in Beaconsfield, who went off to a training course at an operation in Lithgow in New South Wales, partly owned by the CFMEU, are able to continue to do that. Nothing whatsoever in Work Choices changes that. That is what the member for Perth conceded in his doorstop yesterday. That indeed is the advice that came from the office of the member for Lilley, having consulted with the member for Perth about whether or not employers could continue to send employees off to training courses. I will repeat this once again: the answer that came, via the member for Lilley from the member for Perth, was yes, an employer can send employees to union training.

**Family Relationship Centres**

**Ms ROXON** (2.38 pm)—My question is to the Treasurer and Acting Prime Minister. Can the Acting Prime Minister confirm that the government ignored departmental data on suitable locations for family relationship centres and that, instead of these centres being located in places like Alice Springs, there are now plans to open centres in Murray, the Minister for Workforce Participation’s seat; Warringah, the health minister’s seat; Riverina, the former chair of the Family and Community Services Committee’s seat; Dickson, the Assistant Treasurer’s seat; and Bennelong, the Prime Minister’s seat—all contrary to departmental advice? Why are Warringah and Bennelong, which have among the lowest numbers of children eligible to receive child support and the lowest numbers of children in single-parent families, the most appropriate places to put these family services rather than areas such as Alice Springs?

**Mr COSTELLO**—The question is one of the location of family relationship centres and why they are in one place and not another. Here is my answer: why didn’t we just leave the family relationship centres in all the places where the Labor Party had placed them between 1983 and 1996? There weren’t any! There was not a single family relationship centre in a single electorate between 1983 and 1996. Here we have the Labor Party saying, ‘You’ve introduced 65; there aren’t enough around Australia. Look at our record: we had none’! The opposition gets worse by the minute.

Let me go to the question of Aboriginal disadvantage. As the Minister for FaCS said a moment ago, when you are dealing with crime of the levels that you are in Aboriginal communities, family relationship centres, which deal with marital breakdown, are not the frontline services that you need. The frontline services that you need are a police force that is capable of apprehending those who are engaged in crime, a court...
system that will try them and a jail system that will punish them.

Mr Albanese—Mr Speaker, I rise on a point of order under standing order 104. The question referred to why the government had ignored departmental advice. We would like an answer to that question.

The SPEAKER—I have been listening carefully to the Acting Prime Minister’s answer. He is relevant to the question. I call the Acting Prime Minister.

Mr COSTELLO—Let me conclude by saying what the government did announce in relation to Indigenous affairs. It was much greater than any family relationship centre: a $3.3 billion expenditure; 24 new measures, totalling $372.9 million—

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

The SPEAKER—Order! The member for Grayndler will come straight to his point of order.

Mr Albanese—Standing order 104. How’s that for straight?

The SPEAKER—The member for Grayndler will raise his point of order and not try to debate or reflect on the chair. I heard the Acting Prime Minister mention the words quite clearly—family relationship centres, which is exactly what the question was about. I call the Acting Prime Minister. He is in order.

Mr COSTELLO—The family relationship centres—

Mr Price—Mr Speaker, I rise on a point of order. I refer you to the question, which dealt with departmental advice and the location of family relationship centres. I am raising a point of relevance, the only recourse available to the opposition.

The SPEAKER—Order! I remind the Chief Opposition Whip that I have just ruled that the Acting Prime Minister’s answer is relevant. He has only just started to continue his answer and he is entitled to be heard.

Mr COSTELLO—So 65 new family relationship centres have been established by this government—

Ms Roxon interjecting—

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

Mr COSTELLO—the first and the only government to ever establish a family relationship centre. That is in addition to what we have done in relation to Indigenous affairs: a $3.3 billion allocation for Indigenous affairs, for things that Indigenous people really need, such as health, housing and most of all law and order. The suggestion that you can confront those problems through family relationship centres is wrong. Indigenous people deserve a lot more than family relationship centres. They deserve frontline services in law and order, health and education, which is what this government is developing.

Climate Change

Mr LAMING (2.43 pm)—My question is to the Minister for Foreign Affairs. Would the Minister for Foreign Affairs update the House on how Australia is cooperating internationally to address climate change?

Mr DOWNER—First of all, let me say this in terms of Australia fulfilling its international obligations on climate change: today the national greenhouse accounts were published and they show that Australia is on track to meet the target that was set for Australia under the Kyoto protocol. What is interesting is that the statistics show that, in the period from 1990 to 2004, Australia reduced its emissions per capita by 12.7 per cent. On the measure of emissions per dollar of GDP, Australia has improved by 35.2 per cent. That highlights the fact that this government is taking seriously the need for Australia to contribute to the issue of greenhouse mitigation.

More generally, the Australian government is taking a very practical international approach to this issue. The AP6 initiative—bringing together Australia, China, the US, Japan, South Korea and India, which constitutes around half the world’s population and economy in emissions—has had an initial series of working group meetings in the United States and is making good progress. It is making such good progress that countries like the United Kingdom; more broadly, the European Union; and, most recently, during the Prime Minister’s visit, Canada, have been showing a real interest in this initiative. Canada, I understand, may have some interest in joining it.

It simply illustrates that the view around the world—if not everywhere in this country—is that new thinking is needed, new technologies are needed and all forms of energy need to be considered. For example, the amount of nuclear energy world wide produced from Australia’s uranium exports saves in the amount of carbon emissions the equivalent of all of the emissions Australia generates every year. In other words, it could at least be argued that our uranium exports already effectively neutralise Australia’s global emissions contribution. There is no doubt that Australia’s role in the nuclear fuel cycle, through our uranium exports, is a useful contribution to addressing the issue of climate change.

This stands in stark contrast to the opposition’s position on these issues, which is to say that it rejects nuclear technology and thinks that the future rests entirely in renewables. We on this side of the House agree with the broader view in the international community that there is a role for renewables. But, to put that into some perspective, it has been estimated that you would need a wind farm occupying 3,200 square kilometres to produce the equivalent energy of a medium sized power station. Some perspective needs to be kept about what can be achieved with renewables. I heard the
member for Kingsford Smith on the radio this morning being interviewed by the redoubtable Fran Kelly.

Ms George—Good interview too. Much better than yours!

Mr DOWNER—Somebody over there on the Labor side says it was a good interview. I listened to it with interest, and it was the usual line from the Labor Party. The member for Kingsford Smith said, ‘I don’t think nuclear is good for us.’ He said he had not changed his position since he was a candidate for the Nuclear Disarmament Party 22 years ago. My only point here is that it does stand in some contrast to what the honourable member said when he spoke to the Sydney Institute on 6 April last year. He called for an open debate on the issue of nuclear energy and said that such a debate would be welcomed. This change of heart does suggest that he is following the party line. It does remind me of the words of a well-known song by a well-known band:

Short memory, must have a short memory.

Budget 2006-07

Ms OWENS (2.48 pm)—My question is to the Treasurer and Acting Prime Minister. Can the Treasurer confirm that under his budget the tax cuts for 900,000 women earning under $21,600 will not be paid until they submit their tax returns, after July 2007? Treasurer, why should these women, many of whom are mums returning to work, have to wait a year for any tax relief to help with out-of-pocket child-care costs?

Mr COSTELLO—In this budget we increased the low-income tax offset to $600. The low-income tax offset is applied by the Taxation Office automatically. It is automatically done once you put in your return, so you do not have to calculate it. The employer, who does not have the knowledge of what your taxable income will be through the year and cannot calculate it, does not have to calculate it. For most Australians, it is a very welcome return when they put in their tax return. This is the system which has been operating for many years. It has been made more generous. There has been no change. It is not exclusive to women. It applies to men, to women, to anybody who is eligible for the low-income tax offset. It works very well and it has just been increased.

I think most Australians are actually warming to the budget. As I go around Australia, I find that most Australians are very interested in income tax cuts. They know that superannuation has been a massive punch-through, and they know it is only this government that can deliver economic outcomes which are important to them, to their children, to their mortgages, to their businesses and to their planning for the future. It is only the Liberal and National parties that can be trusted with economic management.

Child Care

Mrs DRAPER (2.50 pm)—My question is addressed to the Acting Prime Minister. Would the Acting Prime Minister inform the House of recently published information which indicates the effects of government policies regarding child care? Does this information demonstrate that the number able to access child care is increasing?

Mr COSTELLO—I thank the honourable member for Makin for her question and her interest in child care. The Australian Bureau of Statistics released its child-care survey on 22 May 2006. The publication is released every three years. What this showed was that the proportion of the population accessing child care in 2005 was 22.6 per cent, compared to 14.4 per cent using formal care in 1996. That is basically a 50 per cent increase in the proportion of families that are now accessing child care.

The second thing that the ABS found was that, after taking into account the child-care benefit, the costs of child care—the median cost of formal child care in Australia, after you have got your benefit—was $31 per week. Thirdly, what it found was that, even though the number accessing child care had risen from 14.4 per cent to 22.6 per cent, the number that were unable to access child care had actually fallen. There were 106,100 children requiring additional formal care, down from 123,200 when the Australian Labor Party was running the child-care system. Further than that, the average amount of additional child care required was less than one day a week under the ABS. So here we have a child-care system which has more people accessing it than ever before—

Ms Plibersek interjecting—

Mr COSTELLO—and which, before the introduction of the rebate has a median cost of $31 per week and, thirdly, which has reduced the number of people that are looking for additional child care.

Ms Plibersek interjecting—

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

Mr COSTELLO—All of this comes together to be the largest investment—

Ms Plibersek interjecting—

The SPEAKER—The member for Sydney is warned!

Mr COSTELLO—in child care that Australia has ever had and, although more people are accessing it all the time, the number of people that are still looking for child care has declined.

That does not mean that there cannot be improvements, and the uncapping of outside school hours places and the uncapping of family day care will improve the child-care system in Australia. The introduc-
tion of the child-care rebate, which will give you a 30 per cent rebate of your out-of-pocket costs, will also improve the situation for mothers. This is a government which is determined to improve child care for working mothers in Australia. What the ABS publication shows is that, over the last 10 years, we have made improvements, we are making progress, and our budget announcements will take that further.

**Interest Rates**

**Mr SWAN** (2.54 pm)—My question is to the Treasurer and Acting Prime Minister. Treasurer, by how much will the recent rise in interest rates increase interest payments on Australia’s $500 billion foreign debt?

**Mr COSTELLO**—That would depend on whether the financial institutions which have borrowed it—Westpac, CBA and ANZ, principally, and National Australia Bank—have entered into fixed or variable borrowings. But let me ask you this: by how much will it increase the government’s interest payments? Zero—not a single dollar. Why? Because the government does not pay interest any more.

When this government was elected, the Australian government had $96 billion of Labor Party debt. It was costing us $8.4 billion to service Australian Labor Party debt. Because of the economic management of the last 10 years, in net terms we have now wiped out Labor Party debt. We have reduced our interest payments by $8 billion. That means that the Australian government has now freed itself from the economic waste and recklessness—

**Mr Swan**—Mr Speaker, I raise a point of order on relevance. We asked by how much the interest bill will increase—

**Mr COSTELLO**—The answer is: the interest bill has not increased for the Australian government because we have freed it from Labor Party debt.

**Bruce Highway**

**Mr SOMLYAY** (2.56 pm)—My question is addressed to the Minister for Transport and Regional Services. Would the minister update the House on recent developments along the Bruce Highway and other government initiatives to further develop Queensland’s major roads network? Is the minister aware of any alternative policies?

**Mr TRUSS**—I thank the honourable member for Fairfax for the question. As I mentioned to the House yesterday, the Australian government is engaging in an ambitious plan to upgrade Australian roads and, in particular, to upgrade the Bruce Highway to four-lane standard at a cost of some $1 billion. Planning has been under way for this major upgrade now for 18 months or so in cooperation with the Queensland government and half-a-dozen routes have been identified for consideration for the new corridor for this road.

The honourable member asked me whether there are any alternative policies. There is one, and that comes from the Queensland government, who have been partners in developing these corridor strategies. Their alternative policy, announced last week, is to build a dam to flood nine kilometres of the road. Their policy is to flood the road that we are proposing to upgrade.

**Ms Gillard**—Mr Speaker, I rise on a point of order. I was giving the minister the benefit of the doubt, but I think you will find this question is identical to one from yesterday; it is certainly an identical answer. Consequently, it has been fully asked and answered and you should call the next question.

**The SPEAKER**—The Manager of Opposition Business is well aware that the standing orders require that a minister be relevant to the question. How the minister answers that question is up to the minister. I call the minister. He is relevant to the question.

**Mr TRUSS**—The Queensland government has been actively involved in the development of an appropriate corridor for the new route. It has produced this wonderful magazine with the Queensland government’s logo on the top of it. Included in it are the series of routes, which have been opened for public consultation, for the Bruce Highway. What I find interesting is that none of these routes has got a big blue blob over them to demonstrate what is going to be flooded.

**The SPEAKER**—Order! The minister has made his point.

**Mr TRUSS**—Queensland seems to be proposing a road for submarines, rather than for cars. What we have here is a government on the run, trying to sabotage an important Queensland development aimed at ensuring that there is adequate transport movement up and down the Queensland coast.

Needless to say, the constituents of the member for Fairfax—and my own—are very angry about this proposal. There have been numerous public meetings, including one addressed by the member for Fairfax, where thousands of people have demonstrated their disgust that this proposal has been dumped on them without any warning or notice. Six local mayors have all indicated that they regard this proposal as completely unacceptable, commenting particularly on the lack of information and lack of studies into the feasibility of the dam and its impact.

But it is not just the local people who are angry. It is not just those whose farms will be flooded and whose roads will be submerged. It is not just those people whose livelihoods will be destroyed. A very interesting letter has just come to my hands from Dr Ivan Molloy. He was quite a well-known character at the last federal election—well known to members opposite in the worst possible sense—but he also happens to be the husband of the member for Noosa, Cate Molloy, repre-
senting one of the areas supposed to be advantaged by this dam proposal. Dr Molloy has written:
This ill-judged decision, with such disastrous environmental and social consequences and undertaken without any semblance of community consultation, indicates either the state government is in pre-election crisis or is arrogant and out of touch. ... Either scenario is not healthy. Queenslanders know a fair bit about not being healthy. But here we have the Labor Party, as well, recognising that this Beattie dam proposal—or damn Beattie proposal, as most of the locals refer to it—is an environmental disaster. It will significantly interfere with the infrastructure of the region. It is a proposal that the Beattie government should put to death immediately.

Taxation: Compensation Payments
Mr WINDSOR (3.01 pm)—My question is to the Acting Prime Minister and goes to yesterday’s private members’ business debate on my motion with regard to the treatment of compensation payments from state and federal governments to ground water users in New South Wales as taxable income. At the end of the debate there was bipartisan support for these payments to be treated as the loss of a capital asset, and taxed under the capital gains arrangements, not as income. Acting Prime Minister, given that this precedent is critical in terms of natural resource policy, where entitlements are removed or reduced for the environmental and/or public good, will the government now act to correct the anomaly in the tax act so that the full amount of compensation for the loss of a capital asset will flow on to benefit not only those in receipt of the payment but also the communities which support them?

Mr COSTELLO—I thank the honourable member for his question and indicate that I have had lots of representations on this matter. The member for Gwydir has been very, very active as a local member in relation to this, and I pay tribute to him for all of the wonderful work he does on behalf of people up near the Namoi.

Whether a sum is characterised as a capital sum or income depends on the application of case law. If it is characterised as a capital sum under the authorities, then you are eligible for this government’s discount rate on a capital gain. If it is characterised as a capital sum, it can be set off against capital losses. Whether that is advantageous or not will depend on a particular person’s taxation arrangements. If it is income—that is, if it is genuinely income—then it follows that it will be assessed as income under the Income Tax Assessment Act.

We are looking at this very carefully. This is a matter for the application of the law and the Commissioner of Taxation. The Commissioner of Taxation will make his decision. If there is anything arising out of that that warrants further action, then the government will carefully consider that and we will let the public know.

Border Protection
Mr HAASE (3.04 pm)—My question is addressed to the Minister for Defence. Would the minister update the House on recent measures to protect our northern borders from smuggling, illegal immigration and fishing.

Dr NELSON—I thank the member for Kalgoorlie for his question. As the Acting Prime Minister said earlier in question time, this government has a very proud record on border protection. There is no more important task for the government than the protection and security of Australia, and indeed of its borders.

The government’s efforts in relation to illegal people smuggling stand as testimony to the success that the government has had in that area. But as far as foreign fishing and illegal fishing are concerned, I can inform the House that in the budget recently the government committed another $389 million over the next four years for a range of initiatives. They will include a long-range helicopter capability and increased surveillance and intelligence activities; there will also be a commercial ship which will be available for the processing of apprehended vessels. There will be crematoria for the burning of apprehended vessels—foreign fishing vessels. They will also include additional processing facilities at Weipa and Gove and an expansion at Broome.

In addition to that, $96 million will be invested in bringing into operation two Huon class minehunters with rigid hull rapid inflatable vessels to move from them to apprehend foreign fishing vessels. The Australian government currently has in action Armidale patrol boats in the northern waters, supported by PC3 Orion surveillance and Customs air crews. Recently, I spent a day and a night on HMAS Bathurst, and last week the Acting Prime Minister himself visited one of our patrol boats.

There is no more important task being undertaken by the Royal Australian Navy than the protection of Australian waters, particularly from foreign fishing. The task that is being undertaken by our sailors is as important as it is dangerous. The House should be aware, for example, of what happened with HMAS Geelong some months ago. A boarding party was seeking to board a foreign fishing vessel. The crew, in seeking to board that vessel, were seriously threatened. Not only were very large, sharp spears put out from the side of the vessel as it sought to evade being apprehended, but missiles were thrown at the boarding party and one member of HMAS Geelong was left hanging on the stern of the fast moving vessel.

On behalf of the Australian people, I thank and commend members of the Royal Australian Navy for what they are doing. I am currently looking at the graduated level of response that our naval vessels can undertake. I will inform the House of that outcome. I
also welcome to the parliament the Western Australian Fishing Industry Council.

**Budget 2006-07**

Mr **BURKE** (3.07 pm)—My question is to the Treasurer and Acting Prime Minister. Is the Acting Prime Minister aware that the Department of Immigration and Multicultural Affairs confirmed to an estimates committee yesterday that 19 companies are seeking sponsorship approval from the Commonwealth government to import foreign apprentices? Is the Acting Prime Minister also aware that another three companies have already been approved to import foreign apprentices, one of which is a group training company that has been approved to bring in 50 apprentices? Acting Prime Minister, in which regional areas are these apprenticeship visas likely to be issued? What is the current youth unemployment rate in these regions?

Mr **COSTELLO**—The skill training visas system was developed in response to representation from regional industries—and that is why it was developed—many of whom had difficulty filling apprenticeship vacancies. Before an overseas apprentice can fill a vacancy, an approved regional certifying body must certify that no Australian apprentice can be found to fill the vacancy and draw on documentary evidence that must be provided by the potential sponsor. All regional certifying bodies are endorsed by relevant state and government bodies, and in some states the certifying body is the state government. For example, in South Australia, it is the South Australian state department that is the certifying body, and I am led to believe that in nearly all the states the state governments reserve unto themselves to be certifying bodies. Those certifying bodies must certify that no Australian apprentice can be found. I do not believe there is any evidence whatsoever that the regional certifying bodies have done that falsely and I doubt whether the opposition would say that they are doing it falsely, because they are in fact state governments and bodies—

Ms **George**—So what?

Mr **COSTELLO**—‘So what?’ the member for Throsby says. The member for Throsby does not accept the New South Wales government? No. She does not accept the South Australia government? No. She does not accept the Victorian government? She does; she is nodding. My goodness! Perhaps the member for Throsby will advise a vote against the New South Wales Labor government at the next election and a vote against the South Australian Labor government at the next election. From our point of view, they are regional certifying bodies. Can I make this point: no position can be filled by a foreign apprentice unless there is certification and documentary evidence that a local apprentice cannot be found. That means that they will not be taking positions from local apprentices, the numbers of which have massively increased under this government.

East Timor

Mr **GEORGIOU** (3.10 pm)—My question is addressed to the Minister for Foreign Affairs. Would the minister update the House on the current situation in East Timor and the government’s response?

Mr **DOWNER**—First, I thank the honourable member for his question. The government remains concerned about the situation in East Timor. There was a brief respite from the unrest following the conclusion of the congress of the ruling party, Fretilin, between 17 and 19 May. But reports that we got yesterday and that we have been getting today are that parts of Dili and other parts of the country are descending into violence, and there are reports of injury and property damage. There is a report that an Australian journalist with SBS has been caught up in this violence, and our ambassador and embassy are doing what they can to evacuate him from the area of concern. This resurgence of violence underscores the importance of the independent commission which has been established by the East Timorese government to investigate the grievances of the 595 dismissed soldiers. We would urge that the commission conclude its work quickly as a first step to the resolution of the current crisis, though there are other underlying issues behind the crisis. We encourage all parties to resolve their differences in a manner consistent with the rule of law, with democracy and with international norms of human rights. Rebel military and security personnel must cease destabilising the situation and work with the government to resolve their differences.

I have remained in close contact with my East Timorese counterpart, Jose Ramos Horta, and obviously with our ambassador and staff in Dili. We have made it clear that we are ready to offer assistance to East Timor if needed and if requested by the East Timorese government directly or indirectly through the United Nations. As I think the House is aware, we have prepositioned some military assets in Northern Australia, including naval vessels, aircraft and even some troops, to enable a rapid response to assist with evacuation or some other form of assistance if it is required.

I will conclude by saying that the Department of Foreign Affairs and Trade advises Australians to reconsider plans to travel to East Timor at this time because of the ongoing violence and the potential for further violence and advises Australians in East Timor who are concerned about their safety to consider departing. East Timor is a young country and, being a young country, it is inevitably coming to terms with the responsibilities of democracy and government. I hope that this difficult situation can be resolved quickly and, obviously, peacefully. Australia stands willing and ready to help to
bring about a return to stability if that help is needed at any time.

**Workplace Relations**

Mr STEPHEN SMITH (3.14 pm)—My question is to the Treasurer and Acting Prime Minister. I refer to advice circulated by Industrial Labour Solutions, a Melbourne industrial relations consultancy, promoting the use of independent contractors, which states:

By engaging Independent Contractors;

Pay rates are no longer tied to EBA requirements.

Redundancy payments are abolished.

EBA restrictions are removed.

What has the government told Industrial Labour Solutions about the content of its proposed independent contractors legislation? Isn’t the attack upon wages and conditions through this legislation the reason the government has recently refused the states’ request to see a draft of the bill prior to its introduction?

Mr COSTELLO—Obviously, I do not know what has been said to that particular company, but I can say that independent contractors have long been a feature of the Australian workplace. It is not as if this is something new. It is not as if independent contractors just appeared after the Work Choices legislation was passed.

Independent contractors have a very valuable place and role to play in the Australian economy. Let me give an example. The domestic house building industry in Australia is probably the most efficient in the world. It runs almost entirely on independent contractors. A brickie comes in and does the brickwork, a chippie comes in and does the carpentry and a tiler comes in and does the tiling work. It works for the house building industry and it works for the contractors. It has given Australia one of the best systems in the world. It existed before Work Choices. Independent contractors add enormously to the Australian economy.

**National Security**

Mr JOHNSON (3.16 pm)—My question is addressed to the Attorney-General. Would the Attorney-General update the House on the government’s determination to fight terrorism, including those who urge the use of force or violence in the community? Is the Attorney aware of any alternative approaches?

Ms Roxon—You got it wrong, didn’t you.

Mr RUDDOCK—Last year the government implemented the antiterrorism act and it included the offence of urging the use of force or violence against other groups of people in Australia—and I might say that measure was enacted, despite the best efforts of the Labor Party to have it removed. As I have said before in relation to these matters, if the law needs to be further strengthened, that is what we will do. I have asked my department for some advice on that matter, in the light of some recent material about which it has been said that the measures that we enacted would not enable those publications to be dealt with. But one thing is clear: if the opposition had its way, there would be no laws dealing with this important issue in Australia today.

Ms Roxon—What about our private member’s bill?

The SPEAKER—Order! The honourable member for Gellibrand will remove herself from the House under standing order 94(a).

The member for Gellibrand then left the chamber.

Mr RUDDOCK—This happened, despite the fact that the Labor Party took every step that it could. At that time, the shadow minister for homeland affairs said:

... we will be pressing ahead in the Senate with our proposals to remove the sedition laws from this legislation ...

Now, five months later, it appears that Labor has had a change of heart, because the shadow Attorney, speaking to Steve Price in Sydney last week on radio, had this to say:

If you cross the line of encouraging others to commit acts of violence, you should be able to say that that is unlawful. That’s inciting violence and it should be contrary to our laws. This is precisely what the government acted on last year, and the Labor Party ran a dishonest scare campaign in relation to that matter. This is another example of the Labor Party wanting to walk both sides of the street when they test the political waters.

**Oil for Food Program**

Mr RUDD (3.18 pm)—My question is addressed to the Acting Prime Minister. I refer to the trade minister’s rescue mission to Baghdad in February to save the current wheat contract with Iraq, following Iraqi reaction to the $300 million wheat for weapons scandal. I also refer to the trade minister’s statement to this parliament on the success of that visit when he boasted that it was important that an Australian government minister should ‘stand face to face, eyeball to eyeball, and shake hands on an arrangement’. Given Wheat Australia’s statement yesterday that negotiations have now reached an impasse on this $100 million contract that is so important for Australia’s wheat farmers, will the trade minister now be required to travel from Paris to Iraq and take other necessary diplomatic measures to get these critical negotiations back on track?

Mr COSTELLO—The Minister for Trade did have a very successful trip to Iraq. A consequence of that trip was that the Iraqi Grains Board, which had indicated that it would not deal with AWB Ltd, indicated that it would deal with an alternative supplier, Australian Wheat. The Iraqi Grains Board has been dealing with Australian Wheat, which includes companies such as the Barley Board, CBH and other suppliers.
Whether or not a commercial contract comes off is a question for commercial negotiation. It depends on price, it depends on volume and it depends on terms and conditions. Unfortunately, parties cannot always agree. But the success of the trade minister’s trip was that he ensured that Australian Wheat got back in the door; it got back into those negotiations and those negotiations have taken place. I want to pay tribute to the trade minister for doing that and for his bravery in going to Iraq and to acknowledge the wonderful work that he did.

Local Government

Mrs GASH (3.21 pm)—My question is addressed to the Minister for Local Government, Territories and Roads. Would the minister detail how local councils in my electorate of Gilmore and throughout Australia will benefit from the 2006 budget?

Mr LLOYD—I thank the member for Gilmore for her question, and also for her tireless efforts on behalf of her constituents. I am pleased to inform the House that as part of the magnificent budget that was brought down recently in this place by the Acting Prime Minister, councils around Australia will receive some $307.5 million extra in Roads to Recovery funding. This makes a total of $615 million this current financial year for the 700 local government authorities around Australia. The Roads to Recovery program, introduced by this government, is now worth some $2 billion to the more than 700 councils around Australia over the next four years. It was of course welcomed by all councils around Australia, and by the Australian Local Government Association president, Paul Bell. In his press release of 9 May 2006, he said:

This is what nation building is all about—investing in infrastructure that is essential to every Australian community.

On top of this, the Australian government is providing $1.676 million in financial assistance grants over this current financial year. Instead of falsely claiming that local government receives nothing from this budget, those who sit opposite should be encouraging their state Labor mates to stop ripping money out of local councils and to follow the federal government’s lead in providing additional resources for those local councils to provide services for their communities.

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

PERSONAL EXPLANATIONS

Mrs BRONWYN BISHOP (Mackellar) (3.23 pm)—Mr Speaker, I wish to make a personal explanation.

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

Mrs BRONWYN BISHOP—I do, indeed.

The SPEAKER—Please proceed.

Mrs BRONWYN BISHOP—The last edition of the Senate Standing Committee for the Scrutiny Of Bills Alert Digest dealt with my private member’s bill, Protection of the Australian National Flag (Desecration of the Flag) Bill 2006. In that digest, it said that at the time I failed to lodge an explanatory memorandum. I would point out that when I introduced the bill to the House and spoke to it I tabled an explanatory memorandum, which was part of the last sentence of my speech. I have written to the committee and asked it to record an apology, but I would like this chamber to take note that in fact they just plain got it wrong.

The SPEAKER—The member will resume her seat. She has explained where she was misrepresented.

Mr STEPHEN SMITH (Perth) (3.24 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—The Minister for Employment and Workplace Relations misrepresented me in question time today in precisely the same manner as yesterday, and my response is precisely the same today as it was yesterday.

QUESTIONS TO THE SPEAKER

Standing Order 91

Ms GILLARD (3.25 pm)—Mr Speaker, I have a question for you about your interpretation during question time of standing order 91 relating to disorderly conduct. Mr Speaker, clearly you must have formed the view under standing order 91 that the member for Gellibrand, in interjecting, had engaged in disorderly conduct. I am a bit confused as to how it is that you formed that view, whilst the persistent interjections by the Minister for Foreign Affairs across the table, including threats to sing and dance, were not viewed as disorderly conduct. Can I ask you to reflect on what appears on face value to be an unusual standard?

The SPEAKER—I thank the Manager of Opposition Business. She would be well aware that I have issued several warnings today, and I will not be revisiting those decisions.

PERSONAL EXPLANATIONS

Mr GARRETT (Kingsford Smith) (3.26 pm)—Mr Speaker, I wish to make a personal explanation.

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

Mr GARRETT—Yes.

The SPEAKER—Please proceed.

Mr GARRETT—in question time the foreign minister asserted that previously I had had no problems debating nuclear issues notwithstanding my opposition,
but that today I had ruled out a debate. Mr Speaker, the ABC Radio National transcript reads:

PETER GARRETT: And by the way, I’ve got no problem with having a full debate, but the question we have got to ask ourselves is whether, in Australia, we need to go down that path or not.

There are no short memories here, Mr Speaker.

The SPEAKER—The member for Kingsford Smith has explained where he feels he was misrepresented.

Ms PLIBERSEK (Sydney) (3.26 pm)—Mr Speaker, I wish to make a personal explanation.

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

Ms PLIBERSEK—Yes.

The SPEAKER—Please proceed.

Ms PLIBERSEK—The Minister for Families, Community Services and Indigenous Affairs in question time today suggested I made an interjection about a High Court case. I made no such interjection. All I pointed out was that the 10 years of neglect and mismanagement that this government has inflicted on Aboriginal communities means that they do not have the legal services that they need—

The SPEAKER—The member will resume her seat. The member would be well aware that it is in order for her to explain where she feels she has been represented, but not to debate the issue.

AUDITOR-GENERAL’S REPORTS

Report No. 40 of 2005-06

The SPEAKER (3.27 pm)—I present the Auditor-General’s Audit report No. 40 of 2005-06 entitled Procurement of explosive ordnance for the Australian Defence Force (Army)-Department of Defence-Defence Materiel Organisation.

Ordered that the report be made a parliamentary paper.

DOCUMENTS

Mr ABBOTT (Warringah—Leader of the House) (3.28 pm)—Documents are tabled as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings and I move:

That the House take note of the following documents:


Migration Act 1958—

Section 91Y—Protection visa processing taking more than 90 days—Report for the period 1 November 2005 to 28 February 2006.

Section 440A—Conduct of Refugee Review Tribunal (RRT) reviews not completed within 90 days—Report for the period 1 November 2005 to 28 February 2006.

Debate (on motion by Ms Gillard) adjourned.

MATTERS OF PUBLIC IMPORTANCE

Trade Skills Training Visa

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

The government’s decision to provide migration visas for unskilled foreign apprentices.

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

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

Mr BURKE (Watson) (3.29 pm)—It is amazing how quickly this government gets defensive when it is realised that it is failing one of its essential responsibilities. Labor has been accused of all sorts of things by government ministers for pursuing this. We even had Peter Hendy saying that the Labor Party was being racist in wanting to defend Australian jobs. To Peter Hendy I have two words of rebuttal: children overboard. We will not be lectured to by people who have been the architects of appealing to the worst elements in society; we simply want to do one thing and one thing only—defend opportunities for young Australians.

We want to make sure that young Australians do get the chance to undertake apprenticeships. We want to make sure that the industrial relations laws are not being used to bring in imported labour, which is being used to drive wages directly down. We do not want to see a continuation of the situation where the number of people being brought in under the skilled migration scheme matches the number of people who are turned away from TAFE—because, quite simply, defending Australian jobs is the government’s job. It is actually the government’s job to provide opportunities for its own citizens. Labor is going to continue to argue as we have—that this visa category for apprenticeships should never have been established in the first place, that it is bad policy and that, as Kim Beazley made clear at this dispatch box on the Thursday night following the budget, it will be dispensed with under a Labor government. There will be no apprenticeship visas. The trade skills training visa will be gone and gone for good.

This scheme has nothing to do with skilled migration. The government keeps trying to cloak this as a skilled migration initiative. A new apprentice is not a skilled immigrant. A new apprentice is someone who has come here to take on a skill. And what happens to them at the end of their apprenticeship? Odds on that a very high number will decide to go back to the country from which they came. So at the end of these apprenticeships, after migrants have occupied them for three to five years, the skills crisis in Australia is no better
off, because, instead of having somebody who would stay in Australia and occupy that spot in the Australian workforce, the apprenticeship has been taken. And there are always a limited number of apprenticeships available.

The Minister for Immigration and Multicultural Affairs wants to liken this to providing extra opportunities for overseas students to study at university. It is completely different. When you add on extra university places for overseas students, you do not have a finite number, but for every apprentice you do not just need a position at TAFE; you also need to create a job. There are a finite number of employers in a position to take on apprentices. So Labor has argued, and we will continue to argue, that if a position is available in Ballarat it ought to be advertised in Ballarat. And, if you cannot fill it in Ballarat, you do not go straight offshore. If you cannot fill it in Ballarat, you advertise it in Bendigo, in Brisbane and around the country to provide opportunities for people in Australia before you hand it over to Beijing, Beirut, Bombay, Bristol, Birmingham, Belfast or anywhere else in the world—for no reason other than it is the government’s job to provide opportunities for young Australians. It is a simple job for the government to provide opportunities for young Australians.

The government might want to walk away from that; the government might want to attempt all sorts of sleight of hand and pretend it is the same as bringing in overseas students—it is not. Only a limited number of apprenticeships will ever be available in Australia and you have an endless stream of young Australians wanting those opportunities. Yet the government says, ‘Oh, but this is all about skilled migration; this is all about a solution to the crisis in qualified workers.’ It does nothing to fix the skills crisis, because at the end, if a young Australian filled that apprenticeship, odds on they would stay in Australia and occupy that spot in the Australian workforce, because that sets the new lower benchmark. This is all because Labor connected with the unions and therefore their motivation is intrinsically evil, and instead of running the argument that we know we are going to hear, ‘Oh, but these are state rubber-stamp bodies and therefore it is all their fault,’ he should answer one simple question: why won’t the government insist in its criteria that you have to advertise the job in Australia?

So, when the parliamentary secretary speaks after me in this debate, instead of giving the run that he normally gives of, ‘This is all because Labor’s connected with the unions and therefore their motivation is intrinsically evil,’ and instead of running the argument that we know we are going to hear, ‘Oh, but these are state rubber-stamp bodies and therefore it is all their fault,’ he should answer one simple question: why won’t the government insist in its criteria that you have to advertise the job in Australia?

It is a very simple question. From the day this visa was put into regulations, Labor went out and said that you should have to advertise the position locally and that, if you cannot fill it locally, you should have to advertise the position in neighbouring regions. Not once has the government had the guts to stand up and defend what the circumstances would be in which it would be fair to not advertise a position locally. They will not defend it, and yet they will not change it either. They will not change it for the simple reason that, if it is driving wages down, it is doing the job they asked it

at the end are accredited by the states, but the criteria they have to apply is completely set by the Commonwealth. It is defined by the Department of Immigration and Multicultural Affairs.

The department of immigration seems confused enough itself as to what the criteria are. It listed four yesterday: the migration occupations in demand list, whether or not there is a state or territory shortage list, whether the vacancy had been advertised on a website, and whether or not there had been a local shortage in that region. But then, asked if one would have to satisfy all four, the department of immigration did not know. The department does not know whether you have to satisfy all four or maybe one, or maybe it is just the vibe that you have to apply across that set of criteria. But the criteria are set by the Commonwealth. The Commonwealth could very easily say, ‘One criterion will be: you have to advertise the position locally and, if you cannot fill it locally, you have to advertise it in neighbouring regions.’ It is completely open to the Commonwealth to make that one of the criteria. That is all that the Commonwealth would have to do, and then the state registered bodies would immediately have the authority to apply the new criteria.

But the Commonwealth government do not do that, and they do not do it for one very simple reason: they do not want the opportunities to be taken by young Australians because they do not want people to be paid the going rate; they want people to be paid the lowest possible rate available under the new industrial relations scheme. That is where the exploitation of workers who come here on work visas does not just affect those workers; it affects the new going rate for all Australian workers because that sets the new lower benchmark. All they would have to do is change the criteria.

The Treasurer and Acting Prime Minister has tried to defend the visa on the basis that the regional certifying bodies are established and certified by state governments. What he neglects to mention—and he has had a few goes at it over the last two days in question time—is that the criteria which the states have to make an assessment under are set by the Commonwealth. So, sure, the bodies that give the rubber stamp
to do. If it is denying opportunities to young Australians, then it is doing the job they wanted it to do.

If the government does not want the apprenticeship visa to drive wages down, if it does not want young Australians to miss out on TAFE opportunities and apprenticeship opportunities because of this visa, then it should change the criteria. The government should not blame state registered bodies for not applying criteria that do not exist. If the government wants them to apply the criteria, the government should put them in the regulations. That is all the government has to do, and it will not.

We can see exactly how effectively this visa works to drive wages down. The Treasurer has stood up a couple of times in the last couple of days wanting to defend it, and he has claimed that any apprentice who is seeking a visa to undertake training in Australia could only get one if a regional certifying body certified that no suitable Australian was available. That is not one of the criteria. That you even have to advertise and check whether an Australian is available is not on the form. Nowhere on the form is there an instruction to the regional certifying bodies.

If the Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs wants to fudge it, he has to live with the fact that before estimates hearings yesterday the representatives from the department of immigration thought that there were four criteria. They did not know whether you had to apply one of them or whether you had to apply all four, but they did know that advertising the position locally was not on the list. They did know that advertising the position locally had nothing to do with whether or not you would get the rubber stamp and have the opportunity to bring someone in under this visa.

It is no small argument at the time of a skills crisis that we want to make sure that at the end of every apprenticeship we have a qualified worker in Australia. At the beginning of every apprenticeship we want to make sure that we have given the best possible opportunities to young Australians. Labor is going to continue to argue for providing the best possible opportunities for young Australians to miss out on TAFE opportunities and it will not.

We are not going to allow the government to get away with saying that, because the rubber stamp is given by state authorities, therefore they set the criteria. The criteria are set by the ministers who sit opposite. The criteria are set by the people who sit in the cabinet room, of whom the parliamentary secretary is not yet one. Ministers who have sat around the cabinet room have refused to do the decent thing that Australians believe they ought to do. Australians believe that the government ought to make every effort to provide apprenticeship opportunities for young Australians.

I invite the parliamentary secretary, as he gets up here, not to dodge it—to be fair dinkum and explain. When is it fair not to advertise the position locally? If the government cannot do that, why will it not insist that advertising the position locally be part of a set of criteria that the regional certifying bodies apply? The parliamentary secretary knows full well that it is not on the form, that it is not in their instructions, that it was not on the list of four that went to estimates yesterday. As one of the people charged to defend the new industrial relations laws, he knows what driving wages down is all about.

Driving wages down is something Labor will not support. Denying opportunities to young Australians is something Labor will never do. This apprenticeship visa came about as an idea from one company, and one company alone. In order to curry favour initially with one business in Australia, we now have thousands of young Australians wanting to get into an apprenticeship but missing out on that opportunity.

Mr ROBB (Goldstein—Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs) (3.42 pm)—The bottom line in all this, despite all the huff and puff we have heard on the other side—for the third time, I might add—is that the introduction of the trade skills training visa is demonstrably good for young Australians.

Opposition members interjecting—

Mr ROBB—If you had listened the last two or three times we had this discussion, you might have some sense of it.

The DEPUTY SPEAKER (Hon. IR Causley)—Order! The parliamentary secretary will address the chair.

Mr ROBB—It is not a matter of neglect, as has been brazenly asserted by opponents who would rather play politics than do the hard yards on policy. We are still not seeing policy from the opposition. This is just politics, plain and simple. And it is very base politics. Xenophobia is being used as a crass attempt to appeal to a base that they betrayed long ago.

Australia does face a skills challenge. It is estimated that within five years there will be 200,000 more jobs than people to fill them. That is with our current very high levels of skilled immigration. Have we heard any
recognition of this on the other side in any of the policy pronouncements—not just in the area of immigration but in so many other areas of policy? Not one word. They are just playing politics. They are not addressing the challenges that face this country. That is what we are charged on this side of the House to do, and that is what we are seeking to do.

There are two causes for this skills challenge. One has been the prolonged period of strong economic growth, which has reduced unemployment to 30-year lows. Youth unemployment has dropped by nearly 40 per cent over the last 10 years. Prolonged economic growth has put pressure on the availability of skilled workers. We plead guilty to the problem of long-term, high economic growth, which has led to pressure on the availability of skilled workers.

The second contributing factor to a skills shortage is the ageing of the population. Of all of the challenges that this country faces, the biggest challenge by a country mile is the issue of an ageing population. In fact, the OECD has estimated that by 2025 there will be some 70 million people going into the retirement age cohort across the whole of the OECD. In the same period, in the next 19 years, there will be a net increase of five million people across the whole of the OECD going into the working age cohort. It is a very serious imbalance, which is already starting to impinge but is going to keep going and going because of the reality of that baby boomer group moving through our population.

This is a really serious challenge. Again, it is an issue we have not heard addressed in any way on the other side of the House. It requires a multifaceted approach. We have not heard this issue addressed. It is a very serious issue and it invites a wide-ranging response. There is no silver bullet. This is the third time we have had this debate, but there has been no new information—not one word of new information—from those opposite. They are just playing politics with this. There is no silver bullet. We have got the shadow Treasurer here. Have we heard his policies to address this problem? Not a word.

The training visa is a further important initiative as part of a wide-ranging response to this emerging skills shortage. It represents action on multiple fronts. That is what this government is all about. In trying to deal with this ageing population issue, we are working on multiple fronts: workplace relations reform, which is a very critical part of that, introducing some flexibility into our workforce and getting a culture of flexibility across this nation to deal with globalisation and the ageing population problems; welfare to work reforms to try to encourage people who can work part time back into the workforce; the independent contractor legislation to try to assist older Australians to come back into the workforce in an easy way; superannuation reforms to encourage older Australians to stay longer in the workforce; tax reforms to encourage older Australians to stay longer in the workforce; a huge investment in skills training and new apprenticeships; and, of course, the immigration program, which is playing an important part.

The regional apprenticeship training visa is all about this. It is part of a much wider government policy program across many portfolios to address Australia’s skills shortage. The training visa is but one part, but it is an important part. It is one of many policy responses. The training visa contributes importantly to young Australians in a number of ways. It enables regional Australia to share in the economic growth enjoyed by city based Australians. Filling skills shortages in regional areas—

Mrs Irwin interjecting—

The DEPUTY SPEAKER—The member for Fowler!

Mrs Irwin interjecting—

The DEPUTY SPEAKER—The member for Fowler is warned!

Mr ROBB—maintains industry and business activity in regional Australia. In turn, this protects and further builds new opportunities for young Australians, as well as enhancing the quality of life of all in regional Australia. There is no more pressing issue I hear as I move around the country than employers in regional areas saying to me, ‘We need to make sure that we have the skill base in regional Australia’—

Mrs Irwin interjecting—

The DEPUTY SPEAKER—The member for Fowler will remove herself from the chamber under standing order 94(a).

Mr ROBB—to maintain performance in regional Australia, maintain job growth in regional Australia and to build prosperity in regional Australia.’

Mrs Irwin interjecting—

The DEPUTY SPEAKER—The member for Fowler will be named in a minute if she is not careful!

The member for Fowler then left the chamber.

Mr ROBB—If they only listened instead of yelling at people they might learn something. The second reason this training visa contributes importantly to young Australians is that it protects training opportunities for young Australians in regional Australia.

Ms George—that is rubbish!

Mr ROBB—‘Rubbish’ you might say, but just think about it for a minute instead of putting your union cap on and just knee-jerking.

The DEPUTY SPEAKER—The member for Throsby will have some time to speak in a minute. If she is not careful, she will not get that opportunity.
Mr ROBB—At the moment many apprenticeship courses are under threat in regional Australia because of a lack of critical mass.

Ms George interjecting—

Mr ROBB—Perhaps you might go out and have a talk to some of these authorities out there. The involvement of full-fee-paying apprentices from overseas will help maintain numbers in apprenticeship courses and will help maintain a critical mass. Full-fee-paying students will provide an important source of funding and boost the viability of courses. This helps young Australians. It keeps training opportunities open and available in their region. Labor has no feel for or empathy with regional Australia. It is coming through again and again.

The third and important reason why this training visa contributes to young Australians is that none of this is at the expense of local students getting their opportunities. The training visa will only be available where businesses have not been able to attract Australians to apprenticeship positions. This is strictly controlled, as the opposition have been advised on many occasions, by regional certification bodies. These regional certification bodies have to be nominated and endorsed by the state and territory Labor governments. Every one of them has to nominate and endorse these certifying bodies. These agencies are required and are very well placed to judge that no Australian apprentice can be found to fill the vacancy before allowing entry of any overseas apprentice. The overriding criterion is that they have to be satisfied that the apprenticeship cannot be filled locally. They are well placed to use all sorts of techniques to do this, including, if they choose, to confer with local unions if required. Bear in mind that these are all authorities approved by Labor governments.

Mr Burke interjecting—

Mr ROBB—You may well laugh, but your colleagues in state Labor governments approve and endorse these authorities. Many of these authorities are in fact direct agencies of these state Labor governments. Their requirement is that they must be satisfied that the apprenticeship cannot be filled locally. If they chose to do so—as I would expect that they would if they are appointed by state Labor governments—they can confer with local unions if they feel they need to satisfy themselves about the vacancy that exists. The shadow minister knows full well that this is the case. There is very strong protection.

The training visa builds on 10 years of initiatives which have seen a 146 per cent increase in new apprenticeships since 1996, from 130,000 to 390,000. You on the other side should be deeply embarrassed by that. New apprenticeships have gone from 130,000 to 390,000 and you have the gall to stand here and pretend that you have something innovative.

The DEPUTY SPEAKER—The member for Goldstein will refrain from using the word ‘you’.

Mr ROBB—My apologies, Mr Deputy Speaker. This government has not let down young Australians. On the contrary, the Howard government’s performance has restored a sense of hope and opportunity to the young people of Australia, as witnessed at the ballot box at the last election. There was a strong move by young Australians to vote for the Howard government. Why? Because we have restored a sense of hope. Youth unemployment has dropped by nearly 40 per cent, from 15.1 per cent to 10.9 per cent, at a time when real wages have gone up by nearly 17 per cent. That is performance over a protracted period of time. There has been a 122 per cent increase in the number of young people under 19 commencing new apprenticeships since 1996, and they now account for 41 per cent of all apprenticeship starts.

This government has not let down young Australians. On the contrary, we have restored a sense of hope and opportunity. The number of school students getting a head start in the VET program has increased by 253 per cent since 1996, so approximately half of all senior secondary school students are now getting a head start in life. The government is providing funds to the states and territories to support an additional 167,000 vocational education and training places by 2008. We have 24 technical colleges in the pipeline. These are all substantive initiatives. This is a record we can be proud of, and it is one that we have to build on.

This government has not let down young Australians. In the recent budget we added to all this an additional $106 million over four years for new apprenticeship centres, $10 million for the Australian Lifesaver Training Academy to provide high-quality training and education programs, and a raft of other measures. We are not going to rest on our laurels when it comes to ensuring that there are skilled job opportunities for young Australians. We must confront the challenge I mentioned earlier of an ageing population, a challenge which dictates that we must do all that is possible on a whole range of fronts.

So why are Labor banging on about this? What is their motive? Against all that background—against that urgent need—even when these apprenticeship visas reach full penetration, in terms of young people coming from overseas to be trained, we are looking at an estimated 3½ thousand visa holders in any one year. There are 390,000 apprentices now, with many more opportunities being created, and we are talking about 3½ thousand coming in. Doesn’t it make you wonder about the context in which these arguments are being put? This is just a grubby attempt to lie and scaremonger—

The DEPUTY SPEAKER—The member for Goldstein will withdraw the word ‘lie’.
Mr ROBB—I withdraw the word ‘lie’. It is a grubby attempt to scare people in the electorate in a desperate attempt to restore some voting strength to their original base—a base they betrayed many years ago. What we are seeing is a stunt, plain and simple—an exercise in promoting xenophobia. We are seeing an explicit strategy by the Labor Party to promote xenophobia—to create misplaced fear and misinformation—as a means of appealing to a voter base they betrayed long ago. We know that is the case; we are hearing it out of the ACTU. We will see this all the way through to the election.

Mr Burke—we’ll guarantee that.

Mr ROBB—we’ll guarantee that—some xenophobia from the other side of the House. I will make some predictions myself. (Time expired)

Ms GEORGE (Throsby) (3.57 pm)—I am very pleased to participate in this MPI debate, because it is very important. The Labor Party has argued from the beginning that the trade skills training visa is just another quick-fix solution to a problem this government has known about for the decade it has been in government. The Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs talked about the major economic challenges facing our nation—and no-one denies that those challenges are real and obvious to us all. But no-one can deny the simple fact that, having known about these issues, particularly the issue of the emerging skills crisis in our nation, we have not heard any coherent strategy from the Howard government about how one addresses these endemic problems.

All the reputable authorities in Australia are telling us that the skills crisis in our nation is one of the largest brakes on our future prosperity and our potential economic growth. The government does nothing about any coherent strategy to address the skills problem but resorts to bringing skilled migrants to Australia—and now there is the proposal to have unskilled apprentices brought from overseas to be trained in Australia. Because Labor oppose that and say it is shortsighted and the wrong policy, we are somehow just putting on a showbiz the corridors and knock on doors to say to the people across Australia currently being denied the opportunity of an apprenticeship in this country. It is the wrong way to go. Why is it the wrong way to go? Because today we have 193,000 young Australians aged 15 to 19 who are not in work and who are not in training, who would be desperately happy to have the opportunity of an apprenticeship in this country. It is all right for the Treasurer in his defensive mode to flick-pass to the regional certifying bodies, but it is not the regional bodies that are responsible; it is the federal government that has allowed this visa to be introduced as another quick fix to an endemic problem.

At least the Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs now recognises that we have a crisis in skills in this country. Where has this government been for the last 10 years, when the alarm bells were ringing? All we have seen, time after time, is quick-fix, short-term solutions. I could not believe it when I heard the parliamentary secretary say that as he travelled around Australia, particularly regional Australia, he was told that one of the problems was that we did not have a critical mass of people who wanted to take up apprenticeships. In the time that the government has brought in 270,000 skilled migrants—and we are all for migration; skilled migrants have helped build a prosperous nation over the years—we have turned away 300,000 young Australians from TAFE courses. You do not have to tell me about needing a critical mass. Come to my region in the Illawarra, where I have an unemployment rate among young people of over 35 per cent. In the last two years, in a coalition with business, the unions and the group training providers, we have put 200 and more young people, many of them unemployed, into apprenticeships. And when we go around to try and extract money from this government, it is like drawing blood out of a stone. For a meagre contribution of $100,000 a year, you have to trample the corridors and knock on doors to say to the government: ‘We’ve got a local solution that works. It’s a solution that addresses very high rates of youth unemployment combined with the skills crisis, which is a problem not just in our region but across the whole of Australia.’

How dare the parliamentary secretary say that those who oppose this visa have no regard or empathy for the plight of regional Australia? We live in regional Australia. We know what the problems are. Let me just tell you about other regions, not just my own. In the Illawarra there is 35 per cent youth unemployment; Richmond-Tweed, 37 per cent; Gippsland, 28 per cent; Tasmania, 25 per cent; and the Loddon Mallee region, 32 per cent. I think government members should be hanging their heads in shame, because you are saying to all those young people, wherever they are located, that this government has given up hope. It has no vision for them. The only response it has is a quick-fix, short-term political fix, bringing skilled people from overseas, which is necessary but not the solution to the endemic problem.

It is not as if Australia is short of workers. There would be many workers already out there at work who would be more than happy to be upskilled, and I can assure you that there are many thousands of young people across Australia currently being denied the opportunity of training in an apprenticeship who would jump at the chance. But this government has been asleep at the wheel for 10 long years. We have known
that this crisis was upon our doorstep, and all we have done is resort to the solution of bringing people from overseas to fill the gaps.

That is not good enough at a time when Australia has to compete in a global economy. Why is it that Australia, among all the developed nations, has reduced its public investment in TAFEs and the universities? When our competitors are putting more and more public funds into their people, investing in their youth, investing in skills, investing in human capital, we are doing the absolute reverse and saying, ‘We’ve got no solution. We’ll wipe our hands and allow employers to bring in young people from overseas to take up apprenticeship opportunities in this country.’ I think that is an unconscionable way to proceed.

It is unconscionable because there are low-cost alternatives, as our region has shown. I invite the parliamentary secretary to come down and see what we have been able to do with very little support from this federal government. There are alternatives, and Labor has talked about a lot of those alternatives. Why don’t you look at our trade completion bonus, so that we can do something about the problem of 40 per cent of young apprentices dropping out before they finish their studies?

On top of that, when the budget had all this surplus money to invest in the skilling of our people, what did we find? The one thing that I have relied on locally to convince our employers to take on an unemployed young person in an apprenticeship was a program that was only worth $13.7 million, an incentive program to encourage local business in regional and rural Australia to take on young people. What happened to that program? That program was axed. And what happened to funding for vocational education? We have a smaller percentage being spent on vocational education than ever before.

This government has no coherent strategy to address a problem that it has known about for a long time. It is not as if this has suddenly descended upon us. Alarm bells have been ringing. The AiG, a reputable employer organisation, has said that by 2010 we will need 100,000 additional trained tradespeople.

Another quick-fix solution was the panacea of the Australian technical colleges—the 25 that we were promised as the solution to apprenticeship training. At last count, I think four of them were up and running. One of them, in Gladstone, has one apprentice. At best they have 100. In the meantime, through a low-cost program, 200 young people in the Illawarra have had a chance to get an apprenticeship. So there are solutions to the problem, if only the government wanted to listen to and learn from some of the creative and innovative suggestions that have been made across the nation.

A quick fix is no fix, and this visa is yet another quick fix to a problem that should have been addressed a long time ago and that is still crying out to be addressed. The Australian people are rightly demanding of this government that its first obligation is to create opportunities for our youth, to create opportunities for our workers to be upskilled, to train Australians first and train them now. The government has the means to do it. Put the money in and make the investment, because there is no better investment than investing in the future of young people across this nation.

Mr FORREST (Mallee) (4.07 pm)—These matters of public importance debates are always interesting discussions. I enjoy participating. But I do enjoy the opportunity to defend the need for trades skills training visas. The opposition members who have spoken do not spend any time in the part of the world that I live in. I know that my constituents enthusiastically support this initiative, albeit with safeguards relating to some of the concerns that opposition members have been expressing. It is a significant issue in north-west Victoria.

Listening to the discussion and the comments from members of the opposition, it staggers me that they seem to overlook the fact that this nation is enjoying a huge boost to its economy—it is just gigantic. I wonder what discussion would have occurred in the Commonwealth parliament in the post world war development of Australia, with an argument that said that this nation did not need to encourage the migration of skilled people to ensure that the growing economy could continue to grow.

What I know is that the labour shortage in my constituency is holding back investment. It is holding back investors. The question they need to know the answer to when they are investing in labour intensive industries is: what is the assurance that there will be the necessary labour? When you think about the huge amount of development that is occurring along the Murray Valley, with phenomenal development in horticulture, those investors are asking those questions.

I have been quite vociferous in my representation on this matter from the time I arrived in this parliament. I did not get much response from the then Labor government, but I am certainly enjoying the response that I am receiving from this government in addressing this issue. It is more than just about harvest labour. Yes, there is a very real demand for unskilled people, but there is a huge demand for semiskilled people, the people who we need to ensure that the growth of our abattoir industries continue, abattoirs involved not just in livestock but in avian—ducks and squabs; and the tertiary industries associated with the very productive primary industries around the region, people who produce plastic tanks and fibreglass manufacturing. Then there are the trades related skills needed, not just in the normal building skills but in irrigation development; motor mechanics; horticulture, which is becoming
more and more scientifically based; and even nursery people.

Then there is the technical and professional demand. Talk to some of my municipalities, my local government people, about the struggles they have just to get an engineer. Buloke Shire, in my constituency, still does not have an engineer. Why would an engineer be interested when there is a boom economy going and he could obtain far more financially beneficial employment in the big, booming mining industries that are occurring around the nation?

The Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs, the member for Goldstein, gave an overall picture of the future. I see it as doing two things, including addressing the issues that opposition members have raised about meeting the needs of young Australians. The reality is that we have been doing that. All of the skilled areas in my part of the world are listed and are well known. That is the reason why a huge amount of investment has been made into a TAFE facility at Swan Hill. There is a state-of-the-art diesel mechanic training facility, which I am immensely proud of. I commend the state government for its huge investment there. It staggers me that it seems to have escaped the opposition that this nation is enjoying good growth and that, if we are to ensure that that continues, we need to ensure that the skills of the people who do those skilled tasks are enhanced.

I have a machinery dealer in my constituency. He has not yet made an application for this program. He is certainly interested in it. I have encouraged him. He has been seeking diesel mechanics for some time now. He has advertised and done all the right things to try to attract locals. They are just not there. They would rather go off and live in a big metropolis. Unfortunately, some of them are too used to enjoying taxpayer support if they want to live in a provincial centre and are not interested in coming out to north-west Victoria. There is a huge need and demand. I am pleased to hear of some of that being acknowledged.

So we end up in this position: discussing the need for trades skills training visas. I am quite satisfied that adequate safeguards are in place to ensure that no Australian who wants to engage in a particular trade is cheated of that opportunity. I have been quite supportive of the state government initiatives that have occurred. State governments have recognised this issue, particularly in Victoria. They have a number of regional offices. I have worked with those, most particularly on the issue of business migration, which requires state agency approval for an international investor who wants to make an investment. There are certain rules and criteria under which they can do that. That is occurring with good supervision. I am quite confident that those agencies will continue with that level of supervision to ensure that the concerns being raised here today by the opposition are addressed.

It is quite clear that, before an apprenticeship can fill in a vacancy, the regional certifying body has to ensure that no Australian apprentice can be found to fill that vacancy. I think the reality and the point that seem to have been missed by opposition speakers in this discussion is that all of the listed shortages are already gazetted. We know that we have a huge shortage of diesel mechanics. We know that we have a huge shortage of horticultural and nursery people. We know all about all of these; they are already listed. We know we have a shortage of people with expertise in operating comprehensive and quite scientific irrigation systems. All of those are already listed. That has come out of years of frustration with this approach of trying to attract those young people, which opposition members have addressed today.

I can see a parallel approach to this issue when I look at the investments in training in my own constituency. But I am looking to the future. I want to see some of the huge investment that has already occurred along the Murray Valley continue. I want to see the employment that the planting of 3,000 hectares of almonds or olive trees brings to the region. The struggling community of Boort is not in my constituency but on the south-west corner of it. A huge investment has occurred there in the development of olives. It has revived that town. It has revived the school, it has revived the community and it has given it a strong sense of hope. The most important thing of all is that it is providing opportunity for young people that reside in that community. It is less tempting for them to move off to the metropolis or to the strong provincial centres of Ballarat and Bendigo.

I stand here and enthusiastically support the new training skills visa. It is a further demonstration that the government has responded to my very strong representations over the years on this and related matters of resources for labour. It demonstrates the government’s commitment to addressing trade skills and labour needs not just in my own constituency but right across rural Australia. This new visa is good for regional Australia. I often say that, if it is good for regional Australia, I will support it. It will have broader future economic benefits, and I stand here to support it enthusiastically. I am still staggered by the attitude of the opposition. I would invite them to come out and speak with my horticultural industry bodies and with the tertiary industries associated with Sunraysia, Mildura, Swan Hill and Horsham, down in the Wimmera. They are strong, vibrant, growing provincial centres. The strongest representation I receive all the time is on this need for skilled labour. I am quite confident that the arrangements that are in place will ensure that young Australians continue to get opportunities. I am confident it
will provide additional resources to ensure that strong growth continues, and I am looking forward to its full implementation.

**Mr KATTER (Kennedy)** (4.17 pm)—As the immigration minister in the Queensland government, I advocated at the ministerial conference that we move to 350,000 migrants a year. That was a position on which I got full agreement from the Queensland Bjelke-Petersen cabinet, and I had a dreadful fight with Senator Robert Ray at the time. There is one hell of a difference between the situation now and the situation then. We had an award system. Bringing in those people was not going to crush the incomes of Australians. Now we have no award system and the bringing of those people into Australia on an unlimited basis will crush the award system and the standard of living of the employee class—the workers, if you like—in this country.

It is very interesting if you shut up and listen. The member for Goldstein is a classic example of a person who I do not think has ever in his life listened to anyone except rich and powerful people. I know him well. He employed about 20 or 30 people in Australia. I know him from the NFF. When he was director of the NFF it was always referred to as ‘no family farms’. I went to a meeting where the then head of the NFF actually said that. He said, ‘We’re inefficient at the present moment, but as corporate farming takes over we will become efficient.’ Crush out the owner-operator farmers in Australia! That was the culture that presided whilst he was there, whilst he did untold damage to that organisation. He is doing untold damage to the coalition. People on this side: do not knock him. He is your greatest asset! He is hurling at you that you are xenophobic. On my score, two elections were won by the coalition on that issue. Two elections were run on that issue. This fellow is accusing you of it. You might be hot contenders for the next election. I do not know. All I know is that, if that culture and the philosophy that he espouses continue on the side of the coalition, exactly the same damage will be done to them as was done to the NFF whilst that man had a dominant role in that operation.

I sat on an aeroplane with a gentleman who represented a company that did maintenance work on particular machinery. I will not betray his confidence. They employed about 20 or 30 people in Australia. I asked, ‘How do you get people to go out to these isolated mining situations?’ He said, ‘It was very difficult until you blokes liberalised the immigration laws.’ He said: ‘Now, of course, it is very easy. Half of our employees—that is, 15 people—are now Indonesians.’ He said jokingly to me: ‘You don’t have to worry too much about them. They do not put much pressure on you about conditions and those sorts of things.’ No. They are prepared to work for nothing! What about the Philippines rural wage?

The member for Goldstein got up and talked about regional Australia. He would not know about it. He has never set foot in it. I have never seen or heard of him going into a regional area in the country in my life. He possibly has. I do not know. I am certain that he does not speak to the people I speak to when I go into regional Australia. There is a precedent for bringing in those people. In South Africa there was Cecil Rhodes. People are proud of having had a Rhodes scholarship. I would be ashamed to have my name remotely associated with that gentleman.

**Mr Broadbent**—Don’t worry!

**Mr KATTER**—You say, ‘Don’t worry.’ I am quite proud not to have been in that category at any stage of my life. I am immensely proud, as a matter of fact. On my reading of history, half the Matabele nation was wiped out. On my reading of history, nearly a million people died in the Boer War, including one of my distant relatives. Why? To make Cecil Rhodes rich. When he got control of the South African government, which he had created, he brought in workers who worked for nothing at all. Why? To make him rich. The people who populated South Africa woke up one morning and it was no longer their country. They had very badly treated the other Africans, and it was fairly predictable that they would get a bit of their own back when the other mob took over.

The important point of this is: people work there for nothing. The wage in the Philippines for agricultural work—as this man from regional Australia would know—is $2.70 a day; ours is about $15 an hour, and it is pretty poor pay for the work that they do but it is good, compared with what they get in Indonesia. So this company, quite predictably, is bringing workers in from Indonesia. What that is going to do to the wages and conditions in this country scares the hell out of me.

There are new members in this place—and the member for Watson is one of them—but there are older members too who have a lot to answer for on the issue of the TAFEs. When I was elected to this parliament, the first two functions that I went to were TAFE—I do not know what they called them—graduation ceremonies. There were nearly 1,000 people at the one at Innisfail, and nearly 1,000 people at the one at Mount Isa. They had 30 or 40 employees in both those TAFEs. Innisfail TAFE is now trying to sell off and get rid of two-thirds of the building. It is empty. There would be flat out being a dozen people in the building now. As for having a graduation ceremony: there is no-one there to graduate. There are hardly any people graduating or going through them at all. I cannot speak for all of Australia; I can only speak for the area I represent. But if I were associated with the government, and started talking about TAFEs, I would hang my head in shame. There are none; they have simply ceased to exist in areas that I represent.
If you are short of labourers out in the bush or any other part of Australia, there is one sure way to get them—ever since the Phoenicians invented money there has been one sure way to get more workers—and that is to increase wages. When I was a young man, thanks to the enlightened governments of the day—of John McEwen and Joh Bjelke-Petersen—we had huge mining booms and beef roads being built, and we were paid colossal money. As an unskilled labourer, within two or three months I had saved enough money to go out and pay cash for a brand new small car—in today's money, nearly $20,000. I played up a bit, Mr Deputy Speaker, so I was not saving all of it.

There is another way to supply those workers—to bring people in from countries where people are used to working for absolutely nothing, under no conditions whatsoever. That is the other method of doing it. There is no doubt which pathway the member for Goldstein wishes to take us down.

I would like him to do a little bit of reading. I have represented mining areas. My family have come from mining areas in this country since the 1870s; we have lived on the goldfields and the copper fields of Australia. I know that, in those days, before the immigration was tightened up, one in 32 people who went down the mines never came back up again—or came back up again and died a wicked death from miner's phthisis. That is what happened in those days, until the immigration laws were pulled up by the incoming government in 1901. In that year, the new federal government was created, and the first member for Kennedy in this place spoke about exactly the same issue that I am speaking about today, 105 years later.

Let me just go back to the NFF for one moment. This fellow presided over the NFF. Have a look at his success story.

The DEPUTY SPEAKER (Hon. IR Causley)—The member for Kennedy will refer to members by their titles.

Mr KATTER—I was referring to the member for Goldstein. Half of Australia's wool industry has vanished. Fifty per cent of our sheep are gone. The Special Minister of State, who is at the table, is shaking his head. Go and have a fight with Alan Jones, because it was from Alan Jones's program that I was quite staggered to find out that we had 200 million sheep in Australia and now we have 100 million. And you represent a sheep area, so you should be ashamed not to know that.

The DEPUTY SPEAKER—The member for Kennedy will refer to members by their seats.

Mr KATTER—In the cattle industry, the numbers are down 26 per cent. Our dairy industry is down 15 per cent. Our sugar industry is down 20 per cent. I do not know anything about wheat so I will have to leave that out.

He was a wonderful success story, wasn't he! Half of Australian agriculture has vanished without trace under the leadership and the policies of the likes of the member for Goldstein. The Special Minister of State shakes his head. Come back here and give me the figures and show me where I am wrong. Do not come here and shake your head and disagree, when your ignorance is so towering that you do not know what the figures are. Or go and have a fight with Alan Jones.

Mining prices have not doubled. I quoted in this place that they had doubled. And I was very surprised to find out, from a very senior person, that they had more than doubled. (Time expired)

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

COMMITTEES
Selection Committee
Report

The DEPUTY SPEAKER (Hon. IR Causley) (4.27 pm)—I present the report of the Selection Committee relating to the consideration of committee and delegation reports and private members' business on Monday, 29 May 2006. The report will be printed in today's Hansard and the items accorded priority for debate will be published in the Notice Paper for the next sitting.

The report read as follows—

Report relating to the consideration of committee and delegation reports and private Members' business on Monday, 29 May 2006

Pursuant to standing order 222, the Selection Committee has determined the order of precedence and times to be allotted for consideration of committee and delegation reports and private Members' business on Monday, 29 May 2006. The order of precedence and the allotments of time determined by the Committee are as follows:

COMMITTEE AND DELEGATION REPORTS
Presentation and statements

1 JOINT COMMITTEE ON PUBLICATIONS

Distribution of the Parliamentary Papers Series

The Committee determined that statements on the report may be made—all statements to conclude by 12:40pm

Speech time limits —

Each Member —5 minutes.

[Minimum number of proposed Members speaking = 2 x 5 mins]

2 JOINT STANDING COMMITTEE ON TREATIES


The Committee determined that statements on the report may be made—all statements to conclude by 12:50pm

Speech time limits —

Each Member —5 minutes.
PRIVATE MEMBERS’ BUSINESS

Order of precedence

1. Mr Albanese to present a Bill for an Act to ratify the Kyoto Protocol to the United Nations Framework Convention on Climate Change. (Avoiding Dangerous Climate Change (Kyoto Protocol Ratification) Bill 2006) (Notice given 27 February 2006)

Presenter may speak for a period not exceeding 5 minutes — pursuant to standing order 41.

2. Mr Cadman to move:

That this House:

(1) condemn the persecution of all religious minorities around the world;

(2) request that the Government of the Republic of Turkey, in the spirit of freedom and respect for human rights:

(a) return the Christian minority foundations, as well as to individual Christian Assyrians, Armenians and Hellenes, all the properties expropriated by the Turkish state;

(b) permit the re-opening of the Greek Orthodox Theological College on the island of Halke (Heybeliada);

(c) permit the re-opening of the Armenian Apostolic Seminary in Constantinople (Istanbul);

(d) permit other Christian denominations (Syriac Orthodox in particular) to operate seminaries of their own; and

(3) encourage all parties to work together to make a just and lasting and peaceful settlement to the Cyprus dispute. (Notice given 10 November 2005.)

Time allotted — 20 minutes.

Speech time limits —

Mover of motion — 5 minutes.

First Opposition Member speaking — 5 minutes.

[Minimum number of proposed Members speaking = 2 x 5 mins]

The Committee determined that consideration of this matter should continue on a future day.

3. 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. (Notice given 22 May 2006.)

Time allotted — remaining private Members’ business time prior to 1.45 p.m.

Speech time limits —

Mover of motion — 5 minutes.

First Government Member speaking — 5 minutes.

[Minimum number of proposed Members speaking = 6 x 5 mins]

The Committee determined that consideration of this matter should continue on a future day.

4. Ms George to move:

That this House:

(1) notes the statement made on 20 March 2006 by the United Nations Special Rapporteur on Freedom of Religion or Belief expressing concern about the treatment of followers of the Baha’i faith in Iran;

(2) expresses its grave concern that instructions have been issued to collect information and monitor activities of members of the Baha’i faith in Iran;

(3) regards such action as an unacceptable interference with the rights of members of religious minorities;

(4) fears that such monitoring could be used as the basis for persecution and discrimination against members of the Baha’i faith; and

(5) urges the Government to pursue these concerns with our Embassy and with representatives of the Iranian Government. (Notice given 9 May 2006.)

Time allotted — 30 minutes.

Speech time limits —

Mover of motion — 5 minutes.

First Government Member speaking — 5 minutes.

[Minimum number of proposed Members speaking = 6 x 5 mins]

The Committee determined that consideration of this matter should continue on a future day.

5. Mr Baird to move:

That this House calls on the United Nations to:

(1) substantially increase the level of aid to the Darfur region of the Sudan;

(2) call upon member nations to provide peacekeeping forces to quell the civil war currently taking place in the country;

(3) lift the profile of this catastrophic situation that confronts Darfur and the conflict which has already claimed 300,000 lives and seen 2.4 million people displaced;

(4) work effectively with the NGO’s to ensure a substantial lift in the level of privately sourced aid going to the region; and

(5) ensure that maximum cooperation is given to peace negotiations. (Notice given 11 May 2006.)

Time allotted — remaining private Members’ business time.

Speech time limits —

Mover of motion — 5 minutes.

First Opposition Member speaking — 5 minutes.
The Committee determined that consideration of this matter should continue on a future day.

EMPLOYMENT AND WORKPLACE RELATIONS LEGISLATION AMENDMENT (WELFARE TO WORK AND OTHER MEASURES) (CONSEQUENTIAL AMENDMENTS) BILL 2006

TAX LAWS AMENDMENT (2006 MEASURES No. 2) BILL 2006

Referred to Main Committee

Mr BARTLETT (Macquarie) (4.27 pm)—by leave—I move:

That the bills be referred to the Main Committee for further consideration.

Question agreed to.

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

Referred to Main Committee

Mr BARTLETT (Macquarie) (4.28 pm)—I move:

That at the adjournment of the House for this sitting the bills stand referred to the Main Committee for further consideration.

Question agreed to.

SOCIAL SECURITY AND VETERANS’ ENTITLEMENTS LEGISLATION AMENDMENT (ONE-OFF PAYMENTS TO INCREASE ASSISTANCE FOR OLDER AUSTRALIANS AND CARERS AND OTHER MEASURES) BILL 2006
GENERAL INSURANCE SUPERVISORY LEVY IMPOSITION AMENDMENT BILL 2006
HEALTH AND OTHER SERVICES (COMPENSATION) AMENDMENT BILL 2006
PROTECTION OF THE SEA (POWERS OF INTERVENTION) AMENDMENT BILL 2006
DEFENCE HOUSING AUTHORITY AMENDMENT BILL 2006
FAMILY LAW AMENDMENT (SHARED PARENTAL RESPONSIBILITY) BILL 2006
STUDENT ASSISTANCE LEGISLATION AMENDMENT BILL 2006

Assent

Messages from the Governor-General reported informing the House of assent to the bills.
for Goldstein. I would recommend to the member for Kennedy that he invite the member for Goldstein to his electorate of Kennedy, take a wander around the electorate of Kennedy and see how well the member for Goldstein will be received there.

The legislation we are debating, Appropriation Bill (No. 1) 2006-2007 and cognate bills, is about the budget. I will refer immediately to the benefit to rural Australians. We have had an issue about age pensions, particularly for people who have had long associations. I am coming off what the member for Kennedy said about this government’s desire to protect and care for people on the family farm, or people who have retired from a family farm, where that farm and the asset around it no longer have the ability to maintain an income for them, yet the people have had a long history with the farm or the small property: they have that connection with the land but they cannot realise the asset or lease the land.

This government, in its wisdom, has been looking at this issue over a 12-month period. I commend the Treasurer for coming forward with the proposal announced in this budget that will assist almost 10,000 age pensioners in rural Australia by improving the treatment of rural land under the pension assets test. From 1 January 2007, the family home and surrounding land of such people will be exempt from the age pension asset test where they have had a 20-year connection with the land and they cannot realise the asset or lease the land. This will be of major benefit and take a lot of pressure off families who have found themselves in difficult circumstances while living in the family home.

One of the things that I said in my local area before the budget was introduced was that we desired that the Roads to Recovery program would not only be kept in place but also be improved. In other words, we asked the government for more money. When I was questioned as to what I wanted out of the budget, I wanted more Roads to Recovery money for the people of Gippsland, particularly for councils in McMillan. The region has been strongly funded again. I am pleased to see that as part of the overall program we are also spending $24.5 million on the Pakenham bypass.

People know how important that bypass is. I met a friend of mine, George Barker, at the weekend. He travels every day from Bunyip all the way into the city to work on building projects there. He does that six days a week. He is what they call a former; he works with concrete. He is very talented in his work. He says it is a nightmare coming home. Each night it takes him 20 to 30 minutes to get from Officer to Pakenham, which is a distance of about five or six kilometres. On Friday nights and long weekends, it is absolute chaos. The Pakenham bypass should have been built by now except for the politics that went on in the whole process of winning and losing the seat of McMillan. We should have been standing on asphalt; instead, we are standing on dirt. I will tell you, Mr Deputy Speaker Jenkins—I know you will be vitally interested, because I know you are interested in Gippsland—that the progress of the Pakenham bypass is going very well. The whole 30 kilometres will be finished by 2007.

Five councils in McMillan have done very well out of our roads program. Ten years of responsible economic management allowed the coalition to invest $5 billion in transport infrastructure nationwide from 2005-06 to 2006-07. The Latrobe City Council, South Gippsland Shire Council, Bass Coast Shire Council, Cardinia Shire Council and, with the persuasive representation of CEO Glenn Patterson and Councillor Gary Blackwood, the Baw Baw Shire Council will receive a 25 per cent boost to their funding as part of the Roads to Recovery program.

I was amazed to see some people criticise what we put into roads. I do not know why. Out of the five councils in the McMillan electorate, South Gippsland received the highest amount of road funding. Bass Coast Shire Council’s total allocation for 2005-09 was $2,802,308. That should fix up a few potholes in Bass Coast area. Cardinia Shire Council will receive $4,862,866. Latrobe will receive $5 million. South Gippsland will receive a whopping $7,273,366. Local road funding has never had a stronger supporter than the Howard government and the minister for roads, Jim Lloyd, who has visited my electorate many times. They are to be congratulated.

The total amount allocated to Roads to Recovery in the seat of McMillan will increase from $21 million to more than $26 million over the life of the program. The program was originally put in place to boost neglected roads, roads that had been neglected by state governments. Communities called out to us and said, ‘Look, you’ve got to fix our country roads.’ What we are trying to do here is improve the safety of roads. There are 500 people killed across Australia in a year, many in Victoria and many on country roads. This goes a long way to increase the safety of roads, especially in areas where there is the black spot program, which has also been funded once again.

We have now topped all this up with a supplementary allocation for funding for Roads to Recovery in the budget—an additional year of funding to be spent in the four years of the program. I am delighted about that. In other words, we have brought the money forward. Councils can get on with their programs. Aus-Link’s Roads to Recovery program cuts red tape and delivers vital road funding right where it is needed, directly to councils. It will continue to ensure that vital local road upgrades continue to support local communities, boost local industries and employment and increase road safety.

CHAMBER
Transport is a major issue in my electorate, as it is in every rural electorate across Australia, although my electorate is urban and rural, ranging from small business operators in Pakenham to dairy farmers in South Gippsland, beef farmers in West Gippsland and South Gippsland, potato farmers in Thorpdale and throughout other parts of the electorate up to Gembrook and the workers of the Latrobe Valley. The roads in McMillan are safe and efficient to use. We must make sure that they are safe and efficient for everyone. That is why this budget is a great boost for the whole of Gippsland—West Gippsland, South Gippsland, and East Gippsland, into Minister McGauran’s area.

Tax, of course, is very important to everybody, particularly to people on low incomes. The low-income tax offset will increase from $235 to $600. It will phase out at $25,000 to $40,000; therefore, low-income earners will not pay tax until their annual income is over $10,000. The Howard government is the best friend middle Australia ever had. Why? Because the government will expand eligibility for the large family supplement to include families with three children. What a shame mine are all grown up! With effect from 1 July this year, additional assistance will be provided to nearly 350,000 Australian families, with a payment of an extra $248 per year. There will be $32 million to protect our elderly by promoting best practice in aged care funding. There will be around 3,000 unannounced spot checks at homes, up from 536 in 2004, and mandatory police checks for all volunteers.

Like many people in my electorate, I was surprised to hear of the elder abuse case, because we have such fantastic care. To a degree, that was a police matter. It does not matter who you talk to—members on either side of this parliament or on the independent benches—one thing they will say to you is that the people who deliver aged care in their electorates do a sterling job. They do it effectively and efficiently and only very special people can deliver that type of care. Wherever I go, from Longahath to Foster out to Moe, Newborough, into Warragul, Trafalgar and down to Pakenham—the whole of the electorate—I never cease to be amazed by the people who deliver the care to our elderly, whether in hostel accommodation or in high-care accommodation. They obviously have a very special way about them. So too do the people who deliver church services and entertainment into the homes of the elderly. My mother-in-law recently moved into accommodation care in Pakenham—a new development there—and I am probably seeing the best in aged care that we have ever seen. This has been a long and ongoing dispute which the Minister for Community Services, who is at the table, will remember well. As a parliament, we have struggled with these issues over a long period of time. We now have delivered well on aged care, and I congratulate the Howard government for the effort and the money they have directed towards elderly people.

The government accepted the recommendations of the Wheeler report into security and policing at Australia’s airports and will introduce a range of measures to implement these initiatives. There will be $100 million over four years to support that report. It is important that we give consideration not only for our border protection but also for airport security and the issues we have to address. You have seen the upgrading of security around this House, and you are seeing the upgrading of security at our airports. I believe that the government has moved appropriately as the community has demanded.

I turn now to universities, particularly the university closest to me, being Monash, which was formerly in my electorate but is now in the electorate of Gippsland. Sport is an issue out there. Following the changes the government made to universities and the way they organise themselves, the government have now put aside $10 million over four years to support regional universities, and that will be of great support to our university. We hope the government will also be looking at extending Monash’s opportunity to go down to places like Leongatha, to the education precinct down there, which is a unit we will build on. In the coming months, I will be putting all my efforts into making sure we have an extension, a lead passage for young people coming out of south Gippsland. Only about one-third of the young people coming out of Gippsland are going on to university, and that is something I would like to address in this term of parliament.

The sum of $36.7 billion over four years in reduced income tax will be important to everybody, but the superannuation changes have been the most well received changes. From my experience of wandering around my electorate and other parts of Gippsland, the first thing somebody says to me is: ‘The super that I see will be the super that I get. My tax is taken out. I can see that amount of money and that’s mine; there’s no more tax to pay,’ and that has been very well received.

I attended the family day care celebrations in my electorate just the other day with Margaret Avling. I remember starting with Margaret Aveling and working on our first day-care program as shire councillor and shire president of the old shire of Pakenham. Margaret is still there today. I could say ‘after all this time’ but I would not be so rude. She is still committed to family day care, and she was the one who taught this young councillor a very good lesson about the importance of family day care. I thought I had the opportunity to argue with her at the time, but I learned very quickly that there are some people with whom you do not argue and Margaret Avling was one of them. Congratulations to Margaret and to all those people delivering family day care across West Gippsland.
The winners include parents who work. There are up to 25,000 new child-care places to 2009. Pensioners and carers, who are so important to me, will receive cash bonuses. There are tax cuts and the cutting of red tape for businesses and small businesses, which we heard so much about from Minister Bailey when she told us what she has been able to achieve for small business. Also included are the motorists, with the upgrading of the highway. Who are the losers? The losers include corporate cheats, because there will be more money for the investment watchdog. Illegal foreign fishermen are the targets of new funding. There is more money for combating our enemies—more money for defence. Party drug users will be the subject of a new campaign.

Then there is that old bugbear—the telemarketers who ring you up at 6 o'clock or 7 o'clock when you are just about to have dinner and have family time together. We are finding new ways not to be rude to them. Whilst the calls may be nuisance calls, the person on the phone is doing the job they are employed to do. People will be able to put themselves on a register so that they do not get those calls. I say to the Australian public: the people on the other end of the phone are often our sons and daughters, and that is the only job they can get at the moment—they are often temporary jobs—but they are doing a job. Many of us have served behind a counter, carted a bale of hay or been a worker like the member for Kennedy, who said that he earned the money for his first car by doing manual labour. So did I. I earned the money to buy my first car by carting hay. No-one was ever rude to us in those jobs, and no-one needs to be rude to the telemarketer, the young person who rings us, either. It is an opportunity to be nice to someone and to quietly say that you do not want to take their call.

This budget has been well received. More importantly, I suppose, today I have rung 22 schools to let them know they have received a benefit under our Investing in Our Schools program. I will not name them, but some primary schools around Gippsland are a disgrace and the Bracks government should have regard for them. If money coming to the Bracks government from the hydroelectric scheme is to be poured into schools, that government had better have a close look at Gippsland, because the situation of neglect down there is not good enough. As I said, I do not want to name those schools, because I do not want to embarrass them, but it is crucial that moneys be put into them as of now. The money from Investing in Our Schools has been very important to all schools and it is a pleasure to give it to them; but it only highlights the Bracks government's neglect of schools in Victoria.

MS MACKLIN (Jagajaga) (4.46 pm)—Mr Deputy Speaker, as you know only too well, education is the No. 1 issue that parents raise when we talk to them in our electorates or when visiting communities elsewhere in Australia. They want a good education for their children. Whether it is at a primary school or a high school, whether it relates to getting an apprenticeship, getting into TAFE or going to university—whatever it is, parents want to know that their children will have the best opportunities to get a good education. Families across middle Australia tell me this and I have no doubt they also tell it to all the members of the Howard government. They must do so, because I am told about it by every single parent I talk to.

We know that the Treasurer and Acting Prime Minister has a new-found delight in getting out and about in different parts of Australia, dressing up in orange suits and burning down boats. When he gets around to these, for him, usual places, parents also must be telling him just how important education is to Australian families. But one thing seems to be absolutely clear: he has not been listening to them at all. The Treasurer's speech on budget night demonstrates that fact. Not once in his whole 30-minute speech did he use the word 'education'. This budget does absolutely nothing to invest in the skills of our nation, either for now or in the future. It is the gaping hole in this year's budget. In particular, the budget has failed young people by refusing to invest in the skills that they need and our country needs to build our future prosperity.

We know that the skills crisis, which is the direct result of mismanagement by this government, is putting a serious handbrake on the Australian economy by applying upward pressure to interest rates. Once again, in this budget, the Treasurer has refused to make the investment needed in our skills at present and into the future to solve the skills crisis. This budget spent about $11 billion of new money in this year alone—$11 billion of new money—but it spent only $40 million on apprenticeships. It really shows just how extraordinarily out of touch this Treasurer is. It certainly demonstrates how completely out of fresh ideas the government is when it comes to addressing the nation's skills crisis.

At the end of the Treasurer's budget speech this year there was a little section on skills, where he talked about and highlighted $5 billion being allocated for the national training agreement. There is only one problem: that $5 billion is the exact same $5 billion he talked about in last year's budget. There has been no change from last year to this year, even though we have this raging skills crisis and business is crying out for the government to do something about it. In fact, when you look at the details in this year's budget, you see that spending on vocational education and training has declined as a percentage of government budget expenditure. It will go from 0.75 per cent this year to 0.73 per cent next year—and the decline will continue, to 0.67 per cent in 2009-10.
You have to say that this budget is a serious lost opportunity, with the government deciding now that, instead of investing in the young people of Australia, it will continue to rapidly increase the number of foreign workers entering this country. In addition, most disgracefully, it will allow there to be a new foreign apprenticeship visa rather than increase the opportunities for young Australians to get apprenticeships in the areas where they are so desperately wanted.

Let us look at the detail of what else this budget did, particularly in the skills and training area. There was no new money for TAFE. Even though we have a raging skills crisis and a great many young people being turned away from TAFE, there is no extra money for TAFE. The government actually cut $13.7 million from a program that encourages apprenticeships in rural and regional Australia. This is an incentive program to encourage rural and regional employers to take on apprentices. What did this government do? It cut the funding to that program.

The government actually abolished a program aimed at getting more women into the non-traditional trades, whether it was construction, automotive engineering or the mining trades—you name it. In most of these trades, there are still very few women engaged in apprenticeships. But this government in this budget abolished a program that provided incentives to employers to take on women in the non-traditional trades—that is, non-traditional for women. That was a cut of $38.5 million.

The government also abolished a $23.2 million program that gave low-income older workers IT skills. These were older workers who wanted to improve their skills. They did not have the computer skills that young people had. These older workers wanted to make sure that they had the skills necessary to help them get a promotion or a better-paid job. But the government, in this budget, decided to cut this program that gave a little help to older people to improve their IT skills.

Probably the most significant indicator of the incompetence of this government has been the dramatic underspending on its new Australian technical colleges. It spent $40 million less than promised in 2005-06 and 2006-07. Of course, the big losers are going to be those young Australians who might have had the opportunity to get a school based apprenticeship in one of these new technical colleges. When we saw the figures on budget night, we could see why so few of these technical colleges have gotten off the ground. So little money has been spent, and we now know that at one college, in Gladstone, only one student is enrolled. There is only one student at the new technical college in Gladstone, who is enrolled to do an apprenticeship as an electrician. Right across Australia four of these new technical colleges have been established—four for the whole nation, a nation that is in the middle of this terrible skills crisis—and the minister says there are fewer than 300 students enrolled in these colleges across Australia. We know that one of them, at Port Macquarie, has almost 200 students. This is a school that existed before these new technical colleges came into being. You can hardly say that the government has had a raging success with what the Prime Minister certainly saw as the centrepiece of his election commitment to address the skills shortage.

We have got the Australian Industry Group saying that by 2010, Australia will need to have 100,000 extra skilled trade people, and here we are in 2006—it takes four years to train an apprentice—and we have got, at most, 300 students in these technical colleges. If they all actually finish, the government might produce 300 extra traditional trade apprentices by 2010 as a result of establishing these new technical colleges. That is 300 extra if it is lucky—it probably will not be that many—and the Australian Industry Group says we need 100,000 extra. It is extraordinarily incompetent of the government. It has such a major economic problem on its plate, and it is incapable of delivering the extra apprentices that the country needs, and needs right now.

There is one initiative that we do welcome in the budget—that is, the decision to allocate $10.6 million to extend new apprenticeship incentives to up the qualifications framework to diploma and advanced diplomas students. This proposal was first put forward by the Leader of the Opposition in his skills blueprint in September last year. I am glad to see the government picking up one of our ideas—I think that it will help—but I will go through a number of other ideas that Labor has put forward. I encourage the government to pick some of them up, because we have such a serious crisis that needs addressing.

There was some criticism by the Australian Industry Group of the budget. They said:

… it is disappointing that more progress has not been made on the big nation-building goals of skills and innovation…

… investments in skills, innovation and infrastructure are required to build the competitiveness of Australian business and to assist in rebalancing the economy as the current minerals boom begins to fade.

Of course, they are very disappointed as a result of there being no extra investment in this budget. We have had the Chief Executive of the Australian Chamber of Commerce and Industry, Mr Peter Hendy, saying that the skills shortage was the ‘the No. 1 complaint’ of investors, and yet he too has been ignored. We on this side of the parliament all know that our economic prosperity will not continue without investment in skills. We have had the Reserve Bank just this month saying that the shortage of skilled workers is one of the significant capacity constraints in our economy, and it is putting upward pressure on inflation and on interest rates.
We have had the OECD tell us that Australia is the only developed country that has reduced public investment in universities and TAFEs since 1995. The average increase across the OECD was 38 per cent, but Australia was the only country to go backwards. So while our competitors are investing in people, Australia is falling further behind under this government. The government seems to think that we should not worry about where our future economic growth is coming from, that it is coming from our mineral boom. We know, on this side of parliament, that we cannot afford to take that approach. We are in danger of being leapfrogged by China and India, who are seriously investing in their education and vocational training systems. We could look to the example of Norway, a country like Australia, which experienced a massive economic boom from the oil and gas fields in the North Sea. But they realised that they could not rest on their laurels. They made huge investments in innovation, in education, in training, and that is exactly what Australia must do, because our national prosperity depends on it.

As I have said, Labor has put forward a number of proposals in this area, which the government should adopt, because we want to be part of the solution to address this major skills crisis. Labor has announced that we will make sure that no traditional trade apprentice will face any up-front TAFE fees. We will put $800 into a skills account for every single traditional trade apprentice starting their apprenticeship. We will also make available the trade completion bonus of $2,000 to help encourage apprentices to complete their apprenticeships. At the moment, 40 per cent of traditional trade apprentices drop out of their apprenticeships. These two measures alone would add an extra 13,000 qualified tradespeople to those available to business each and every year. Why won’t the government act in these practical ways to address these very serious problems?

In his speech in reply to the budget, the Leader of the Opposition announced that we would extend these skills accounts to child-care trainees, with a contribution of $1,200 a year for up to two years to get rid of up-front TAFE fees for those studying towards a child-care diploma—another initiative from Labor to address the serious shortage of child-care workers. We have also put forward a number of proposals for our schools that could help address the skills crisis. We will double the number of school based trade apprenticeships, making sure that schools get increased federal funding. We want to see a national network of trades schools and science and technology schools and a range of other possibilities to ensure that young people can start a trade while they are still at school. I am pleased to see that this initiative proposed by federal Labor has been picked up in South Australia and, most recently, in New South Wales. We will also invest in trade facilities in our schools to make sure we have the most up-to-date trade workshops rather than the dusty, Dickensian workshops that, unfortunately, exist in many of our schools.

Labor have proposed what we call a Trades Taster program for year 9 and 10 students to try out different trades before they decide which apprenticeship to apply for. These are real policy solutions to address our skills shortage, none of which have been picked up by the federal government, though I am pleased to see that a number of them are being adopted by some of our state colleagues.

The way the government has addressed some of the problems in our schools has been quite extraordinary. The new minister is fairly keen on putting out media releases on all sorts of alleged problems that she thinks exist in our school system. She has been making threats to state ministers by suggesting she might withhold funding, but then you look at what the government is doing in our schools to address some of the problems that she has highlighted—around curriculum standards, reporting, teaching of reading, teacher education standards, teaching of mathematics, science education, music education and national consistency in curriculum, particularly for year 12 credentials. She has been out there talking about each and every one of these issues, but we have not seen any initiative in this year’s budget to address many of the issues, and, of course, some of them are very serious indeed.

I want to highlight one of these issues. About six months ago the literacy inquiry report by Dr Ken Rowe was handed to the government. It was a very good report with sensible recommendations. Six months ago that was given to the government; six months ago the government could have put some serious effort into addressing the literacy and reading concerns that exist in our schools and that parents are certainly very worried about. Twenty recommendations were made as a result of this important inquiry. There was absolute silence from this minister. There is nothing in this budget to address the concerns that Ken Rowe highlighted in his literacy inquiry.

Surprisingly, there was a bit of extra money in the budget to extend the tutorial voucher program, which you would have to say has been discredited. I hope the minister takes the advice of the evaluation in the report:

There is a clear link between the take-up rate and the level of involvement of State and Territory education authorities.

It would be so much more sensible for the minister to cooperate with the states and territories to work with our schools and teachers, especially with Indigenous students in communities to make sure that this extra funding for tutorial literacy assistance actually gets to where it is needed. The 12 and 18 per cent take-up rates of the last effort show that the way they did it before, through private brokers, really did not work.
I want to finish with a couple of comments about what this government is doing to university students. Yet again there was a most extraordinary initiative by the government, this time to load up our university students with more and more debt. In this budget the government has decided to increase the limit of FEE-HELP so that students in medicine, veterinary science and dentistry degrees can now borrow up to $100,000. For the other full-fee degrees students will be able to borrow up to $80,000.

We know that this government is hell-bent on Americanising our education system. If ever you wanted a good indication of where they are doing that, it is in higher education. There are now more than 60 degrees that cost more than $100,000, even though the Prime Minister actually said to the Australian people that the government would not be introducing an American style higher education system. He said: ‘There will be no $100,000 degrees.’ Well, Prime Minister, at the last count there were 60 of those degrees. Now that this loan has been extended, I have no doubt that even more degrees will cost $100,000 or more.

That is the attitude of the government when it comes to higher education—just make students pay more and more; have more and more students needing FEE-HELP to pay their university loans. It is all about loading our students up with more and more debt. I say to the person who wants to be the next Prime Minister: when you cannot even once mention the word ‘education’ in your budget, it demonstrates how completely out of touch you are. (Time expired)

Mr HAASE (Kalgoorlie) (5.06 pm)—I rise to participate in this debate on the appropriation bills to give some colour to an issue that is extremely topical right now. The Australian government’s overall Indigenous-specific expenditure in this budget is expected to increase to $3.367 billion. That is up from the $3.1 billion announced in the 2005-06 budget. I mention this in my opening remarks because it raises the question: if so much money is being spent on so few people and so many programs that are intended to create so much wellbeing, why do we currently have such a major problem? And a major problem we indeed have; there seems to be very little doubt about that. The following may be extreme views perhaps but they are ones that are generally running through some correspondence from my electorate. One writer from Kununurra writes to me:

Dear Sir ...

Kununurra, and indeed the whole of the Kimberley region, has some of the kindest, most caring people I have ever had the pleasure to meet. The community as a whole is a wonderful place to be a part of.

Our Toadbusters are doing a great job and are to be highly commended for their diligent effort in trying to stop this horror from becoming a part of our lifestyle.

However folks, we have a far greater problem on our hands and right here on our doorsteps and unlike the dreaded cane-toad it can be stopped.

I’m speaking of our small dark-skinned children who are allowed to wander the streets at night, are allowed to commit crimes and are hungry, some are drunk and/or drugged, afraid to go home at night because their ‘big people’ (I won’t call them adults) are usually stoned out of their minds, can’t or won’t look after these small kiddies and have been known to sexually abuse them.

Halls Creek is not the only town with problems. We have a Government funded bus service in town that picks up drunks, takes them back to secure, safe accommodation, feeds them, bathes them, gives them a clean bed to sleep in for the night, breakfast, sends them off in the morning, so they ... can repeat the process the next evening. This service costs approximately $750,000 per annum.

What about the kids!!!!

The Police have their hands tied because of the age of these kiddies, the local tradesmen can’t leave their unfinished houses without worrying what will be broken, stolen or worse when they return and if you are unlucky enough to come across some of these little gangs, you can expect nothing short of foul language, spitting and much more.

These children are aged from three, four to about ten or twelve.

What’s the answer?

Dare I say we put them all in a large bus and take them away from their “families” to a safe place where they can be taught their own proud heritage, have some decent elder people look after them, care for them, teach them to grow up into their full potential and become what they can and should be ... not the next generation of drunken, drugged slobs that we see all too often in our parks.

Stolen generation!!!! You bet!!! Let’s get our priorities right folks, sure the cane toad fight is important, but our kids need our help more.

Another perspective comes from a writer in Kalgoorlie, who says:

Dear Barry,

I thank you for the flyer that I received in my letterbox the other day.

I just had to add a bit more. First, I want to tell you how fed up I am with the antisocial behaviour in and around this great town of ours. I have been in Kalgoorlie for eighteen years now and everyone talks about the problems it brings, but no one has the guts to stop it. Get the lazy sods off the streets (black, white or brindle) and make them work for the dole. Make them cut lawns at schools & parks, pick up rubbish around town and make them help out in local council projects such as the new golf course. Then you won’t find people sleeping, crappping, fighting and urinating all over this great town. I personally have seen this, including drunks having sex in the street like dogs, in broad daylight I might add. You won’t find this problem in Singapore.

I could go all day reading similar pieces of correspondence. All the activities that those pieces of correspondence report are an insult to us all. I have raised the issue before today, saying to a group that we have
heard much this week about embarrassment and shame. We in this place ought to be experiencing that embarrassment and shame, because this situation has existed since we condemned people to be corralled into communities. When I say ‘we condemned’, I mean that we allowed people to fight to go back to reside on-country without our considering for a moment whether or not such action would be sustainable. Modern society requires of its participants some contribution to that society and, if we are to hold our heads high as a nation in relation to our Indigenous people, we have to make sure that they are cared for in a sustainable manner and given every opportunity to be part of the society that supports them. Corralling people, especially children, into communities and preventing them from getting meaningful employment in the future is not acceptable.

We have at present, as a result of some of the recent, highly emotive publicity about issues that, as I said, are well known to all of us that live out there in real Australia, a knee-jerk reaction whereby everyone is wanting to add their piece to the perceived solution. I suggest that the solution already exists. All that is required is that we request of governments collectively that the law as it stands be put into effect and given its full force. Let the states enforce the laws that pertain to child welfare. They are numerous and they should provide protection for children. Do they actually provide protection and the manpower required to provide a service across my state for communities of Indigenous people? No, they do not, because somehow the state treats the communities as requiring fewer child welfare services within the state.

We have horrendous crime statistics for my communities. Do we have a police presence that prevents the perpetration of crime or apprehends all the perpetrators of crime? No, we do not. Why? Is it because they are somehow lesser citizens of this country? The question is a worthy one, and I would suggest that, for too many of the people that control the state budgets that provide services, those communities and the people within them are out of sight and out of mind. I suggest that the managers of the areas responsible for the compilation of budgets to provide state services to the people in those communities, who deserve those services, do not want to rock the boat. They want to simply stay where they are and keep the position they are occupying. They know damn well that, if they were to put in a request for a 300 per cent increase in their budget so that they could do something effective for the people that they are responsible for, their budget would be knocked on the head or, worse still, they might lose their cushy situation and be sent further afield.

It is time that the people with paid responsibility for community populations started doing their job and took the hard decisions—the unpopular decisions—to provide a service that will mean that these Indigenous people have a future. Right now they do not have a future. I speak generally, of course, as there are many exceptions of which we can be very proud. But in the main the Indigenous populations that occupy communities across remote Australia do not have a future.

One of the obstacles that get in the way of their future is the multitude of city based do-gooders who would rather push money at the problem in an effort to get a good night’s sleep and assuage their consciences perhaps. This results in a promotion of ‘culture’ and in people who know nothing about Aboriginal culture—except that they might have seen a dot painting that they believe to be part of Aboriginal culture, erroneously—believing that the romantic experience of the ‘noble savage’ should be restored. It is simply unsustainable and inappropriate in this century, and those who would promote culture over practicality do a disservice to these people. We have heard a great deal in the last week about how crimes of sexual abuse and domestic violence generally are forgiven in the name of ‘cultural appropriateness’. It is paramount to genocide, I believe, to do so. Those persons responsible for putting the resources on the ground to provide the services to uphold the law as it stands today need to do their job and stand up and be counted.

One of the major deterrents to Indigenous people having a real future as part of this modern society in this great nation is that they are basically ill equipped for employment. Certainly some of my communities, as I said, are located in areas where there simply is no employment and where there certainly is going to be no opportunity for a real career path. This requires that we take some hard decisions and decide whether all of these communities are sustainable.

In the majority of collective communities in what we would call Western society, there is a resource that can be mined or a natural feature like a harbour that provides income or there is a critical mass of population where services sustain the community. If Indigenous communities on analysis can prove to have a commercial justification for being where they are, then they ought to be funded and funded more so. But the question has not been asked and the situation has not been analysed, because the location of these Indigenous communities has been based in the past simply on a cultural want to go back and be connected with country. I have no objection to that, but the taxpayers of Australia should not be forking out to promote a position that cannot in the long term be sustained and that will deny young children the self-esteem that comes with education and employment.

I take you back to the education system. The education system today is fine. We have great teachers working in communities and providing in the main a state based education system. But their students do not attend anywhere near enough to get the most basic edu-
education and move on into secondary education and then possibly tertiary or real job training. The reason that they do not get a primary education is that culture gets in the way. Whenever anyone passes away across the vast 2.3 million square kilometres of my electorate in Western Australia, the word goes out by electronic means and the huge extended family cling to the idea that they must now up stakes, take the funeral allowance and go to that particular ceremony. The kids go out of school with them and they may not come back for three months. The kids will not get enrolled and educated in the area they go to during that time; they will simply miss out on education.

If and when they return to their community and are enrolled back in the school, they will be so far behind that they are shamed and, because they are shamed, they will not participate. They then want to stay away from school, stay away from the lessons and the education they provide, because they have missed out on school. That process goes on and on and on. By the time the years of primary school are finished, that child so often is nowhere near prepared to take up a secondary education and then a meaningful job training position. How on earth can you have a proud, straight-living community if there is no self-esteem that comes through employment, and how can you get employment if there has been no satisfactory education process?

The other issue that so frequently gets in the way of good education is poor nutrition and poor sleep habits, and all that comes from the current state of affairs that is a totally broken-down community from a societal perspective. Most recently our minister responsible for Indigenous affairs, Mr Mal Brough, proposed that a personalised card would assist in the identification of those on welfare and receiving welfare payments. I would take the issue much further. It may be unpopular across broader Australia, but for those Indigenous communities that are suffering every social ill today there would at least be a partial solution to be found in making sure that the small children and the grannies that care for them at least were not malnourished. Early death occurs too often because the grannies are beaten and robbed of their cash and can no longer provide the only care sometimes available for those infants within the community.

What I propose is that any personally identified credit card or identification card would be encoded not with a value of money but with a volumed entitlement that gave consideration to the difference between the value of a lettuce in Perth—perhaps a dollar—versus the value of a lettuce in Marble Bar or out in the desert, at $5. It would acknowledge the entitlement of every person—depending on the size of family, which would be recorded—and entitle the holder of the card to a volume of dairy products, dry goods, meat and vegetables on a regular basis that, through a decoding system, could be then ferried back for payment through a Commonwealth government system.

Most critics of this proposition, which I have on occasion mooted, say not only that it is too complex but also that it is racist. If I could get some of those who would be responsible for introducing such a package to give real attention to it, it could quite justifiably be applied to all who are on welfare across the nation. That certainly would not be a racist proposition.

For too long, too many people have hidden behind the fear of being badged as politically incorrect or, worse still, racist. This has been used as an excuse by magistrates and judges not to punish appropriately the perpetrators of horrendous crimes in Aboriginal communities. If anyone needs to have those crimes spelt out, suffice it to say that these crimes, if perpetrated in white communities, would not be tolerated for a moment. The whole community would be up in arms and insist that the law enforcement agencies bring the perpetrators to justice. But these crimes have been swept under the carpet and apologised for in the past because of culture—‘the traditional appropriateness of rape and domestic abuse’. These acts are crimes and there are laws that deal with these crimes. All we need to do is make sure we recognise those acts as crimes and provide the resources to apprehend and punish the perpetrators. It is not a complex business.

The worst thing we can possibly do, given the latest spate of publicity on this issue, is to give yet another knee-jerk reaction. I find it embarrassing enough to suddenly recognise that the population of Australia has not understood or cared enough to find out what has been going on in these communities over the last 100-plus years. It would be an absolutely unbearable embarrassment if Australia collectively were to give yet another knee-jerk reaction and simply throw more money at this problem. We need to analyse and further understand the problem. We need Indigenous communities themselves to seriously analyse the appropriateness of the existence and location of their communities.

If the existence of a community cannot be justified on the basis of being sustainable through employment—I mean real jobs, not the rotten and debilitating CDEP—then it should be funded through a bottom-up process whereby members of the community themselves sustain the community. The communities that should be funded by the federal government are those that are sustainable in an economic sense—those that provide satisfaction, real jobs and an existence that can be sustained. We are presently a little more aware of the problem. It is up to Australians collectively to get out from under the shadow of accusations of racism, to avoid political correctness and to contribute to the solution—and not keep mouthing on and contributing to the problem.
Mr CREAN (Hotham) (5.26 pm)—I rise to speak on the Appropriation Bill (No. 1) 2006-2007 and cognate bills. This budget, more than any the Treasurer has delivered, is the one with the greatest wasted opportunity. This year the Treasurer had a huge opportunity to secure the nation’s future, to build on the years of prosperity and to transform the economy for the future.

In framing the budget, the Treasurer had a surplus over the forward estimates of $93 billion before any spending—$49 billion in excess of what was estimated only last December, with $41 billion of that coming in extra tax collected. In economic parlance, this budget forgot to invest in human capital, in education, in skills development and in health—the forces that economists acknowledge are the drivers of economic growth and productivity. It was a budget of handouts for the present, not investments for the future. Like the election handouts two years ago, this budget continues to squander our prosperity. Budgets are about choices and this Treasurer again made the wrong choices.

As a nation we face many critical challenges. We face the challenges of chronic disease, early childhood development and improving the standard of education for our children. We face the challenge of improving pathways for our young people to move from school to work or further study—to go on to an affordable university education or learn a trade. We face the challenge of sustaining our regions economically and socially. We face the challenge of improving the effectiveness and efficiency of our health system, the challenge of being able to cope with the effects of climate change and the challenge of ensuring economic dignity in retirement. The budget spoke little of these important issues and certainly had no plan to address them.

The centrepiece of the budget was the Treasurer’s ‘road to Damascus’ conversion on tax cuts. But low- and middle-income families’ tax cuts have already been eaten up. The Treasurer has transferred the largest debt burden in history onto the backs of Australian families, as year after year he has allowed their health insurance premiums to rise and, accompanying the shortage of child-care places, the costs of child care to rise. As record petrol prices have hit our families, more than ever, low- and middle-income Australian families will need every cent of those tax cuts—and they are still behind.

Nor can anything compensate families for the harshness of the workplace system that this government is putting in place, a system which will slow the growth in wages, which could see real wages fall, which will make it easier for Australians to lose their jobs for trivial reasons, which restricts collective bargaining and which bans sensible negotiations such as union based training for health and safety. Just as this Treasurer has boasted of paying off his debt by simply selling the family silver and foisting the burden onto families, here he is again, transferring the burden of productivity onto the backs of Australian workers through a dog-eat-dog industrial relations system.

Even on taxation, where he spent $37 billion over four years, he failed to map out the fundamental reform of our tax system needed to achieve better labour market participation. The challenge for government is to ensure that fiscal priorities reinforce each other, in particular through a tax reform that drives better participation, through nation-building initiatives that underpin stronger growth and productivity and through investments in health and education, in the human capital of the nation, which are the building blocks of productivity and participation. This mutual reinforcement of policy is what drives productivity, participation and growth. It sustains an even stronger economy into the future. It is a challenge which, if risen to, produces a fiscal dividend which repays the investment. But it is a challenge that the government has failed.

I turn to the tax package, but I preface my remarks by reminding the House that Labor is the party of tax reform in this House. Labor gave seven tax cuts in 13 years, including cutting the top marginal tax rate from 60 to 47 per cent in 1990 and in every case reducing the rates, not just adjusting the thresholds. It was real tax reform on every occasion. Labor in office returned more than the bracket creep. We used tax policy not just as a redistributive tool but also as an anti-inflationary tool. Together with wages policy, we used it to break the back of inflation and reduce interest rates. Labor combined tax and family benefits to produce a fairer system for families, increasing real disposable income for low- and middle-income earners.

Contrast that with the Howard government. First and not least was the government’s regressive tax, the GST: 10 per cent on everything people buy. It is reaping out $42 billion a year. Further, the government has introduced into the family benefit tax system serious disincentives to participation in the workforce. Working mothers still face unacceptably high effective marginal tax rates and high average tax rates. This is a major disincentive for them to participate in the workforce. Indeed, according to Professor John Head, the former Professor of Economics at Monash University, while the participation rate for females has risen to 75 per cent of the male rate, the hours worked by females remain stuck at 50 per cent of male hours for the under-65 age cohort. Yet this budget provides no real tax reform in this area and no effective child-care support to help more women participate in the workforce.

Labor will support the changes to the tax rates and thresholds announced by the government, because Australians need the relief. But a more reformist government would have paid for the cut to the top marginal tax rate by closing tax loopholes for high-income earners and channelling more effort, as a result of that sav-
ing, to cutting the 42c rate below the 40c rate which is in this budget—and doing it as a down payment to reducing that rate in future to 30c, dependent on fiscal conditions.

Labor welcomes the increase in the low-income tax offset, a targeted rebate to encourage greater participation. It is, after all, Labor policy. We proposed it in 2004 and again last year. In 2004, we costed and funded an $8 tax cut by increasing the LITO within the then fiscal parameters. We offered a choice of fortnightly payments to put money in people’s pay packets, rather than just an annual rebate. The government in this budget has gone for the simple option of an annual rebate.

The changed fiscal parameters post the election saw the $8 proposal we had rise to $12 as the affordable tax cut through increasing the LITO. In other words, low-income earners could have had $12 last year as well as this year’s adjustment of $9.80. It was affordable, but, as always under this government, it is another wasted opportunity. Not only have low-income workers been short-changed but workforce participation has suffered, leading to capacity constraints and skill shortages.

Whilst most get tax cuts in the budget, regional Australians will have to pay up to 3c a litre more for their petrol from 1 July because the government’s scheme to reduce the price differential between the city and the regions is to be abolished. With the government abolishing the scheme, I wonder whether the National Party put any pressure on the Treasurer to consider targeted alternatives which would give much needed relief to the very people who will now be facing a petrol tax rise. John Howard says that the best way to compensate people for higher petrol prices is to give them tax cuts, and here he is putting up the effective tax on petrol for regional Australians by up to 3c a litre with no additional tax relief. Regional Australia has been sold out again.

On the question of the retirement income focus in this budget: the government has never looked after the aged pensioners of this country, and this budget again fails them. Labor is still the party of the pensioner—and, since the eighties, when it introduced compulsory superannuation, it has become the party of the superannuant. The government opposed Labor every inch of the way in the initiatives we put forward to introduce compulsory superannuation. It is still doing nothing to help future, not present, earnings; it is a tax cut that goes to savings; and it is non-inflationary.

Mr CREAN—Are you kidding!

Mr Hunt—Are you kidding!

Mr CREAN—I will go to it. I am glad you have jumped in here; you might learn something. The decision to abolish the exit tax on superannuation will affect very few people when it comes in. They do not have enough in their super accounts to pass the threshold of $130,000, which is an indexed amount. The big cost is the tax free status of the lump sums or annuities taken by people turning 60, with the reasonable benefit limit abolished.

There are a number of key questions that this government have to answer before we can have a sensible debate on these initiatives. They claim that it is a significant change to the superannuation system, but we want to know the answers to these questions: will it disproportionately benefit the very wealthy? Will it lead to a different tax status for retirees over 60 continuing to work and those below 60? Will it lead to increases in consumption and therefore add to inflationary pressures? Could it result in people blowing the lump sum and coming back to claim the aged pension? If it does, it is hardly a strategy to reduce the cost to the budget of an ageing population.

The public deserves honest and open answers to these questions. Notwithstanding the government’s claim that this is the most significant policy change to superannuation in 20 years, it is staggering that the government has refused to detail the costings for the various elements of the proposal. The aggregate of $6.2 billion does not even appear in the budget bottom line.

Not only should the detailed costings be revealed, but we need to have the proposals run through the intergenerational model to determine both the income distribution and the cost implications over the 40-year time frame. The Assistant Treasurer has claimed that over the long term the pension and health costs to the nation will fall due to this policy. What is that claim based on?

The truth is that the imperative for superannuation in this country still remains to lift the adequacy on contributions above nine per cent. One way to do it is to reduce or abolish the contributions tax, as advocated and advanced by Labor over recent years. Clearly, abolition costs more than the government’s announced policy. But, again, it is worth considering a significant down payment on abolition of the contributions tax as an alternative. The $2.3 billion in the first full year of costings of this proposal would essentially halve the contributions tax, on rough calculations.

So I ask the question: did the government consider this as an alternative? Senator Minchin certainly has. Has this alternative been modelled for its intergenerational impact? If so, produce the results and let us have a real debate. If not, let us do the modelling but consider all of the options. Cutting the contributions tax would be the equivalent of lifting the compulsory nine per cent contribution with no cost to either employer or employee. It also represents real tax reform in relation to future, not present, earnings; it is a tax cut that goes to savings; and it is non-inflationary.

We welcome in this budget the commitment to water and to the Murray. But, once again, it is an initiative coming three years late. In 2003 Labor proposed and funded Riverbank, a government corporation to secure
long-term funding for much-needed investment in Australia’s water resources—another wasted opportunity. Just think: had the government adopted the plan then, imagine how this year’s budget could have built on it.

This budget has also abandoned our regions and neglected to invest in their sustainable future. There was not one mention of regions in the Treasurer’s speech. He visits them only for photo opportunities; he is not committed to them. But this comes as no surprise to people in regional Australia. The Howard government have neglected the regions for 10 years. Their approach is clear: they see ‘no clear rationale or constitutional basis for Commonwealth involvement in regional development’.

I have outlined on previous occasions our commitment and approach to regional development. Our approach is not just about the ‘what’ of what governments can deliver but about ‘how’ they deliver it. It is about a commitment to a whole-of-government approach and to deliver economic, social and environmental sustainability to the regions. We will restore leadership in regional development and ensure that there is effective coordination between all levels of government and their departments. We recognise the need for a restored Commonwealth leadership role, but also one that encourages a location responsive approach to regional development.

The budget failed to address the infrastructure challenges facing our nation. The commitment that is being made to roads is long overdue and highlights the neglect by this government of our national highways for over 10 years. But whilst roads are an important part of national infrastructure, it is equally vital that our regions have access to affordable broadband. This will enable them to expand their business opportunities, to diversify their industries and to connect our children with the educational opportunities as our next generation in the workplace.

But this budget was silent on improvements to its flawed strategy to sell Telstra and connect the nation—in particular, on any effective plan to connect our regions with quality telecommunications. The Leader of the Opposition, on the other hand, in his response the other night committed Labor to build a national broadband network in a joint venture with the telecommunications sector. For the first time millions of Australians will have access to super fast broadband internet, 25 times faster than the current broadband benchmark.

Labor has consistently put forward positive and constructive budgetary proposals that would benefit all Australians. It is true that I have spoken today not just to condemn the budget for its wasted opportunity but also to demonstrate what Labor proposes as an alternative—real and constructive alternatives, a better way to allocate the nation’s resources and a better way to invest in our hard earned prosperity.

In addition to the issues that I have already raised, I will mention the proposals that we have already announced: Labor’s blueprint for children’s health—Goals for Aussie Kids; Australian skills blueprint; Labor’s Building Australia—infrastructure and investment blueprint; Labor’s Australian fuels blueprint; our commitment to connecting the nation; and our boost to child care. These are initiatives which have been outlined by the Leader of the Opposition and shadow ministers both prior and in response to this budget. As I said at the beginning, budgets are about choices. Labor would make very different choices from the government—choices that would be better for families, communities and the nation. In presenting those alternatives, we believe that in turn the Australian people will make a different choice at the next election.
to 22 per cent and, of course, from 30 per cent to 32 per cent. We had an alternative with the GST, which we introduced at a flat 10 per cent. The honourable member failed to acknowledge that, in bringing in the flat rate of 10 per cent with our GST reform, we threw out all of the wholesale sales tax—that mishmash that was imposed on the Australian people. Who could ever forget the l-a-w law tax cuts? If we were holding our breath waiting for them, we would be choking by now.

In direct comparison, on 1 July this year there will be $36.7 billion in personal tax cuts for the Australian people. That is six consecutive years in which we have been able to deliver tax cuts. The 30 per cent threshold will rise to $25,000, the 42 per cent will come down to 40 per cent with the threshold increasing to $75,000 and the 47 per cent will come back to 45 per cent with the threshold increasing to $150,000. This in effect means that 80 per cent of Australian taxpayers will be facing a top rate of 30 per cent or 30c in the dollar. I think that this is an outstanding achievement, given that the top marginal rate of 45c in the dollar will be paid by no more than two per cent of Australian income earners. I think these rates will certainly make Australia extremely competitive internationally.

The other thing that is in the budget that will be of tremendous benefit is the family tax benefit, which has almost doubled since 1996. Part A was, at that point, $2,400; it is now $4,200. Families now receive a maximum amount if they earn up to $40,000. This will benefit almost 500,000 Australian families. Larger families too will get additional help, with the large family supplement kicking in on the third child rather than on the fourth child. In the area of families, the child-care funding caps have been completely abolished. This means that, where there is a need in our communities, there is no reason that people who want to provide that service cannot get access to child-care funding.

Another major area was superannuation. This has been applauded right across the sector. I know independent retirees in my electorate thought it was absolutely fabulous that at last they are not going to get those double and triple whammies in relation to superannuation. What a great way to create incentives, with exit tax being abolished from 1 July 2007. It will mean that, if they take out a lump sum, they will get the benefit of 100 per cent of that lump sum. As with the pension, they have already paid tax on the way in, so the pension that they will draw from their pension will be tax free.

Business has also been very pleased with the budget. The Labor Party was putting up an argument that there was nothing in it for retention of our skilled workers. I would suggest that the changes we have introduced to the personal income tax system are probably the best retention incentive that you are likely to find. We have always been very good at training and skilling young people. We have trained some of the best in the world but, unfortunately, because of our very uncompetitive and punitive tax system, once they got those skills, they very quickly were attracted overseas where they could earn income without losing the bulk of it in income tax. By changing the tax treatment, we now have the ability to retain those skilled people in Australia and use their skills. I believe we have also created an environment where many of those people who have been attracted overseas by more competitive tax regimes will now find a reason to come home: to benefit from this. I think accelerated depreciation also is going to be of significant benefit to Australian businesses, and businesses will certainly invest more in new technology and plant when they have that 200 per cent write-off.

Another area that the member for Hotham suggested we had neglected is the regions. I find that suggestion rather amazing. He also mentioned the neglect of our roads. The AusLink program that was introduced by this government has been the single biggest investment in road and rail infrastructure in this country’s history, and I think that needs to be acknowledged. Out of that program we have a $220 million investment in my own area that has been brought forward to deal with flood proofing problems on the Bruce Highway from Cairns to Townsville, which were highlighted with the recent problems we faced with Cyclone Larry. It will mean that bridges like the Mulgrave River bridge can be upgraded to ensure that we are not held up for unreasonable periods of time due to flooding in the future.

The $80 million for flood proofing around the Tully River area was set aside on advice from the state government which was suggesting that that amount was needed. In fact, I think they fed that amount to the federal opposition here during the last election, setting aside this figure of $80 million as part of an election commitment. It is interesting that, 18 months down the track, that $80 million has grown by another $48 million—so we are now looking at $128 million for that particular section of road. We have had to allocate another $48 million to it. I think it highlights the outstanding capacity of the Labor state government to pull a figure out of the air in relation to their contributions on roads, clearly having no understanding at all of the real cost for that particular project.

The Roads to Recovery program is another excellent initiative by this government. That program has been running for some years now and has seen a tremendous number of local council roads being upgraded. Because of this program, money that would normally have disappeared into the state government coffers to be dripping to the councils, ensuring that they do little or no upgrading, now goes directly to the councils. It has made a huge difference to them, not only in retaining

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their workforce but also in sealing much larger areas of road. The fact that in this particular budget we have not only allocated their annual allocation for Roads to Recovery but we have brought forward an equivalent amount—another $307 million—means that for the 2006-07 year we have doubled the amount. It is going to make a huge difference for shires up in my electorate, like the Mareeba Shire, which will go from receiving $664,000 to $1.3 million, and Cairns City, which will go from receiving $1.57 million to $2.1 million.

And, of course, the Cook Shire have suffered a double whammy in recent times. First of all, while Innisfail and the surrounding area suffered the huge wind damage from Cyclone Larry that we have seen on our televisions, they did not get much rain. Most of the rain ended up in Cape York. Areas in Cape York got a huge drenching and were absolutely saturated by Cyclone Larry. Unfortunately, Cyclone Larry was very quickly followed on 20 April by Cyclone Monica and areas like Yarradon Station, which is near Coen, received rainfall that you would find almost unimaginable in an area that normally receives about 35 inches of rainfall a year of up to 90 inches in a 72-hour period. So you can imagine the damage that was done by the cyclone. The Cook Shire certainly has a huge task on its hands in dealing with these problems. Before I finish, I will hopefully deal a little more with the impact of Larry-Monica on Cape York.

The Black Spots Roads Program is another initiative that has been of tremendous benefit in my region. The continuation of that program will certainly be a lifesaver. I am also pleased to see a significant allocation in the budget to dealing with illegal fishing in my area. It has become a major problem. Since the move over the years to remove fishermen from our waters and to shut down a lot of these areas—much of it, as you are aware, Mr Deputy Speaker, on the east coast can be attributed to the very dishonest process of the Representative Areas Program that was based on very flawed and dishonest advice provided by the Great Barrier Reef Marine Park Authority, which has cost so many of my fishing community their livelihoods—resulting in a closing of fisheries in the Gulf area and limiting fishing to a matter of weeks per year, the void has been filled by a huge proliferation of illegal vessels coming in, with the associated quarantine risks. Really serious problems are occurring within the fishing community—given the sacrifices that have been forced upon them in the interests of sustainability—as a result of illegal activities.

There has been a significant increase in funding of the rapid long-range helicopter response capability. Instead of tying up our vessels in towing these boats, civilian charter vessels will be used. There will be new boat destruction facilities, which are necessary, and processing facilities in Gove and Weipa as well as in Broome. There will be an enhanced charting of the Torres Strait and the northern Great Barrier Reef. An additional vessel will be provided for the area and a greater use of locals, including the Cape York and Torres Strait Indigenous population, in its monitoring. I do hope, though, that those people who are selected and trained to do this are paid according to their skills and not dumped onto some social security or welfare program. There has been a tendency to do that in the past, particularly by state governments, so I am hoping they will be paid according to their skills.

Health has been another major winner of the budget, as you know, Mr Deputy Speaker. One of my big issues over the years has been mental health and funding of $1.9 billion has now been provided in this budget. I welcome that. The thing that concerns me, however, is that there is a need for the states and territories to match that amount of funding. Their contribution has to go into support accommodation. If we do not get that support accommodation and other initiatives that the states have a responsibility to provide, then the $1.9 billion that we have will amount to nought. The big issue is that the support accommodation for many of our people suffering from mental health is either the streets or our prisons, and until we see a significant drop in those numbers then we have not achieved anything. I welcome it, I think it is wonderful, but it is imperative that we continue to watch closely to ensure that the state government fulfils its part of the obligation.

Another thing which I think has been great to see is the additional resources going into new medical school places and the additional places for other health disciplines. I hope that the Queensland state government can get its act together. It is a bit like the disincentives in our taxation system. We can train all the doctors and all the health professionals we like, but if the state government does not sort out its bureaucracy and start to create an environment that will retain those people within the Queensland health system then as quick as we can train them we will lose them. I hope there is a significant change in mindset there.

Generally speaking, I believe that the budget has been absolutely outstanding and one that we can be very proud of. There is a whole range of other things which time prevents me from mentioning now, but I do hope that we can use some of this money to help the victims in Cape York. (Time expired)

Mr SNOWDON (Lingiari) (6.06 pm)—I am pleased to be able to participate in this debate on the appropriations. I will start by saying it is ironic that Australia’s commodity resources are located, mined and processed in regional Australia, yet these areas—the source of the significant tax revenue windfall that has benefited the government—have the least to celebrate from this 2006 budget. I note the contribution of
the member for Leichhardt, but, as the member for Hotham said, there is not one word in this budget about regions. The government has missed a golden opportunity to address the unmet social, educational, transport and communication infrastructure needs of regional Australia in this budget. The workers and families in regional Australia, who contribute directly to Australia’s commodity boom, deserve full and better access to the services that other Australians take for granted.

Regional areas like the Northern Territory face the highest fuel prices in Australia and have the least access to communications, child care, health services and higher education and training facilities. With a huge budget surplus and commodities tax revenue set to continue, now would have been the ideal time to act. If Australia is to take full advantage of a prolonged commodity boom, riding on the resource-hungry Chinese and Indian economies, it would make sense that regional Australia is fully equipped to be the engine room for that wealth creation. At the same time we could ensure regional sustainability well into the future. This vision, sadly, has escaped the government yet again.

I want to refer particularly to the issue of roads—and this is no coincidence. The member for Leichhardt waxed lyrical about the significant benefits that the increased road funding will make. It will not make a significant benefit to my electorate. Apart from the AusLink program—which is, after all, the program used to maintain the national highway system—the Victoria River Highway, a significant highway in the Northern Territory, was allocated $30 million for flood mitigation. This has been on the agenda for some time, and as a result of Cyclone Monica this funding is even more necessary.

Local councils will, of course, welcome the Roads to Recovery windfall and no doubt already have projects that can benefit from the extra funding. But we in Northern Australia do not have much to celebrate when it comes to looking at the 9,000 kilometres of roads on unincorporated lands in the Northern Territory which have not obtained any benefit from this budget. There has been no corresponding increase in funding to match the Roads to Recovery windfall. The $15.5 million for the Stuart Highway, which is the spine of the highway system in Australia, running as it does from Darwin to the Great Australian Bight, was simply necessary maintenance to keep the road up to standard.

The issue of roads is significant for us. The live cattle trade across the Darwin wharf brings enormous wealth to Australia, yet those people moving the cattle from properties across the north of Australia on the beef roads through the Northern Territory have a great cost imposed upon them because of the failure of this government to allocate resources to improve that road infrastructure. Territorians understand the need for these roads, whether it is for a pastoral lease on the Barkly or an Indigenous community anywhere in the Northern Territory, because they are all off the main roads and are all dependent on dirt roads, many of which are inaccessible for months of the year as a result of the wet season. These people suffer, yet there is nothing in this budget to give them any hope that this government appreciates or understands their isolation or the costs that they have to incur because of where they live.

We have seen the government neatly abolish the Fuel Sales Grant Scheme, which was referred to by the member for Hotham. The government says this will be channelled to increased road funding. The impact of this will be to increase the price of fuel in remote parts of the Northern Territory by up to 3c or 4c a litre. Let us bear in mind what fuel prices currently are in the Northern Territory, because not only do Territorians miss out when it comes to the funding of roads but also they pay the highest fuel prices in the country. On 22 May—that is yesterday—the price of unleaded petrol in Darwin was 142.9c a litre. In Tennant Creek today the price of unleaded fuel is 165c a litre and for diesel 167c a litre. At Ti Tree, a couple hundred kilometres up the Stuart Highway from Alice Springs, the price of unleaded petrol is 175c a litre and 179c a litre for diesel. This is nowhere near the costs that people pay who live in the remoter parts of the Northern Territory. This is what people pay up and down the Stuart Highway. Imagine what would happen to this government should the people of North Sydney be paying 179c a litre for their fuel.

This government says that it has done a great service to the people of Northern Australia through this budget. Demonstrably it has not. This budget for regional Australia is but a sham. The people of Northern Australia, the people of the Northern Territory and the people of my electorate cannot point to one area of government activity and say that they have had a substantial benefit accrue to them as a result of this budget. One significant area where they have got it in the eye is that of child-care funding. Nothing in this budget will address the capital and operational funding requirements to support community based child care and family day care programs in my electorate. This is significant. It means that in places such as Katherine, Nhulunbuy, Tennant Creek or Alice Springs, where there are limited private providers—there is one private provider in Alice Springs—there will be long queues of people waiting to get into these centres. This has a flow-on effect: it will be very difficult to attract workers with young children to the community because they will not be able to access a child-care place.

As a result of the changes to the funding arrangements of these centres, they are under severe threat. Ultimately, they will have to increase their prices to
maintain the service and, as a result, they will become less attractive. People who require child care—many of whom are on low and medium incomes—will not be able to meet the increased costs and may well drop out of the work force. That is an outcome which I believe is inappropriate and again demonstrates the lack of understanding by this government of the costs involved in living in regional and remote Australia.

Let me go to another indicator of these costs. We all appreciate that health care is of primary importance. Recently I was told—and I stand to be corrected—that there are 22 vacant positions for doctors in remote parts of the Northern Territory. Nothing in this budget will attract more doctors to those positions. I am aware that the Northern Territory government had to stump up a wage of $300,000 a year to attract a doctor, a GP, to work in a particular community. I do not begrudge a person that money, but it indicates the costs involved in attracting employees to these areas. That applies across the board where there are obvious shortages of professional staff and it demonstrates the very huge cost involved.

Another issue concerns the government’s talk about how magnanimous it is in making these tax cuts. Let us just understand a couple of things. I have already talked about the price of fuel; let me now talk about the price of food. The Northern Territory government undertook a market basket survey in April to June of 2005. It discovered that the cost of a food basket in remote communities was on average 32 per cent more expensive than for the same food basket in a Darwin supermarket. In the Barkly region, that food basket was 52 per cent more expensive. For every dollar that the people in Darwin spent on food, the people in the Barkly region were spending 52c more on their tucker. Mr Deputy Speaker, you tell me why the people of the Barkly region were spending 52c more on their tucker.

The minister stood up here today and told us about the $30 million he will spend in Alice Springs on town camps. Let us go through that $30 million. He said that $20 million is from the Commonwealth and $10 million is from the Northern Territory. We need to understand where this money is coming from. There is $10 million from the Aboriginal benefits account, which is money set out under the Aboriginal land rights act as mining royalty equivalents, which comes from consolidated revenue, for the use and benefit of Indigenous people, to be administered by them; $10 million comes from a program previously announced in 2004; and $10 million is the Northern Territory’s contribution, which comes from their housing budget and would otherwise have been spent on remote community housing. Let us not think that somehow or other the government has used its resources wisely in this budget to improve the lot of Indigenous Australians, because it has not. Indeed, the changes which it has introduced have been largely on the margins.

There is a major indicator of the poverty suffered by Indigenous Australians. Let us appreciate the items discussed over the last week or two in relation to family violence and the sexual abuse of children, brought to light by a very courageous woman in one case, and the events at Wadeye, which is the site of a COAG trial that has been going on for three years and which today the Chief Minister of the Northern Territory admitted has brought no success in addressing the endemic needs of that community. And what do we see? We see the government saying that they want to have another summit.

In the case of housing, people who understand the nature of poverty and disadvantaged communities and the dysfunction that exists in communities understand only too well that we have to address a whole range of activities in those communities if we are going to address the question of dysfunction and family violence. We have to address the issues of the social determinants of health and the very poor infrastructure in remote communities. The Centre for Remote Health, in Alice Springs, put out a report in 2005 entitled Indigenous populations and resource flows in Central Australia: a social and economic baseline profile. The report said:

In a sense, health services ‘pick up the tab’ for inadequacies in other sectors ... Poor levels of educational achievement, overcrowded houses, sub-standard environmental health conditions and high levels of unemployment are the main drivers of the relatively poor health status observed. Some health issues, such as ‘inside injury’—a deep psychological or spiritual harm—are closely related to the recent, violent

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history of the region and continuing interaction with the
criminal justice system.

This report goes through the issues in a very coherent
way. I commend this document from the Centre for
Remote Health entitled Indigenous populations and
resource flows in Central Australia: a social and eco-
nomic baseline profile to the chamber and, indeed, to
the government. I hope they have read it, because it
highlights what I have been saying for some years—
that is, if you want to fix these problems in Indigenous
communities you actually have to spend money. If you
want to fix the issue of housing, you actually have to
invest. There is nothing in this budget which will effect
a change to community housing in Indigenous commu-
nities. We know already about the overcrowding hous-
ing in Indigenous communities. In Central Australia
the highest average occupancy recorded in Indigenous
communities in this survey was 23 people per house.
Understand that: 23 people per house. We know that it
is not uncommon to find up to 30 people per house.

We know that the shortfall in housing infrastructure
across Indigenous Australia, identified by ATSIC in
2003, is $2.3 billion. In the Northern Territory alone it
is about a billion dollars. What do we see in this budget
to address that issue? What do we see in the budget to
address the $400 million shortfall identified by the
AMA for primary healthcare in Indigenous communi-
tries? What do we see? I do not take umbrage at the
Minister for Families, Community Services and In-
digenous Affairs coming into this place to raise these
issues—I am pleased that he has raised many of these
issues—but he has to understand that we have to have
some sincerity here and we have to have some belief
that the government is fair dinkum. Instead of just
identifying justice as an issue, important as it is, in-
stead of insulting the work done by the police in the
Northern Territory, as the minister has done, and in-
stead of insulting the work done by the child protection
people in the Northern Territory, as the minister has
done, what he ought to be doing is not only talking
about those issues but going back to the cabinet table
and getting the hundreds of millions of dollars required
to address the issues of structural poverty that exist in
the Indigenous communities across Australia.

If he does that I will applaud him. I will say, ‘That’s
fantastic,’ because then we might get an outcome. The
minister cannot do this alone; he has to do it in partner-
ship with state and territory governments. But, most
importantly, they have got sit down with the Indige-
nous communities and work out resolutions to these
problems and provide the funding required. (Time ex-
pired)

Mr CIOBO (Moncrieff) (6.26 pm)—I am certainly
very pleased to rise today to speak on Appropriation
Bill (No. 1) 2006-2007 and cognate bills. I am pleased
to talk about the strong record of economic reform that
the Howard government, particularly the Treasurer,
Peter Costello, has delivered for all Australians. The
government has delivered economic reform which
means in summary that Australians are better off today
after 10 years of the Howard government than they
were under 13 years of the Australian Labor Party.

The budget delivered by the Treasurer only a couple
of weeks ago is a budget that gets two thumbs up. It is
a budget that has delivered in spades to the people of
the Gold Coast, and particularly the people who live in
my electorate of Moncrieff. I would like to take the
House through a number of the key areas in which this
government, due to the careful economic management
of the Treasurer, Peter Costello, has been able to ensure
that the beneficiaries first and foremost when it comes
to careful economic management are Australian fami-
lies, but in reality the beneficiaries are all Australians.

The budget in broad terms delivers an underlying
cash surplus of $10.8 billion. This is the Howard gov-
ernment’s ninth budget surplus since its election in
1996. It is a strong budget position that has been main-
tained while delivering additional personal income tax
cuts and ongoing significant reforms to the welfare
system, all directly targeted at improving workforce
participation. It is a budget that ensures that the pros-
pcts for the Australian economy remain strong, with
economic growth forecast to be at 3¼ per cent in 2006-
07 and the unemployment rate forecast to remain at
around its current level, which represents generational
losses for unemployment. It is a budget that will deliver
a further $36.7 billion in tax cuts over the next four
years. Total tax cuts worth nearly $37 billion were an-
nounced by the Treasurer, Peter Costello. These are tax
cuts that mean Australians will keep more of their own
money in their pockets. These are tax cuts that ensure
that Australians get to enjoy their hard work and truly
appreciate the reward for effort that flows from a lower
tax burden.

In principle, the major areas of tax reform are these.
There was a reduction in the 17 per cent tax rate to 15
per cent last year. In addition to that, this year there
will be a reduction in the thresholds of 42c to 40c and
47c to 45c. These are tax cuts that will ensure that all
Australians are keeping, as I said, more of their own
money in their own pockets.

It is a budget that also, when it comes to the Gold
Coast’s key industry of tourism, provides more money
to ensure that the tourism industry continues to grow
very strongly. Tourism for Australia generates some
$75 billion in consumption and directly employs some
550,000 people in Australia—or approximately 5.6 per
cent of the Australian workforce. It is a significant in-
dustry in regional Australia—especially in places such
as the Gold Coast—where some 48c in every tourism
dollar is being spent. What is more, for the Gold Coast,
which has as its lifeblood the tourism industry, the
More than $320 million will be spent on the tourism industry in 2006-07 and 2007-08, including some $269 million for Tourism Australia and some $15.4 million to be invested under the Australian Tourism Development Program. That is a very worthwhile program and one that Gold Coast recipients have benefited from in recent years. It is a program that invests money into creating tourism infrastructure that will ensure that our city remains at the forefront when it comes to attracting both domestic tourists and foreign inbound tourists.

There is in addition some $3.9 million for the Approved Destination Status program to protect Chinese tourists over the next four years. This is crucial. On the Gold Coast I have had many reports in the past, unfortunately—and this is a problem that the Gold Coast shares with areas such as the Rocks in Sydney—of unscrupulous and rogue tourism operators engaging in particular business practices that short-sightedly are fleecing tourists and in fact ripping off some of them. This $3.9 million investment to help clamp down on those that would do the wrong thing and help to stop those kinds of business practices from occurring is very welcome—especially when I have heard reports of these kinds of practices on the Gold Coast. I am certainly committed—and I am very pleased that the Minister for Small Business and Tourism, Fran Bailey, is committed—to making sure that we stop these kinds of corrupt practices and to making sure that Chinese tourists visiting Australia enjoy the very best that Australia has to offer. This money will directly ensure that that is achieved.

Around $2 million is being invested to assist Indigenous tourism business development and there is a further $1.5 million for one icon of Australian tourism, the Stockman’s Hall of Fame. Of course, there is ongoing support for Tourism Events Australia to ensure that we attract more business tourism, which is among our highest-yielding tourism. I know from conversations that I have had with Pavan Bhatia, the CEO of Gold Coast Tourism, that business tourism increasingly is a focus for our RTO on the Gold Coast—that is, Gold Coast Tourism. Business tourism is a focus because of the new convention centre that we have and the fact that business tourism is such a high-yielding industry when it comes to a segment of tourists visiting Australia and visiting the Gold Coast. In addition to that, there is more money being made available to Tourism Australia to assist with the rollout of the new international tourism ad campaign. That campaign, according to the market research, is most likely to be very successful. We certainly wish to see that take place.

In a city like the Gold Coast tourism is crucial but so is small business. The Gold Coast on a per capita basis is Australia’s small business capital. It is the backbone of our city, as well as more generally being the backbone of the Australian economy, I am very pleased to be a strong advocate for the 1.2 million small businesses that exist in Australia. I come from a family with a small business background. My wife has her own small business. I remain absolutely committed to ensuring that small businesses in the city of the Gold Coast have the maximum chance and the maximum opportunities that a government can deliver to them. First and foremost, a strong economy provides resilience for small business and the opportunity to grow and to be inoculated against some of the turbulence that can occur when the economy is not doing well. In addition to that, it is important that government works in partnership with small business to reduce red tape and to provide opportunities for those small businesses to grow within Australia and to find opportunities to export.

It is interesting to note that approximately 40 per cent of small businesses are located in regional Australia. As I said, on a per capita basis, the Gold Coast is effectively the small business capital of Australia. In terms of government support to small business, I am pleased that the ASIC incorporation fee will be halved from $800 to $400 from 1 July this year, making sure it is cheaper to start up a small business. From 1 April next year, the threshold for reporting fringe benefits on employee payment summaries will be doubled from $1,000 to $2,000 and the exemption threshold for minor fringe benefits will be tripled from $100 to $300. All of this means less red tape and less in compliance costs for small business. From 2006-08 some $30 million will fund the Building Entrepreneurship in Small Business Program for skills development, mentoring, referral and support services for small business owners and managers and small business incubators. Again, that is a direct investment of funds that will ensure that small businesses are better positioned and have the work skills that they need and, in addition to that, the referral, support services and mentoring that they need to build a healthy, vibrant and strong small business.

In addition to that, from 2005 there was the three-year, $9 million BESB element to fund mentoring and succession planning initiatives that this government introduced. All in all, this means that small businesses
will be better positioned when it comes to handing over the reins and when it comes to succession—another key factor.

The pinnacle of the reform that would be of direct assistance, not only to small businesses but also to those seeking to obtain employment, was the rollout of the Work Choices legislation. This legislation, although not part of the budget, is a fundamental and key reform to ensuring that small businesses have more incentive to employ people, which will help to maintain the generational lows in unemployment. At the same time—and this is the double benefit that flows from it—there will be more job opportunities, as a result of Work Choices, flowing to those who are unemployed and seeking to get a job.

As to the direct benefits for local Gold Coast residents, I am pleased that there will be, as a result of the announcements made in the budget, tens of thousands more child-care places being made available, a large proportion of which we can expect to be made available on the Gold Coast. The single largest issue that all Gold Coast residents have been talking to me about over the past couple of weeks has been the changes made to superannuation, and the fact that Gold Coast residents will be in a much stronger position when it comes to being able to enjoy the benefits of their superannuation funds, those funds being tax free. Gold Coast residents can enjoy the benefit of their superannuation funds—be they a lump sum or an annuity—being tax free. That means that Gold Coast residents are saving money and are not having to pay the government taxes in the form of the benefit tax that previously applied.

In addition—and this, again, applies to small businesses—anyone who is self-employed will now be able to claim a full deduction for their super contributions, as well as being eligible for the government’s co-contribution. That superannuation reform is, I know, very widely and broadly supported throughout the small business community—especially among those who are self-employed.

When it comes to investment in infrastructure, I am pleased that, under the Roads to Recovery program, the Gold Coast City Council has had its funding doubled. It will be receiving some $7 million this year, which will go towards ensuring that the lifeblood of the Gold Coast—our road transport system—has more money available to it so that the Gold Coast can continue to invest in new road construction and maintenance, thereby making residents’ lives a little easier.

As a result of the $1.9 billion mental health package that was announced a month or two ago, there is more money being made available so that Gold Coast residents have access to the kinds of mental health care that they need. We are taking positive steps to reduce the toll that mental illness takes in our community. I have certainly had parents and members of the community come and talk to me about the high toll taken by mental illness. It is an issue that, unfortunately, many people do not want to talk about, but it is an issue that extracts a high toll. I am pleased that this government has had the foresight and the vision to introduce this $1.9 billion mental health package. I know, from speaking directly with the parents of a particular young man on the Gold Coast, who was burdened with bipolar disease and who was unfortunately shot dead by police, that this young man’s parents welcomed very warmly the announcement of this $1.9 billion mental health package, in the hope that, in the future, access to good mental health care would prevent this kind of occurrence from happening again.

In addition, in the budget there was a share of $10 million being made available to make Gold Coast beaches safer, with the establishment of a training program to assist surf lifesavers. In addition to that, a $50,000 payment is being made to the Gold Coast Drug Council to increase the infrastructure that they have at their disposal to help deal with the problem of drugs on the Gold Coast.

All in all, this budget has delivered in spades. More money is being invested in the Gold Coast by way of roads, education, physical health and mental health. This means that our rapidly growing city is better positioned to meet the challenges in coming years. First and foremost, the fact that this government has also been able to pay off $96 billion of Labor Party debt means that each and every year the Howard government enjoys an $8 billion advantage—money that we are now able to spend on the kinds of services that Gold Coasters demand and obtain as a result of careful and diligent economic management.

I would just like to take a moment at the end of my speech to contrast the Howard government’s economic record and investment with those of the state Labor government in Queensland. It is of concern to me that, at a time when the Howard government and Treasurer Peter Costello have been fiscally responsible and when this government has paid off $96 billion of public debt and is investing record amounts of money into road funding—as I said, some $7 million to Gold Coast City Council and an increase of 119 per cent under AusLink of road funding to the Queensland state government—that we on the Gold Coast are still burdened by complete under-investment by the Beattie state Labor government.

I am concerned that, at a time when this government is making hard but economically responsible decisions, the Beattie government continues to squander opportunities to invest in infrastructure and the kinds of projects that the Gold Coast city needs to go forward—roads, for example, and tourism. We have seen under this budget an increase in the amount of investment by
the Howard government to ensure that the lifeblood industry on the Gold Coast—the tourism industry—has more money available to it. What has been the Queensland Labor government’s response to this investment? It has been to freeze their funding so that in real terms tourism funding for all of Queensland is in fact declining.

It is this shocking example of a state government that is vacating the field at a time when the federal government is more than meeting its responsibilities that has seen the collapse of our health system in Queensland, that has seen roads congested and clogged and that has seen tourism struggle because of a lack of investment by Tourism Queensland under the watch of the tourism minister at the state level. It is something that I believe all Gold Coasters are attuned to and awake to. I am sure that the trend of the three by-election losses that the Beattie government has seen in recent months will continue. I will certainly continue to champion the fact that the Gold Coast needs to see investments at a state government level—investments in schools, hospitals and, particularly, roads.

Some $329 million has been made available by the Beattie government to build the Nielson’s Road interchange, yet basically no work has been done because they would rather point the finger and play political games. That is something that residents understand and is a message I will continue to get out there. There is money available. There has been a 119 per cent increase in road funding to the Queensland Labor government by the federal government. Why doesn’t the Labor government just start building these roads? There is lots of talk by the Queensland government, but very little action.

With respect to health funding, we have seen record increases in the amount of support that this federal government is able to provide to the Queensland state Labor government. Despite this, I myself have personally received tens of stories from local residents highlighting problems that they have encountered when they have had to deal with the public health system. These are not problems that have been brought about by poor staff performance; they are not problems that have been brought about by bad doctors. They are problems that have been brought about by an underinvestment in the health system by the state Labor government.

In the few seconds remaining, I will simply summarise and say that I encourage people to look closely and critically at the differences in performance between state Labor governments—in particular the Beattie Labor government—and the federal government. We have paid off debt. We have run nine budget surpluses. We have more money available to invest in infrastructure and services. There is more assistance directly available to families, more child-care places, more money for roads, more money for tourism and more assistance to small business. All of this is in contrast to state Labor governments—in particular Peter Beattie’s Labor government, which is going in exactly the opposite direction.

Ms BIRD (Cunningham) (6.46 pm)—Having listened to the speech of the member for Moncrieff on the Appropriation Bill (No. 1) 2006-2007 and cognate bills, I want to raise an issue with him. I appreciate that a large part of his speech was dedicated to the issue of small business, and tourism in particular—and no doubt quite genuinely so. But I would say this to him about the current debate, having listened to local radio in my area: small businesses, particularly those involved in the tourism industry, are very concerned about the fact that there has been such a drop in the domestic tourism industry. People are not taking their holidays. They are working long hours. That is impacting on domestic tourism in quite significant ways—to the extent that the tourism industry is looking at running a campaign encouraging people to take their holidays.

The industry certainly needs to do that very quickly. At the rate Work Choices is going, people will not have holidays to take in the first place. That is hardly going to be a particularly effective outcome for small businesses involved in the tourism industry. I just draw the member’s attention to the potential negative impacts of Work Choices, which he seems to think will be supportive of the small business tourism industry.

Let me turn to the appropriation bills before the House today and to a number of particular areas that reflect the feedback I have had in my local community since the budget was presented. Sadly, the story is not as optimistic for my electorate as for that of the member for Moncrieff. I want to highlight a few of the areas that give us some concern.

I point out to the House that what I will say is a reflection not just of my own views of the budget or those of my colleague the member for Throsby—our views might be argued to be partisan—but also of the views of the local business chamber and business organisations, who, in the local paper the day after the budget, reflected the fact that they thought it was a particularly disappointing budget. The reason they reflected those views was that their biggest issue concerns the skill shortage and the impact it is having on our region and its capacity to meet its potential. They felt—quite rightly, I believe—that the budget severely let them down in that area. They also reflected the fact that it was disappointing to see that some areas get road funding for roads that are identified as state roads, but in our area the Princes Highway, the perennial bridesmaid, was again overlooked.

Dr Stone—It’s a state highway.
Ms BIRD—The minister at the table would know that some other state roads were identified for funding. It seems to be one rule for one and not one rule for all. I acknowledge that the local councils and organisations in the area have been working with the federal MPs—myself, Jennie George and Jo Gash—to look at other ways in which we can access funding for that road, but it was disappointing that it was treated differently from some other state roads.

The Treasurer has presented a budget which is significant in what it does not achieve rather than in what it does. For a mid-term budget, the budget is surprisingly short term in its outlook. It appears more like a campaign budget—one you might expect to see in an election year. Perhaps this is explained if we look at it in terms of a leadership campaign budget, but it was a surprising mid-term budget. It certainly does not look like a nation building budget, and this is what is so clearly needed at this time. That was reflected in the comments by organisations around the country, including my own business chamber in the Illawarra.

It is true that we are in the midst of a mineral boom driven by the demands of the rapid economic modernisation of industry and construction growth in China and India. It is also true that this boom does not provide the foundation for a secure long-term program for growth and prosperity in Australia. What such a boom does provide is a unique opportunity for Australia to utilise this wealth to invest in the areas that will provide the foundation for the future—specifically to tackle the expensive but critical physical infrastructure blockages in transport and information technology.

Just as importantly, investment should be made in the human potential of our population. One of our great historical strengths has always been the skill, initiative and innovation of our researchers, tradespeople and educators. Significant export capacity and performance have been built from the work of these groups and have allowed us to regularly punch above our weight on the international scene.

It is highly likely that each of us has examples of businesses—small medium, or large—in our electorates that have developed high-quality niche products and services that are finding growing international markets. It is important for government at all levels to support and foster such growth. One of the foundations for this is a high-quality education and training program that expands those skills from the very earliest years of education through to the decisions that adults make about where they will specialise in their working life. We do not need flagpoles, values posters or tool boxes but training places—not turning people away; 300,000 from TAFE—job schemes and incentives in pay, work conditions and taxation to encourage participation and productivity. This budget goes a very small way in its taxation changes in addressing one of these issues—that is, taxation. But it is almost silent on infrastructure, knowledge and skills growth, despite nearly all players from industry and business identifying these issues as critical to future prosperity.

It is probably just my observation but it appears that the Treasurer’s budget has had a very short shelf life. This year’s budget has been received in the general community in a very lukewarm way, because people in the community know that the tax changes may go some way to pay for the recent interest rate increase on their mortgage or credit card debt, to cover the recent increase in their private health insurance premium, to cover the recent spiralling costs of putting petrol in the family car and to cover the potential loss of overtime and penalty rates, but it certainly will not cover all the growing pressures on family budgets. While the Treasurer has been travelling around the country trying to convince anybody who will listen that his budget has been well received, the published opinion polls tell a very different story. Australians are onto this Treasurer. They know this sleight of hand. Indeed, in discussing it with my colleagues from other regional areas, I have found that many regional papers reflected very common feedback from the ordinary people in the street when they do their vox pop type polls. The people are saying, ‘It’s welcome but it’s a very small drop in the ocean for helping me deal with balancing my family budget.’

In 10 long years the Treasurer’s methods have never changed. He gives with one hand and takes with the other. The Treasurer’s hands have been in every Australians’ pockets and purses for decades. Nothing has ever changed. The budget figures still confirm that the Howard-Costello government is high taxing. The Centre for Independent Studies has been explosively critical of the government on this issue. Revenue—taxes—will creep into the Treasurer’s pocket every year. There will be $230.8 billion in the 2006-07 year and another increase of nearly $9 billion in 2007-8. There will be a further climb to $250.6 billion in 2008-09 and, by 2010, revenue will hit a projected $264 billion.

Much has been made of the tax cuts in this budget. I welcome the fact that the Treasurer has finally conceded that working families and low-income families need some tax relief. Last year he gave $6. Labor argued that he could have been more generous and fairer, so this year the Treasurer is giving $10. However, Australians—certainly in my electorate—have not been dancing in the streets. They took their $6 last year and they will take their $10 this year, but it does not compensate for the increasing financial pressures they have experienced and the growing difficulty they have in balancing the family budget.

For all the talk of tax cuts, the facts are that the vast majority of working families in my electorate will still pay an unchanged tax rate of 30c. The average wage
and salary income in my electorate is $37,516. The average total income is $39,557. It is no wonder that my constituents have not greeted this budget with applause. The financial pressure on the family budget in my electorate has not been relieved, because of interest rate increases—when the Prime Minister and the Treasurer promised they would remain low—higher fees for private health insurance and increasing prices at the pump and the supermarket.

To rub salt into the wound, this budget will once again pick up the advertising bill of at least $52 million to ‘increase consumer awareness of the incentives and benefits associated with private health insurance’. Over $2 billion in subsidies is handed over to the private health insurance industry each year, and now the taxpayer also picks up the subsidy of advertising the industry’s products. It is no wonder they need an advertising campaign, because each year, when the rubber stamp is applied to the increase in private health insurance premiums, it is one of the things that generates the most unsolicited contact with my electorate office. People are infuriated by the high rises in the costs of their private health insurance premiums and the resultant lack of balance with any increase in service for the cost. In fact, it is often quite the opposite: what they are able to claim has gone backwards. Indeed, this year for the first time, quite a lot of people were saying that they were pulling out of private health insurance. No wonder it needs advertising, but surely that is a cost for taxpayers. This is but one example of how the government has lost touch with working families.

Specifically, to be very parochial, the budget failed to allocate an MRI licence to Wollongong Hospital, which has been a key demand of my constituents for four years. Nearly 17,000 constituents signed a petition to the Minister for Health and Ageing asking for a licence for the machine. A licence for the Wollongong Hospital is particularly important, because it is the major referral hospital. People suffering chronic debilitating illnesses, often life threatening illnesses, need regular scans. For example, if someone has a brain tumour and a specialist is monitoring the progress of the tumour, they need to have a scan every four to six weeks. However, they are unable to access a licensed machine at the hospital to which the specialist is connected. All that would be needed for this licence is a modest $1 million of the $52 million to be used for advertising private health insurance, I say to the government: rather than spending the $52 million on advertising for the industry, let them do it themselves and find 52 other projects, like my MRI licence, which could be much more effectively serviced by that money. It is another example of squandering prosperity and ignoring local community needs.

Australia confronts serious challenges to current prosperity—declining and outdated infrastructure, a skills crisis, an ageing population, a current account deficit and an unsustainable $500 billion foreign debt. The government has received ample warning on these challenges and their implications, if unaddressed, from peak organisations, private economic forecasters, the Reserve Bank of Australia, the Productivity Commission, the International Monetary Fund and the OECD. But nothing can or will shake the government out of its complacent disregard for the future.

The Treasury, as usual, underestimated the growth in revenue to the budget this year, which was largely the result of company tax receipts, taking advantage of the resources, minerals and energy boom from a hungry China and India. But, again, many economic commentators warn that this budget has a structural defect. To quote:

The budget is terribly vulnerable to a downturn ...

said Stephen Bartos, a former Treasury official, in the Weekend Australian of 6 May 2006. Mr Bartos further stated:

We have high levels of government spending and there is very little room for discretionary cutbacks because all programs are very much locked in.

The same article revealed that Treasury had modelled a scenario confirming that a slowdown in commodity prices and a downturn in the economy in 2009–10 would plunge the budget into deficit. That deficit would be of a long-lasting structural character, making it hard for government to either raise additional revenue or make the necessary cutbacks. Every editorial in the major newspapers after the budget highlighted the same issue. The Sydney Morning Herald said:

Don’t start thinking about tomorrow ... because the Treasurer isn’t ...

The Canberra Times said:

Cute, clever budget masks real worries ...

The Australian Financial Review said:

Nice try but only half right ...

This budget is a throw of the dice. However, it does not deal with the future and it does nothing to guard against a turn in the terms of trade or a downturn in the domestic economy. It fails to safeguard the country’s prosperity.

We on this side have a plan to tackle the constraints facing Australia’s economic future. Our plan involves investment in education, training and skills. The government relies on the so-called Australian technical colleges to deliver skills. The college planned for the Illawarra, despite all the talk, has yet to materialise and we are not alone in that. The proponents are stuck in a red tape debacle with the bureaucrats in Canberra.

The government relies on the New Apprenticeships scheme, which—as an answer to a question on notice
from me to the minister confirms—provides incentives to businesses and industries in the Illawarra that do not need them; they are not suffering skills shortages. However, the sectors that do require such incentives are ignored. In the MPI today, my colleague the member for Throsby outlined an excellent initiative for getting young people into trades, which has been constantly at threat of de-funding by the federal government, despite that initiative having placed 200 young people into apprenticeships.

The government now tries to add a third leg to its skills policy by forgetting about training and skilling Australians; instead, it prefers to import skills from overseas as an alternative, rather than a supplement, to training Australians. But the catch is that the migrant must come ready, willing and able to sign on to the government’s extreme industrial relations agenda. Labor will train Australians and it will train them now. In particular, we will abolish the importing of unskilled migrant apprentices. I have teenage sons; many of their friends—I know from talking with them—would be desperately happy to take on an apprenticeship. But apprenticeships are very difficult to access. If apprenticeships are on offer in places in Australia that claim they cannot get young people, it would be far more productive for us to look at areas of high youth unemployment and develop schemes to allow those young people to access those jobs, before looking overseas for cheap labour.

Labor will also abolish TAFE fees for those wishing to study traditional trades apprenticeships. We will offer the opportunity to study at specialised trades schools, without the pointless ideology of the anti public education views constantly espoused by the government, particularly by the Minister for Vocational Education and Training—although he does not mind being present at TAFE awards nights. I note that the New South Wales Labor government has earmarked nearly $20 million for 10 trades schools in moving in that direction. Instead of trying to create a whole new system, it is looking at expanding what occurs in the current schools across the regions.

Labor will invest in Australia’s creaking infrastructure—our ports, road, rail and telecommunications. We will not slice off billions to service pork-barrelling escapades. As the opposition leader made clear in his budget reply speech, Labor will determine the infrastructure investments required by assessing the national interest—not the National Party’s interest. Labor will use a program to invest in the economic development of regional Australia to create jobs and expand existing businesses. We will invest in the most important technological infrastructure needed by all Australians today—high-speed broadband. From schools to businesses, Labor will ensure that we are technologically competitive with the rest of the world.

Most importantly, we will also invest in child-care facilities for working families. Recently I put a survey out to my community and I have been not surprised by the size of the problem but impressed by the number of people who were so moved by the issue of access, availability and costs of child care that they took the time to attach additional commentary to their response to that survey about the problems they faced. I was quite bemused, to be honest, to see the Treasurer, in his role as the Acting Prime Minister in question time today, appear to present an argument that it was all some sort of smoke and mirrors; there was no problem with child care and it was cheap and easily available. Indeed, I would be more than happy for him to come and explain that to the people in my area who, in one of the largest commuter corridors in Australia and in trying to access work in Sydney, find it extraordinarily difficult to get suitable child care at a reasonable cost. Indeed, it is prohibiting many women and many families from not only participating in the workforce productively but also, most importantly, meeting the requirements that they have for caring responsibilities in their families. I am hearing that it is not only for children; many of them also have dual caring responsibilities for ageing parents. (Time expired)

Dr SOUTHCOTT (Boothby) (7:00 pm)—Mr Deputy Speaker, thank you for the opportunity to speak on the appropriation bills in this budget debate. In getting around my electorate during the past week, I found that the budget was very well received—especially the very significant tax cuts and the changes to superannuation, whereby tax is no longer taken from the end benefits for someone aged over 60 where these are paid from a taxed superannuation fund. I would like to focus on some of the local benefits of the budget.

The first thing I was very pleased to see was that the budget allocated $15 million for a new state aquatic centre in the electorate of Boothby. It has been a disgrace that, since the late 1980s, South Australia has not had an international standard aquatic centre. South Australians have been unable to see our Olympic heroes—like Ian Thorpe, Grant Hackett, Kieran Perkins, Petria Thomas, Susie O’Neill and Jodie Henry—compete in South Australia, because we have not had an international standard swimming facility.

This facility has a very long history. About eight years ago, the Marion council were looking at having a south-west indoor aquatic centre. They involved the then Olsen state government, which initiated a public-private partnership plan and allocated $28 million to it—$1 million for the survey to determine interest in a public-private partnership. I got involved in this about two years ago, when it became obvious that the whole process had stalled under the state government. Marion were able to prepare a submission, which was unsuccessful last year but, fortunately, was successful this
year. It means that $15 million will be received by the South Australian state government and by 2009 South Australia should have an international standard aquatic centre swimming facility and be able to host events of a FINA standard.

The second thing I was pleased to see was the very welcome announcement of a doubling of the Roads to Recovery allocation. It was $307.5 million, and councils within Boothby will receive almost $3 million. Like the previous speaker, the member for Cunningham, I also conducted a survey prior to Christmas and received over 2,000 responses. The No. 1 local issue was the state of local footpaths, but the No. 2 issue was the state of local roads. I have written to all of the councillors, the mayors and the city managers advising them how much money they will be receiving, and for electorates that are wholly or partly within Boothby there is over $3 million. The City of Holdfast Bay receives $241,322; the City of Marion, $602,541; the City of Mitcham, $486,871; the City of Onkaparinga, $1.464 million; and the City of Unley, $247,000. This has been welcomed by local councils and constituents to help with the very important work in upgrading local roads.

The third announcement which specifically relates to South Australia and which has been greatly welcomed in my electorate is the additional $500 million going towards the Murray Darling Basin Commission. This will fund additional projects under the Living Murray Environmental Works and Measures Program, and it will provide additional resources to return 500 gigalitres per annum by 2009 for the Living Murray’s environmental flows. Some of the capital works that may occur under this increased allocation include things like advancing the construction of salt interception structures and systems to reduce salinity and maintain water quality for Adelaide irrigators and regional communities. Also, there is the maintenance and renewal of River Murray water delivery infrastructure, which is currently run down.

What we need to see is a response from the state governments—Queensland, New South Wales, Victoria and South Australia—to also invest generously in the health of the River Murray. Since 1996, the Australian government has spent $2 billion on the River Murray. For my state, South Australia, the state of the River Murray is an issue that everyone cares about passionately. It does affect the water quality in Adelaide, and it is also a very important part of our state. This measure certainly was welcomed.

When we look at the overall state of the Australian economy and where we have come from over the last 10 years, it is worth reflecting that back in 1995 we ranked 13th in the OECD in GDP per capita. Over the last 11 years, we have grown to the point where we rank eighth in GDP per capita. We sit above Denmark, Canada, the UK, Sweden and the Netherlands—countries that we compare ourselves with and benchmark ourselves against. GDP per person has increased by 23 per cent since 1996.

In this budget, we have a $10.8 billion surplus. We have gone from $10 billion deficit budgets, which were Labor’s last budgets, to now having a $10 billion surplus. Debt, which was $96 billion in 1996, is now zero; there is no government debt. Our interest bill, which was $8.4 billion 10 years ago, is now zero; we are not paying any interest. That has freed up more money to be spent on child care, families, schools and hospitals. One of the themes of the 2004 federal election—in fact, it was the central theme—was that it takes a lot of discipline and experience to manage an $800 billion economy. Next financial year, 2006-07, Australia will become a trillion-dollar economy for the first time, so it could be said that it requires even more discipline and experience to manage a trillion-dollar economy.

Unemployment in Australia is now around five per cent. That is the lowest it has been since November 1976. Unemployment has not been this low for 30 years. In my electorate of Boothby, the unemployment rate in March 1976 was 7.3 per cent. It is now 4.2 per cent, below the national average and the state average. In March 1996 interest rates on home loans were 10½ per cent. They are now 7½ per cent. Those much lower interest rates have meant significant savings per month for families with mortgages.

Australia is a country of 20 million people. In terms of our population, we are the 53rd largest country in the world. We are just ahead of countries like Sri Lanka, Mozambique, Syria and Madagascar. But when we are looking at our economy, we see it is by some measures the 12th and by other measures the 14th largest economy in the world. As the Minister for Foreign Affairs says, Australia is a significant country. While as a country of only 20 million people we are not part of the G7 or the G8, we are just outside them given the size of our economy, a trillion-dollar economy for only 20 million people. The OECD estimates that over the last 12 years only six countries in the world have grown faster than Australia: China, Ireland, India, South Korea, Poland and the Slovak Republic. We have grown faster than the United States and the United Kingdom. Our economy has grown an average 3½ per cent over the last 10 years, which is above our average long-run growth rate.

Let us look specifically at the changes in the budget. The superannuation changes were really welcomed by the people in the electorate of Boothby. These changes will lead to very significant increases in people’s retirement incomes. One of the issues that Australia faces over the next 40 years is that, as the proportion of the population over 65 doubles, it is absolutely imperative that we have a very strong retirement income system.
Our retirement income system has been based on the three pillars of having compulsory superannuation, a means-tested age pension and additional private savings on top of that. One concern that was raised sometimes by various groups, including the Association of Superannuation Funds of Australia, was whether retirement incomes would be adequate. Taking the superannuation tax off at the benefit stage ensures an automatic increase in people’s retirement incomes. The benefits are further magnified if people could make an additional contribution themselves on top of their nine per cent superannuation guarantee. Of course for untaxed schemes there will be an equivalent benefit in the form of a 10 per cent tax rebate on the benefits that are paid.

Turning to the area of tax cuts, personal tax relief is equivalent to $36.7 billion over four years. That means people will now have to be on an income of $150,000 before they hit the top marginal rate. The top marginal rate has been reduced. When we came into government in 1996, the top marginal rate cut in at an income of $50,000, only 1½ times male total average weekly earnings. Now the top marginal rate will not cut into until someone is on triple the average weekly earnings. The budget also contains measures which will increase assistance to families by $1.5 billion, specifically increasing, firstly, to $40,000 the income threshold at which maximum family assistance can be paid and, secondly, changing the definition of large families from those with four children to those with three children. As for the area of child care, since 1996 we have seen a doubling of the number of child-care places, from 300,000 to over 600,000. By uncapping child-care places for out of school hours care and family day care, we will see more child-care places and much more choice becoming available to families with children. Within that doubling of child-care places, there has actually been a quadrupling of the amount of out of school hours care places and those positions will now be uncapped. Instead of allocating a certain number of places, as we all do, to our schools, we will now uncapture them. That is a much better way of meeting that demand.

The budget contains a $3.7 billion measure to enhance tax depreciation for companies. There is $435 million for tax simplification and reduction measures for small business. There is $2.3 billion to be spent on road and rail. In particular, there is $100 million to upgrade the Sturt Highway between Gawler and Nuriootpa, which is the major route between Adelaide and Sydney and is very important for agriculture and so on. As I mentioned before, there is $500 million for water management in the Murray-Darling system. There is $1.9 billion over five years for mental health services, and I pay tribute to the Parliamentary Secretary to the Minister for Health and Ageing for putting together this package. Another initiative that will be welcomed in my electorate is the spending of $905 million on increasing health and medical research. The capital funding for medical research institutes and the additional funding for the National Health and Medical Research Council will be very much welcomed.

When we look at the different cameos as to the impact of the tax cuts, we see how generous these tax cuts are. Firstly, over 10 years the real disposable income of a couple with a single income of average full-time wages and with two children, aged three and eight, has increased by 36.3 per cent, and their real net tax threshold, which is the point at which they start paying more tax than the benefits they are receiving, has increased by 41.3 per cent. Someone in those circumstances has to get to an income of $48,065 before they are effectively paying tax. If you look at a dual-income couple, one on average weekly earnings and one working part time on only one-third of average weekly earnings, you will see that their real disposable income has increased by 31.1 per cent over 10 years, to $56,624. Their net tax threshold, the point at which the taxes they pay exceed the benefits they receive, has increased by 49.6 per cent. The changes that the Howard government has made over the last 10 years have been very much for families on lower and middle incomes. Families with a couple of kids who are receiving benefits through expansions of family tax benefit part A and part B have really been able to improve their position. That has really helped in giving families support in raising children.

Lastly, one point I want to make is that a recent survey showed that, amongst OECD countries, Australia is the second lowest country in taxation and the eighth lowest in spending. One of the important reforms that we undertook in 2000 was moving to A New Tax System and the GST. Every single state and territory government is receiving far more revenue under the GST than they would have ever received before. The revenue to South Australia has increased by 7.7 per cent per year over six years. This year South Australia will be receiving $193 million more than they would have otherwise been receiving had tax reform not taken place. The state governments, which are principally responsible for the funding of schools, hospitals and so on, now really do have an obligation to deliver for their constituencies and provide the increased services which people demand and also the increased capital works on things like schools and hospitals.

In closing, I would like to say how much I welcome this budget. The tax cuts have not been opposed this year, which is very welcome. The superannuation changes will be very significant in increasing the retirement income for everyone over 60. There will be 100,000 people each year reaching the point where they are over 60 and they will be able to get an immediate benefit after 1 July 2007, along with existing self-
Mr ALBANESE (Grayndler) (7.26 pm)—I rise to speak on the appropriation bills. Climate change is the greatest environmental challenge facing the world. There is overwhelming scientific evidence that climate change caused by carbon pollution is making Australia hotter, the oceans warmer and the cities and towns drier. 2005 was the hottest year on record, and the five hottest years on record have been in the last seven years. Climate change directly threatens every city’s and town’s water supply, the Great Barrier Reef and Kakadu. Science says that climate change increases the intensity of cyclones and hurricanes. Climate change means we will have more category 4 and category 5 cyclones. We have seen that just this year.

If climate change is unchecked, it will severely damage Australia’s agriculture and tourism industries while also affecting many Australians through severe weather events and further water restrictions. The Bureau of Meteorology says that this is because carbon pollution is changing our climate. There is no doubt that recent steep rises in temperature are due to human activity. To paraphrase respected naturalist Sir David Attenborough, humans have become a force of nature; we are changing the climate, and what happens next really is up to us.

However, there is still no national climate change strategy in Australia. In this budget the one department which will suffer staff cuts is the Department of the Environment and Heritage. Included as part of that are cuts to the Bureau of Meteorology—long-term climate forecasters. One would have thought that was the last area you would cut in the current circumstances. Because of the Howard government’s complacency, Australia is on track to increase its greenhouse pollution by 23 per cent. The Howard government’s complacency and politicking over climate change is placing our environment, economy and vital infrastructure at risk.

The Prime Minister is now playing catch-up politics. He is desperately promoting nuclear power for Australia to pretend he is doing something about climate change, an issue he has ignored for a decade. But the issue of climate change is catching up to John Howard. It is real and the scientific evidence is overwhelming, but, because John Howard is so far behind the game, so in denial and such a mean and tricky politician, his instinct is always to play politics and ignore the national interest. It is always the political interest that is put first by this Prime Minister, never the national interest. Time and time again, confronted with a political problem, the Prime Minister chooses division over leadership. By pushing nuclear energy, the Prime Minister is trying once again to divide Australia and not unite it. A climate change strategy focused on clean energy and energy efficiency would unite Australia. Clean energy and energy efficiency are good for everyone—the community, business and, most importantly, our children’s future. Everyone is a winner with clean energy.

Quite frankly, I do not think the Prime Minister is serious about debating nuclear energy. The Prime Minister says he wants a debate but he just walks straight away from that debate and engages simply in insults and vindictiveness. If we are going to have a real nuclear debate in Australia, let us have a debate about climate change. Let us have a debate about why the government is failing to support its own renewable energy industry. Today the government’s environment minister said it was not a problem that Australian renewable energy companies had to move offshore to China in order to commercialise their products rather than produce them here. The company Roaring 40s recently announced they will not proceed with half a billion dollars worth of projects in Tasmania and South Australia. They—not Labor—say that it is because of the failure to increase the mandatory renewable energy target.

Just last month the same company, Roaring 40s, announced a $300 million deal to provide three wind farms to China. It got nowhere near the publicity that the uranium deal did. It was a $300 million deal that can be repeated over and over again, because we are talking about a sustainable renewable energy industry. It was a great achievement for Australia. Roaring 40s are welcome in China but they are not welcome in John Howard’s Australia. That is an absolute disgrace.

If you thought that the Howard government was somehow not to blame for that, over the last two months the minister for the environment has blocked a wind farm in Victoria because one parrot every 667 years would be threatened. Think about this: the same government that is promoting dangerous nuclear energy for Australia says it will block a wind farm because one parrot may be affected every 667 years. Then again, the minister tried to stymie a Western Australian wind farm which his own department has given the green light to. Instead of blocking clean energy projects, the Howard government should seize the economic opportunities of the worldwide push towards clean, renewable energy. Sadly, the approach is all about politics and not about Australian jobs, the Australian economy or the Australian environment. We had the potential for a stronger renewable energy industry, yet the government’s inaction has instead seen our jobs go overseas and our market isolated.

The latest Business Review Weekly Rich 200 list, published each year, has a new debutant. That debutant is the Chinese-Australian dual citizen Dr Zhengrong...
Shi. He debuted at fourth. He is now the fourth richest Australian, with a wealth of some $3 billion. How does this come about? How does someone go from being not on the list to being the fourth richest Australian at their first appearance? I will tell you how. Mr Zhongrong Shi did his postgraduate and his PhD work in solar energy at the University of New South Wales and at the Australian National University. His wealth comes from developing Australian solar energy technology in China—invented in Australia; made in China. Here we have Mr Zhongrong Shi worth $3 billion. It is an extraordinary achievement, which shows what Australia is missing out on. He is the personification of the government’s failure to invest in the future of Australia.

Less than two years ago the Howard government’s energy white paper stated:

The Australian Government is not contemplating the use of nuclear energy in Australia.

But the Prime Minister now says that it is inevitable. He says he has changed his view because of the increased price of oil. What an absurd argument. You do not put petrol in your light switch to turn on the lights or put yellow cake in your car to make it go. The truth is that oil plays no role in electricity generation in Australia. What an absurd proposition, a dishonest proposition; it is an attempt to distort the debate. There are no nuclear cars but there are nuclear reactors, and, when it comes to the nuclear debate, you cannot have a nuclear debate without stating where you think the nuclear reactors should go and where the nuclear waste should be sited. Will there be a nuclear reactor in Port Stephens, in the member for Paterson’s electorate?

Mr Baldwin interjecting—

Mr ALBANESE—Will there be a nuclear reactor on the New South Wales Central Coast? Will it be in Robertson or in Dobell? Will the nuclear reactor be in Western Sydney? Where will it be in Western Sydney—in Penrith or Campbelltown? Where will it be on the North Coast of New South Wales? Where will it be in Queensland—in Brisbane, in North Queensland, in Far North Queensland? Will it be in Melbourne, in Launceston, in Hobart, in Perth, in Adelaide, in Darwin? Where will the nuclear reactors be and where will the waste be stored? That is part of the debate. People such as the defence minister and the Treasurer have said that it is not an issue. Well, once you light a match, you have to take some responsibility for the fire that results. If we are going to have a nuclear debate in this country, bring it on. Bring on a nuclear debate and we will have a debate about where nuclear reactors will be sited and where the waste should be sited, because that is the product that occurs from a domestic nuclear industry.

Until the Prime Minister says where he will site the reactors, he is actually not serious about a debate; he is ducking the debate. I am sure that, if nuclear reactors are so safe and so economical and will contribute positively to Australia, there will be members of the coalition party room putting their hands up saying, ‘Please can I have a nuclear reactor in my electorate.’ I look forward to the member for Paterson and other members putting their hands up and saying, ‘Yes, please, I will have a nuclear reactor,’ having a debate with the Australian people in the form of a federal election campaign and seeing how they go.

Mr Baldwin interjecting—

Mr ALBANESE—The member for Paterson clearly wants a nuclear reactor in his electorate, so we have our first volunteer! The simple fact is that there are outstanding problems with nuclear energy. According to recent comments by former US Vice President Al Gore, the problems are not limited to the long-term waste storage issue and the vulnerable-to-terrorist-attack issue. Al Gore noted:

For eight years in the White House, every weapons-proliferation problem we dealt with was connected to a civilian reactor program. And if we ever got to the point where we wanted to use nuclear reactors to back out a lot of coal—which is the real issue: coal—then we’d have to put them in so many places we’d run that proliferation risk right off the feasibility scale. And we’d run short of uranium, unless they went to a breeder cycle or something like it, which would increase the risk of weapons-grade material being available.

The increasing threat of terrorism means we should not be getting further into the nuclear fuel cycle. During the Cold War, we had to worry about states. Now we have to worry about states, organisations and individuals, and the threats they potentially represent. Let us not overlook this morning’s important revelation that an interdepartmental committee—comprising people from the Department of the Prime Minister and Cabinet, the Department of Foreign Affairs and Trade, the Department of Industry, Tourism and Resources and possibly other departments as well—is looking at the issue of nuclear energy for Australia. The committee is called the ‘Global Nuclear Energy Partnership’, which is the same name given to the United States position that talks about nuclear leasing. Nuclear leasing is the concept of enriching uranium, building our own rods and sending them overseas—and then the waste comes back to the country of origin. Why are they doing this? Because even the nuclear industry’s greatest proponents know that the issues of proliferation and waste remain. I say we should not go down that road because there is no mandate to go down that road.

On 28 February 2003 the then minister for the environment, David Kemp, said the government had ‘taken a firm national decision not to develop nuclear power’. In July 2004, less than two years ago, the government released its energy white paper. On page 135, under the heading ‘Climate Change and Energy’, it states:
Use of uranium reserves raises cost, safety and waste disposal issues in power generation ... Australia is not contemplating the ... use of nuclear power.

The government’s white paper was released in July 2004. Less than two years later, there is a secret interdepartmental committee to change that policy. The Prime Minister waited until he was on the other side of the world, in the safety of the Northern Hemisphere, to make his nuclear fantasy public. The Prime Minister’s nuclear fantasy is Australia’s nuclear nightmare. The government is now talking about the enrichment of uranium and nuclear leasing arrangements whereby Australia would become the world’s nuclear waste dump.

Labor do not believe we should go down that path. There will be no nuclear power in Australia under a Beazley government. The economics do not stack up. We have abundant sources of alternative energy, waste disposal issues are unresolved and there are important national security issues to be considered. For these reasons, we do not support nuclear power in Australia. We do have a plan to avoid dangerous climate change, as set out by Kim Beazley in the climate change blueprint in March this year.

With the challenge of climate change comes an opportunity to enhance our health, through cleaner air, and an opportunity to strengthen our competitiveness by transforming our economy to make it more efficient and more sustainable. Doing so means drawing on the ingenuity and innovation of all Australians. We need to be part of the global move to a carbon-constrained economy. The earlier we move, the more economic advantage we will get from that.

The government is deliberately frustrating the expansion of clean energy technologies that are already available, such as solar energy. Labor’s policy—which includes a national emissions trading system, the ratification of the Kyoto protocol and a climate change trigger in national environmental legislation—would promote the take-up of clean and renewable energy. Labor believe that, if we deliver the right price signals and provide the right incentives within a well-developed and supported regulatory framework, Australia can play a role in helping the world to avoid dangerous climate change.

When the mandatory renewable energy target program was first announced, the government’s stated intention was to increase the market share of renewable energy generation by two per cent. In his second reading speech on the Renewable Energy (Electricity) Bill 2000 on 14 August 2000, Senator Ian Campbell said: Electricity retailers and other large electricity buyers will be legally required to source an additional 2% of their electricity from renewable or specified waste-product energy sources by 2010.

And what else does this mean for Australia? It means jobs, particularly in regional areas.

However, in its design, the MRET became a gigawatt-hour target rather than a percentage of market share. By making the target in gigawatt hours rather than a percentage of electricity generated, the target became a dead target. The result is that the market share of renewable energy in 2010 will be approximately 10.5 per cent—exactly the same as it was in 1997. The renewable energy industry is currently facing a significant downturn in project activity and investment. Without an increase in the MRET, Australia is at risk of ‘stranding’ industry capability, technology, skills and intellectual property. We saw that with the decision by Roaring 40s not to proceed with renewable energy projects in Tasmania and South Australia. By making the MRET target a dead target rather than a percentage of electricity generated, the government has ensured that the potentially huge and greenhouse-friendly renewable energy industry falls over. That is a loss for Australia.

All around the world, governments are putting in place policies to facilitate the growth of this industry. The future of United Kingdom wind power was brightened with the July 2003 approval of up to 6,000 megawatts of offshore wind energy by 2010. In Spain, Denmark and Germany alone, the expansion of the renewable energy sector has created about a quarter of a million new jobs in the last few years.

The Prime Minister’s refusal to ratify the Kyoto protocol has meant Australian companies such as Macquarie Bank are investing in massive renewable energy projects in Europe and Britain. According to Business Review Weekly, Australia is missing out on $3 billion worth of investment due to the inertia of the Howard government. If we are to grow our renewable energy industry effectively and reduce greenhouse gas emissions, we need a regulatory framework that allows the market to operate with certainty. We need effective incentives to drive investment.

When our children look back, they will judge the Howard government very harshly for not taking stronger action to support clean energy and avoid dangerous climate change. The Howard government is fiddling while Australia burns. The Howard government continually shows it does not support renewable energy. The Howard government is taking Australia down the wrong path. A responsible government would have had initiatives in this budget to take stronger action to support clean energy and avoid dangerous climate change. The Howard government has once again shown that its own political interests are a far higher priority than providing a clean, healthy environment for our children, which would provide certainty in terms of Australia’s economic position as well as making sure that we have a sustainable environment.
Mr CAUSLEY (Page) (7.46 pm)—It is always interesting following the member for Grayndler. It ran through my mind at the time he was putting out all those doomsday predictions that Hanrahan said, ‘We’re all rooned.’ By the sound of the member for Grayndler, that seems to be his position. But his arguments do not stack up. I listened very closely to some of the arguments he put forward. On one hand, he does not want any coal-fired based generation because of the pollution that might come from that, and he puts forward the proposals of wind farms and solar energy. But, if you look closely at the cost of wind farms and solar energy, he is really saying to the Australian people, ‘You’ll pay 30 per cent or 40 per cent more for your electricity,’ because that is what the extra cost from those methods comes down to.

I would say to him that, if he genuinely wants to look at a product that produces cheap, green electricity, he should look at an invention called the Aquanator, which has been invented in my area. It produces electricity from a water current. It can produce electricity for somewhere near—a little bit higher than—the price of electricity generation from coal. So, if he really wants to look at something that is practical and might give some results, I suggest that he have a very close look at that.

This is a very good budget as far as I am concerned. I have been in this parliament now for 10 years, and I have seen the government gradually overcome the problems that it inherited—the $96 billion worth of debt that was irresponsibly run up by the Labor Party. The savings that have accrued from that, the $8 billion in interest that we do not have to pay on that debt, are now available to the government to do some good in the community. As I walk around my community and talk to people, I wonder where some of the findings of polls come from, because I cannot find anyone in my electorate that is disappointed with the budget.

For the last four or five budgets—I think it is five budgets now—the Treasurer has been able to give tax cuts. I have not heard anyone in my electorate complain about a tax cut, I can assure you. If you look closely at it, the tax cuts over that period of time have been very fair across the board. I think this year we have done even better. We have been able to deliver some real tax cuts to the community. If you look at the change in the rates, the 30 per cent threshold has gone up to $25,000; the 42 per cent tax rate has been cut to 40 per cent and the threshold taken to $75,000; and the 47 per cent tax rate has been cut to 45 per cent and the threshold taken up to $150,000. That means that the vast majority of Australians are now paying fairly low tax rates. If you look closely at those rates—the percentages—across the world, Australia is now in a very competitive position as far as other countries are concerned.

Roads are a very important part of my electorate, and I dare say that the member for Paterson and other rural members in this House take a very keen interest in roads and road funding, because in this day and age, the age of the motor car, obviously the community are very keen to see that their roads are kept in a reasonable condition. I am pleased that there is more money for the Pacific Highway. The Pacific Highway, of course, as is often forgotten, is a state highway, and the amount of money that the federal government has been able to inject into that highway over the last 10 years is quite considerable. I recall that, when we first won government in New South Wales from the Unsworth government, the budget for the RTA from Port Macquarie to the Queensland border was $25 million. I remember the divisional engineer saying to me, ‘With $25 million I can hardly fill the potholes between Port Macquarie and the Queensland border.’ If you think back over those 20 to 25 years, the changes that have taken place in the Pacific Highway, the improvements that have been made in that period of time, are quite extraordinary. Now, of course, we are prepared to put extra funding into that highway.

I saw the most ridiculous headline I think I have ever seen in my life in a local paper, the Northern Star, which I would have to rate as one of the poorest papers in Australia. All they wanted to do was to look at the figure that we put in this year’s budget and say, ‘We’re only going to get about nine or 10 kilometres of road on the Pacific Highway.’ Of course, they forgot that we already committed last year to $660 million, and the state has matched that funding. We now have on the table $1.3 billion, unspent, for roadworks on the Pacific Highway. If you look closely at the people we have available to construct the highway, we physically cannot spend any more money on that in the next two or three years. I think that that was one of the most ridiculous and irresponsible headlines I have seen in my 23 years in politics.

The other issue that I am extremely pleased to see is the Roads to Recovery funding. Roads to Recovery was something that many of us fought very hard for because local councils were stretched to the limit; they just did not have the money to spend on local rural roads. Then we were able to find some money for Roads to Recovery. It was quite a surprise to hear in the budget, quite frankly, that we were going to double the Roads to Recovery money this year. I can assure you that most rural people were extremely excited about that, because we are getting some very good results out of Roads to Recovery. It shows me clearly that, if you can bypass the state bureaucracies, you are going to get some money on the roads. In the past it was gobbled up by all sorts of planning issues and excuses as to why the state government should take part of the money. We are now getting results on the ground because the councils are constructing these roads. I am...
also pleased to see that we have continued with the black spots funding. I know that the member for Paterson gets more than his share of that on Buckets Way.

There is so much in this budget. I know we have 20 minutes in this particular debate, but you could speak for a long, long time on this budget. There is something that I think needs to be put very clearly. I know it came through in the poll the other day saying that people would rather have funds spent on infrastructure. They were particularly talking about health, education and roads as well. If you have a look at it, those are state responsibilities. People are confused. I know that the media does not help them, because they do not try to explain the difference between state and federal responsibilities, but those are state responsibilities.

A typical example of that is in the city of Lismore in my electorate of Page. Last budget I was asked by the local health authorities to try and get an oncology unit for the Lismore Base Hospital. The Minister for Health and Ageing, Tony Abbott, certainly helped me with that. He gave me a commitment last budget of $8 million towards an oncology unit at the Lismore Base Hospital. The problem we have is that there has to be a building built for the oncology unit. It is a state government run base hospital. They have to shift the mental health unit to put in the oncology unit. I am not opposing that, because the unit we have there at the present time is very run down and we certainly need a mental health unit. But we have not even called for tenders at this particular stage, even though it has been promised for about six years. If I am generous I could say that we might build that in two years. Then we have to build a new building for the oncology unit, which will take at least another two years, if I am generous. So we are looking at four or five years down the track to get an oncology unit. Why? Not because of the federal government; because of the incompetence of the state Labor government.

I have to ask one simple question of this parliament: can someone tell me where the money has gone in New South Wales? I was in the state cabinet, as most members know, when we lost government in 1995. The money available for the budget in that year was $25 billion. Last year, some 10 years down the track, the state government had $44 billion to spend. And we have seen none of it in health, nothing in public education and certainly nothing on roads, which is a state responsibility. I would love to know where the money has gone, because it has certainly disappeared—and a lot of it.

On that note I look at the budget and see that education funding has risen to $16.6 billion from $10.8 billion in 1996-97. That is a considerable increase. I again challenge members opposite to go and have a look at the state budget and see how much education has increased in their budget over that same period. We get people standing up from the opposition and talking about TAFE, for instance, but we never hear discussed what the state government have done with TAFE. They are the ones who run it. They are the ones who will put on the extra fees. They are the ones who have reduced the number of students in the TAFE areas. But we get this criticism coming from the opposition that somehow it is all the fault of the federal government. I suggest to you, Madam Deputy Speaker, that there are a few reasons for it. Probably one of those was the Dawkins plan, which started the whole change in the education area, and the fact that the bureaucrats have taken control of TAFE. You would remember, Madam Deputy Speaker, as I do, that technical colleges were run by the local communities in the past. They were run by local people who had trades skills and knew the requirements of training in those particular areas. But that has all changed and we have gone to some academic area in TAFE.

On that note, I might say that the Australian technical college that was proposed for Ballina-Lismore on the north coast of New South Wales was stopped by the state education minister. Why? Because they had an ideological problem. I was told by the area director of TAFE New South Wales that he believed that he had met all of the criteria of both the federal government and the state government. The two basic sticking issues there in the Australian technical college are the fact that we require a community board. We are not going to give the money to the state government, because we know what would happen to it: it would disappear. So we want to give the money to a community board. We also expect that teachers would be offered—we are not saying they have to be—an AWA. That is already available in TAFE. But because the state Labor government did not like the idea of an Australian technical college, the minister for education in New South Wales would not allow TAFE to make the bid on those conditions. They went ahead with a bid that they knew would fail because it did not meet the criteria.

I know that regional partnerships are very dear to our hearts in regional New South Wales. They came out of an initiative of the member for Gwydir, the former Deputy Prime Minister. And we know why: because of the fact that rural areas often do not enjoy the same growth in the economy that other areas of Australia do. We have had some very good results out of that—not just Sustainable Regions but also Regional Partnerships. I have a Sustainable Region in my area that now covers the Casino, Grafton, down towards Coffs Harbour area. That joins with the electorates of the member for Cowper and the member for Lyne. It does give opportunities. In the past we had opportunities around the Ballina, Lismore, Kyogle, Tweed areas. We have had $10 million worth of investment in the local industry there, which has done quite a lot for the employment opportunities in those areas—areas that
always have difficulties with employment. They still have unemployment of around nine per cent.

But I have businesses in my electorate that cannot get labour. I was in the chair this afternoon and listened with interest to some of the debate on the so-called skills shortage. The meatworks at Casino, which is a very big employer in the township of Casino, continually advertises in the paper and on radio for boners and butchers and cannot fill the positions. Yet I have an unemployment rate of nine per cent. I have a big chicken producer in the area called Sunny Brand Chickens. They cannot get workers in their chicken farms. I have a number of piggeries. It is labouring work, I know. I have done plenty of labouring work in my days, I can tell you. People are too picky. They do not want those jobs, they will not do those jobs and they say they are unemployed. I think there has to be a tougher line taken in some of these areas, quite frankly. With the unemployment rates today down to just over five per cent, people cannot be picky and people cannot sponge off the taxpayer. They have an obligation to go out and look for work and to take up work at every opportunity. I will be pursuing that quite vigorously in the future.

Also, I would like to note the increases in the budget for health and aged care, particularly aged care. There is $48 billion in funding for health and aged care, up from $20 billion when we took over government in 1996-97. The North Coast—and I dare say other areas along the coast—is a very big retirement area. The need for aged care is great. I am glad that we get the home care packages, because I think they are a very good idea. Most people like to live in their own homes until they have to go elsewhere. They can get care and support, with the government giving extra money for those areas. It is pleasing to note that we have the money to give carers a one-off $1,000 bonus. I think that is very important. Carers do an enormous job in the community, sometimes under very trying conditions, with loved ones. It is a very difficult job that they do. Also, there is the utilities bonus. I know that whether people are pensioners or superannuants they really appreciate that little bit of help to pay for utilities.

As a rural member, I was also very pleased to see addressed in the budget a number of issues that really affect rural Australia. We are continuing with the scholarship process for young doctors. I notice that over the next few years there will be another 400 scholarships. We tie those to the fact that we expect these graduates to work in country areas for a period. It is very difficult to get doctors into some country areas. We note that if country students get a scholarship, and even other students who come to the country and spend a bit of time working out there, often they will stay. We are trying to encourage that as much as possible. Also, there is $3 million over five years to allow services in small rural hospitals to be billed to the Medicare Benefits Schedule. That is a very good initiative, I believe, for those small country areas. There will be $7.6 million over four years to address specific health challenges in rural and remote Australia. There will be $134.2 million over four years to continue assistance to help aged care providers in rural and remote Australia build and upgrade infrastructure. There is a $19.4 million supplement for rural and remote community aged care packages.

I have probably left the most important thing to last. I really believe that one of the great things that this government has done is support families in the community. Now 500,000 families will be able to earn $40,000 and still get the $4,200 family tax benefit A. That is a very big help for families. Even though they might pay the lower rate of tax during that period, by the time the tax cuts out from the family tax benefit A their income will be in the late $40,000. In real terms families with, say, three children will not pay tax until they reach the late $40,000 mark. That is something that is not known and is not accepted. I think it is very important. That is why families vote for us. They vote for us because we look after them. This goes even to the tax schedules. Anyone earning up to $10,000 will not pay tax. These are very big benefits. Probably the greatest surprise in the budget for me—and I think for many other members of the government—was that we are not going to argue any longer over the numbers to be allocated to child care. It has been deregulated. The opposition can argue all they like about what is going to happen, but it has been deregulated. If the need is there, the places will be funded. That is an enormous step forward, a tremendous step forward, for our community.

For a mid-term budget, I think this is marvellous. When you look at the projection of a $10.8 billion surplus, which will keep pressure down on interest rates, I think the Treasurer has to be congratulated. There is no doubt he has done an extraordinary job in the management of the finances of Australia, and only a Liberal-National Party government can do that.

Mr MURPHY (Lowe) (8.06 pm)—In tonight’s debate on the appropriation bills, I am going to speak about two matters that I feel very strongly about, and which I have previously raised in this House. The first is global warming and the second is capital punishment. I believe that the government has a duty to spend more of its huge budget surplus to do everything to arrest global warming and to do everything to eliminate the death penalty throughout the world through education and even more vigorous diplomatic efforts with those countries that impose capital punishment.

I turn first to global warming. At this time, in this House, two weeks ago, the Treasurer had just handed...
down his 11th budget. Nowhere in the 2006 budget is there even a skerrick of recognition of the seriousness of the global warming crisis, which is growing, while at the same time the government continues to promote the growth of carbon dioxide emissions, all the while undermining the renewable energy industry. I want to mention a few of the most recent reports concerning the damaging effects of global warming and carbon dioxide pollution, and then go on to detail some of the consequences of the government’s more inept responses to this critical issue.

Most of us have heard of the Gulf Stream—that ocean current in the North Atlantic Ocean that flows from the Gulf of Mexico to the Norwegian Sea. In fact, the Gulf Stream and its continuation, the North Atlantic Drift, is part of a worldwide thermohaline circulation system of ocean currents that carry heat from the equatorial regions to the poles. The evaporation of water vapour from these warm currents in high latitudes produces an increase in salinity and density that causes the cool, salty water to sink to the ocean depths and it is this mechanism that largely drives the circulation of the oceans.

Recent measurements have suggested that the melting of the Greenland icecap and the Arctic Ocean ice-cap have diluted the waters of the North Atlantic to such an extent that the warm currents that carry heat from the Gulf Stream have been reduced by 30 per cent. The heat carried north by these currents raises the average temperature of Europe by five to 10 degrees. Were the circulation to collapse, the European nations could be plunged into a mini Ice Age.

The apparent slowdown in these currents, which has long been predicted as a possible consequence of global warming, will give added impetus to the efforts of European nations to reduce global carbon dioxide emissions. I do not need to emphasise tonight the threat that this finding poses to Australian coal exports, let alone other measures such as trade sanctions that may be imposed by the Europeans on countries such as Australia that refuse to curtail carbon dioxide emissions.

Closer to home, the CSIRO’s Marine and Atmospheric Research division has reported that the increase in atmospheric carbon dioxide concentrations has risen sharply over the last four years. According to Dr Paul Fraser, the division’s chief research scientist, last year carbon dioxide levels grew by two parts per million, which is twice the rate of the early eighties. The CSIRO said:

2005 was a record for increases in greenhouse gas heating, the main driver of increasing surface temperatures. So it now appears possible that we have reached a point where the earth’s environment can no longer easily absorb emissions of carbon dioxide from burning fossil fuels. We could be fast approaching a point of no return, and what does this government do about it?

Nothing, except promote the consumption of fossil fuels while refusing to increase the mandatory renewable energy targets for electricity generation, and connive in schemes to block the construction of wind generating farms that threaten the fossil fuel industries. Dr Fraser warned:

We are in line for the carbon dioxide future that we hope to avoid, a one to three degree rise in [average earth temperatures] over the next century.

Dr Fraser said that the only solution was ‘emitting less carbon dioxide’. I suppose that after making these statements, Dr Fraser will discover that the government will make sure that his grant applications are rejected and that the CSIRO’s Marine and Atmospheric Research division will be closed down—such are the consequences for public servants who dare to speak out against this government’s policies.

In 1956, Roger Revelle and Hans Suess, geochemists at the Scripps Institution of Oceanography in California, pointed out the need to monitor the concentrations of carbon dioxide in the oceans and atmosphere. At that time, it was thought that carbon dioxide emissions would be benignly absorbed by the seas and taken up by growing plants. What the measurements taken by Dr Revelle soon showed was that not all of the carbon dioxide was being removed from the atmosphere by plants and that the carbon dioxide that was being absorbed by the oceans was changing the chemistry of sea water and making it more acidic. Fifty years have passed since Dr Revelle started taking measurements and it now seems that 40 per cent of the carbon dioxide released by burning fossil fuels remains in the atmosphere. It is this gas that has been dumped into the air that is driving global warming. The rest has been taken up in about equal proportions by vegetation on the land and by the oceans.

The acidification of the oceans by carbon dioxide may not have attracted the same level of attention that greenhouse heating of the atmosphere has received, but the consequences for marine life are severe. The increase in ocean acidity threatens organisms such as the molluscs that build hard parts out of calcium carbonate, because the more acid sea water attacks their shells. Corals are also among the creatures that are affected by more acid sea water, as are the tiny snails that form a key link in the marine food chain of the Southern Ocean that supports large populations of fish, whales and sea birds.

From an economic perspective alone, it is clear that the potential danger to the Great Barrier Reef and the Southern Ocean fisheries from carbon dioxide acidification of the oceans should be cause for alarm. Unless carbon dioxide emissions are rapidly reduced, the acidification of the oceans will increase to a level that poses severe threats to the biodiversity and productivity of the marine environment.
We now hear that the Prime Minister, while on a taxpayer-funded discovery tour, has suddenly found that nuclear power is the answer to all of these problems caused by carbon dioxide pollution.

Mr Baldwin—What about your study tour?

Mr Murphy—I suggest that the member for Paterson hear what Mr Albanese has to say about the disingenuousness of the Prime Minister tomorrow.

Apparently, we can expect that nuclear power plants will start to spring up in Australia in the near future. The problems associated with the deployment of nuclear reactors are considerable. Among the most serious are the disposal of nuclear waste; the illicit production of materials such as plutonium for nuclear weapons during the normal operation of reactors; the safety of the reactors from the release of radioactive materials by accident or by terrorist attacks; the decommissioning of old reactors; and the safety of reactor workers. None of these issues has been properly resolved. In particular, the disposal of the nuclear waste produced by the reactors that the Prime Minister is promoting is an intractable problem. High-level radioactive waste that was produced 60 years ago during the Second World War Manhattan Project is still in so-called temporary storage awaiting a decision on the long-term safe disposal of this and other reactor residues.

The Deputy Prime Minister has recently suggested that somewhere in Australia should become a repository for nuclear waste. Does he have a preferred site for this dump? How about somewhere in his own electorate of Lyne? If not the North Coast of New South Wales, where?

The Deputy Prime Minister’s foolish proposal underlines the seriousness of the problems that are associated with the generation of electricity from uranium fission. The uranium that comes out of the ground is principally made up of two isotopes, that is atoms that have the same chemical properties but different masses. The two most common isotopes of uranium are uranium 238, which is 99.3 per cent of the naturally occurring element, and uranium 235, which is just 0.7 per cent of the natural element.

It is the uranium 235 that is split to release energy in nuclear reactors and it is the uranium 235 that is separated by enrichment from uranium 238 to produce the nuclear explosive for atomic bombs. Atomic bombs such as the Hiroshima weapon are made up of highly enriched uranium, which is uranium enriched to 95 per cent uranium 235, whereas the uranium used in the pressurised water reactors that are widely used in the United States is enriched to only about three per cent to five per cent uranium 235. This reactor fuel is referred to as low enriched uranium.

In its haste to cash in on the apparent renewed enthusiasm for nuclear power by selling uranium, the government is potentially threatening one of the most important recent nuclear disarmament initiatives. In 1993 the United States and the Russian Federation signed an instrument of cooperation entitled the Agreement between the Government of the United States of America and the Government of the Russian Federation Concerning the Disposition of Highly Enriched Uranium from Nuclear Weapons. The purpose of this treaty—termed the HEU agreement—was to arrange for the orderly dismantling of 20,000 Russian nuclear weapons and the conversion of the highly enriched uranium from these weapons into low enriched uranium suitable for use as a nuclear fuel for power stations. As of September 2005, 250 tonnes of highly enriched uranium, equivalent to 10,000 nuclear weapons, had been converted into reactor fuel. By 2015 a further 250 tonnes of weapons grade uranium will have been converted to reactor fuel, eliminating the threat from another 10,000 nuclear weapons.

Approximately 25 tonnes of low enriched uranium is typically loaded into the reactor of a thousand-megawatt power station. This charge may be replaced every two years with fresh uranium and the spent fuel is then placed in temporary storage. Assuming that the remaining 250 tonnes of highly enriched Russian uranium is diluted down to three per cent low enriched uranium suitable for reactor fuel, there is at least 15,000 tonnes of reactor fuel presently available in the form of dismantled nuclear weapons. This is sufficient to fuel a dozen reactors for 50 years.

Instead of the Howard government pushing the sale of fresh uranium onto a world still threatened by nuclear weapons, the right thing to do would be to press the nuclear weapon states like China and India to dismantle their nuclear weapons and turn the uranium into reactor fuel. That way they could fuel their nuclear reactors and at the same time reduce the threat posed by atomic weapons. After all the Russians and the Americans are doing just that. Is there any good reason why the Australian government should not be supporting such a policy?

I turn now to the death penalty. Many Australians went into collective mourning on 2 December last year when Van Nguyen was executed in Singapore. His execution by hanging was, and remains, a cruel and inhumane act with no redeeming features. What Van Nguyen was thinking in his final moments is unimaginable. Many of us spoke out in this House against the execution of Van Nguyen, sadly to no avail. I am still making representations to the Singaporean government about that country’s mandatory death penalty.

Only a few months after Van Nguyen’s execution, we find two more young Australians, Myuran Sukumaran and Andrew Chan, on death row in an Asian jail. Both young men—like Van Nguyen—are much loved by family and friends who are now faced also with an
unimaginable outcome. What happened in the Van Nguyen case must not be repeated in the case of these young men. These young men were extremely foolish and irresponsible; their conduct was of a kind that demands stern punishment, but not their death. Their offending should not result in their death. The disproportion between the offence and the punishment is so vast that it is shocking and clearly wrong. This time the Australian government cannot fail in its attempts to ensure that these two young Australians are not executed. All diplomatic avenues must be pursued.

Importantly, there is a significant difference between the legal systems of Singapore and Indonesia in terms of when the death penalty is imposed. In Singapore the death penalty is mandatory for certain offences while in Indonesia it is a matter of judicial discretion. Within the space of this judicial discretion the Australian government has a significant opportunity to utilise all diplomatic means possible to prevent the execution of these young men.

It is undeniable that the deliberate cold-blooded killing by the state of a healthy person with an unyielding desire to live is cruel. It is fundamentally contrary to all that is human. The end of life and its means is a matter that should not be determined by the state by means of capital punishment. The matter of death and its finality means that the state should never intervene to hasten the end of a life. It is simply too precious to be dealt with in this manner. That is why the Indonesian government ensures that the identity of the executioner is never disclosed, even to himself. This recognises that those matters are beyond the executioner. What this should mean is that they are beyond the actions of any nation in whose name they are done.

In Indonesia the death sentence is carried out by a firing squad of 10 to 12 men, all of whom simultaneously fire a shot at the victim’s heart. Only two members of the firing squad fire bullets, while the others discharge blank cartridges. It is not known to the marksmen which of them fired the bullets. This ensures that none of them has to live with the horror that they are responsible for such an inhumane act. This reveals the ultimate inhumanity of the act of capital punishment—that the person responsible for the extinguishing of a life be removed from the death that he or she has caused and all the normal emotions that would accompany such an act. Thus the wrongness of the act of capital punishment is revealed dramatically by its process. Execution by a firing squad is one of the most barbaric forms of killing. Rarely does the victim die quickly. It normally takes the victim three to five minutes to die, sometimes longer. Sometimes the victim does not lose consciousness during this time. Accuracy of the firing squad cannot be assumed, nor can an assumption be made that the death will be quick or free of enormous pain.

Should these young men be executed by a firing squad, they will be taken to a secluded forest. It will be at night, and there will be little warning. Their families and friends and legal representatives will not be notified and have no right to be present. They will not even have the dignity of an opportunity to say goodbye. Once at the place of execution, they will be blindfolded and, more than likely, restrained to a tree. A mark will then be placed on their heart as a target for members of the firing squad. They will then be shot and their bodies released to their families for their tragic return to Australia.

Despite the cruelty involved in executing prisoners, Indonesia is one of 74 countries in the world that continues to impose the death penalty. It has been abolished in the other 122 countries, and the colonial power which introduced the death penalty to Indonesia—the Netherlands—no longer imposes the death penalty for any offence. There is only one reason Indonesia retains the death sentence: it is assumed that the death sentence will send a strong message to other people to not engage in criminal conduct. The supposed crime deterrent effect of capital punishment is meant to enhance community safety. Commonsense suggests that there is merit in this argument. No-one wants to be executed and hence most rational people would presumably want to make sure that they do not commit criminal acts that would place them in such a position. But commonsense assumptions are often disproved by research. That is why governments and private organisations spend billion of dollars daily undertaking research based activities. When it comes to capital punishment, commonsense again lets us down. It simply does not work. There is simply no proof of its effectiveness.

Armed with this information, the Australian government must employ the strongest possible diplomatic pressures to ensure that Myuran Sukumaran and Andrew Chan are not executed. It should also encourage Indonesia and every other country to abolish capital punishment. (Time expired)

Mr Baldwin (Paterson—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (8.26 pm)—Tonight I rise to speak on the appropriation bills for the 2006-07 budget, a budget which has a revenue base of $231.7 billion, up 3.9 per cent from the $222.9 billion of the previous year, and an expenditure of $219.7 billion, up 6.7 per cent from the $206 billion expenditure of the previous year. The figures I have just quoted show that we will have yet again a budget surplus for another year.

This is the first time in 30 years, since the 1975-76 budget, that a government has been able to post a surplus with no government debt. When we came to government in 1996, the previous Keating government had proclaimed they were in budget surplus, when in fact
the records showed that there was a $10 billion deficit. But I would also remind the House that, in 1991-92, there was an $11 ½ billion deficit; in 1992-93, a $17 billion deficit; in 1993-94, a $17 billion deficit; in 1994-95, a $13 billion deficit; and in 1995-96, a $10 billion deficit. Labor have form. The only form they have is in spending—and taxing—more than they raise. That created a terrible situation in Australia where our standard of living was dropping and our international competitiveness was given go the back door. The reality was that Australia and its economy was largely seen as a joke amongst other countries.

Since coming to power in 1996, we have weathered the Asian meltdown and at the same time reduced interest rates; we have survived other countries’ recessions and at the same time reduced debt in this country. I am very proud of the fact that I have been part of a government that has had a path of not only reducing debt but also reducing interest rates and increasing our economic growth—which, on average, has been about 3.5 per cent per annum. These are remarkable figures.

But, each and every step of the way, the Labor Party has opposed everything that this government has done to implement the substantial reforms that have been required to bring about the results we have witnessed. In fact, I remember quite clearly on budget night 1996 the ashen faces of the members opposite as we created a budget that put us, as the Telegraph stated at the time, ‘back in the black and back on track’. On 9 May in this House, when Mr Costello delivered that outstanding budget, we again witnessed those ashen faces, unable to comprehend how a government was able to deliver such a strong economic position for Australia.

A couple of interesting facts from our budget need to be understood. One is that, out of the $231.7 billion of income that we will collect, $115.7 billion, or around 50 per cent, will come from people’s personal income tax; $59.35 billion, or 25 per cent, will come from company tax; and $14.6 billion, or around six per cent, will come from fuel. We need to raise the $231 billion because our expenditures are quite high. In fact, some $91.75 billion, or around 42 per cent, goes in social security. That is a rather large part of the overall budget, when you consider that we are spending $17.8 billion, or 7.7 per cent, on defence; $16.6 billion, or about 7.2 per cent, on education; $39.8 billion, or around 17 per cent, on health; and $8.3 billion, or 3.6 per cent, on infrastructure, transport and energy. We are able to do that.

But, in the long term—echoing what you, Mr Deputy Speaker Causley, said in your role as the coalition speaker before me—we need to do something to reduce the amount of welfare payments in Australia. We need to encourage our fellow Australians back into work. There has been much hue and cry from the opposition about workers, including those with skills, being imported to this country. The reality is that, if employers in this country cannot get the people they need to do the work here, those people will have to come from somewhere else; otherwise, we will lose those jobs, employment opportunities and businesses to offshore countries.

As I said, the income tax cuts are fairly historic. There will be personal relief of over $36 billion over four years from 1 July 2006: the threshold for the 30 per cent tax rate will rise to $25,001; the 42 per cent marginal tax rate will be cut to 40 per cent and the threshold will rise to $75,001; and the 47 per cent marginal tax rate will be cut to 45 per cent and the threshold will increase to $150,001. In particular, the low-income tax offset will increase to $600 per year, the phase-out will go up from $21,600 to $25,000 and the fringe benefits tax rate will be cut to 46.5 per cent.

There are many benefits coming from this budget—it is an outstanding budget—and its plans to realign superannuation and superannuation tax, in particular, have gone down well in my electorate. I know that much work has to be done in consulting with industry on the outcomes and that is why it will be delayed until 1 July 2007. It is an outstanding fact that, from 1 July 2007, people aged 60 and over will be able to have tax-free superannuation benefits, which are paid from a tax fund. This means that there will be much more disposable income and much less reliance on social security for people to maintain their lifestyles.

Over and over again in this House, I talk of one of the key aspects or problems of my electorate, which is road funding. Mr Deputy Speaker, as you rightly pointed out when speaking as the local member for your electorate, the additional $160 million announced for the Pacific Highway for 2005-06 will be a great spend. Of course, this has to be matched by the New South Wales government. That represents an additional $320 million worth of funding before 30 June being placed into the highways.

This is important to me in that it includes funding announcements for stages 2 and 3 of the Karuah to Bulahdelah upgrade. Currently, Karuah to Viney Creek is under way, but there is an additional 34 kilometres of road between Karuah and Bulahdelah that need upgrading. The Australian and New South Wales governments have also allocated $18.8 million to kick-start the 8½ kilometre Bulahdelah bypass. This will incorporate new twin bridges over the Myall River. In the south, the bypass will connect the Karuah to Bulahdelah sections 2 and 3, where construction will start later this year. In the north, it will link the Bulahdelah to Coolongolook project, which was completed in 1999. By the time the Bulahdelah bypass is completed, sections 1, 2 and 3 of the Karuah to Bulahdelah part of the Pacific Highway, plus the Bundacree Creek to Possum Brush area will be open to traffic.
This funding has been well received. In fact, Wendy Machin from the NRMA was quoted in the Port Stephens Examiner as saying:

The Federal and State Governments have both committed an additional $160 million for the Pacific Highway upgrade - which means that $640 million will be spent in the coming financial year alone.

There is a further issue. The highway section, as I said, between Karuah and Viney Creek will be completed very shortly; but the state government and the RTA failed in their planning to allow for a flyover in this current construction stage. The community, led by Patricia Michelle, has been to see the various road ministers—in fact, there have now been four in this term of the Carr-Yemer government—and the excuses are varied. The project has blown out from $5 million to $16 million. In fact, when Michael Costa was the minister for roads, he said, 'But, if only the federal government funded it, we would build it.'

How disappointed am I when we have announced an extra $160 million for the Pacific Highway upgrade and the state government has not prioritised a flyover for Tea Gardens? It says that there is not a need, Mr Deputy Speaker, but can I put this to you: Karuah to the south, with 435 addresses and a population of 789 aged over 18 has two flyovers: one to the south of Karuah and one to the north of Karuah—and deservedly so. The planning for Bulahdelah, with a population of 521 addresses and 998 people aged over 18, is that it will get two flyovers: one to the south of the town and one to the north of the town.

The Hawks Nest-Tea Gardens intersection, with 1,382 addresses and a population over 18 of 2,380—and that is not counting the North Arm Cove population of 327 people over 18—gets a T-intersection. I know that you know this area rather well, Mr Deputy Speaker Causley. During holiday times, the population of the Tea Gardens, Hawks Nest and North Arm Cove area swells dramatically. It is a favourite tourist haven. In fact, our Prime Minister spent 20-odd years there on holidays until the Newcastle Herald stuffed that up for everybody. The reality is that this is a busy town, but it is one road in, one road out; it is one intersection. The fact is there have been a record number of accidents at that intersection.

Ms Michelle is coming down here this week to meet with the Minister for Local Government, Territories and Roads, Jim Lloyd. I am not happy about the current situation, and I have raised in this House many times how we, the Australian government, need to stand up to state governments on road prioritisation where we are providing the funding. We can no longer let the state governments put all of the planning into effect when we are providing 50 per cent of the money.

One of the groups happiest with the budget—and they are not always happy people—were the mayors in my electorate. The mayors were happy because this year there will be an additional $307.5 million paid to councils. They were to receive $307.5 million, but this year they will receive an additional $307.5 million. What that means for councils in my electorate is an additional $2.263 million this year. Dungog council will receive an extra $357,752, Gloucester council will receive an extra $350,690. Great Lakes council will receive an extra $617,602, Maitland council will receive an extra $473,678, and Port Stephens council will receive an extra $462,971. It has been very, very well received. In fact, the mayor of Gloucester, Barry Ryan, was quoted in the Gloucester Advocate as saying:

It’s a fairy godmother’s wish, Santa Clause is present and the tooth fairy too ... Roads to Recovery has been the best lot of financial assistance given to local government in all my years on council...Five years ago we did not even get these funds. I’m just ecstatic and there will be a great benefit for the public from it.

The Great Lakes council’s director of engineering, Ron Hartley, told the Great Lakes Advocate the extra funding would be used on the Bucketts Way and the Lakes Way. He said:

There are a number of major projects which have not been funded in current programs that we can now look at undertaking on a priority basis. There was actually a report to council’s March meeting which identified some areas that needed attention, and these would most likely be our priorities.

And the mayor of Dungog council, Steve Low, told the Dungog Chronicle that Roads to Recovery funding represents a 72 per cent increase in financial assistance grants to Dungog. He said:

This is great news, as the quantum has not changed since 2000, and by 2008 the funding would have lost about 30 per cent of its real value. Roads to Recovery has made a positive difference in the standard of local roads throughout Australia.

This funding is on top of the recently announced $10 million in road funding I secured for local councils in my electorate, for key road projects in Dungog, Great Lakes and Port Stephens shires. This was road funding that we put into local roads that should have been primarily the responsibility of the state government. We were doing the right thing putting $10 million into these roads, expecting the state government to match it at least—$10 million for $10 million.

The state government of New South Wales has no intention of funding roads outside of the Sydney metropolitan area. As I have said in this House many times before, it is $1 million or $1 billion for a tunnel in Sydney, but never a dollar for the bush. That is truly reflected in the way that they act. I know that my colleague at the table, the member for Wentworth, must be ecstatic with all the tunnels and highways in Sydney, but the reality is that people are dying on the roads in the bush, and we need to do something about it. That is
what I campaigned on during my campaign to return to government in 2001 and that is why, this year, I was able to secure a $20 million program on the Bucketts Way—which you also mentioned in your speech, Mr Deputy Speaker Causley.

This year the area will receive the final $4.78 million instalment, which will bring it up to the four-year, $20 million program. In fact, tenders for the final year’s work will be called on 27 May. Projects targeted for this final year include, in Great Lakes shire, a final 1.4 kilometres of rehabilitation to complete the continuous improved link between Stroud and Stroud Road at $630,000; five kilometres of rehabilitation along the worst sections of the Bucketts Way, from the completed sections north of Stroud Road and running north towards Wards River at $2.37 million; and, in Gloucester shire, 500 metres of rehabilitation along the Bucketts Way.

In total, there are four road reconstruction projects to be done in the next financial year, which involve seven sections of the Bucketts Way, totalling 9.2 kilometres in length across the Gloucester, Great Lakes and Greater Taree councils. Each section will be reconstructed and widened, and covered with primer seal of bitumen. More than 30 projects were scheduled for completion as part of the Bucketts Way program over four years, with the aim of improving driver safety. I do not think there could be anyone who, if they had driven the Bucketts Way four years ago and they drive on it now, could fairly say they have not noticed substantial increases in the road quality, and in particular in safety. One of the key measures that I place on that is the reduction in the number of accidents. But as I have always said, and I continue to say, people must continue to drive to suit the road conditions at the time. We cannot expect to be able to sit on any road in Australia doing 100 kilometres an hour without observing the weather and road conditions that surround us.

Weakley’s Drive is a road over which I quite regularly have argy-bargy with the member for Hunter. Last year the federal government gave $3 million out of $25 million in project funding for Weakley’s Drive and the member for Hunter jumped up and down, saying, ‘Not good enough’. He had egg on his face when he found out that was all the RTA had asked for, because the state government of New South Wales has an inability to get on with this job. In fact, this year they do not have a full load of money to complete the roadworks—and this is only a simple flyover—and they have only asked for $10 million, so again the road will not be completed this year—and this is the end of the F3 where it joins the New England Highway. I am so disappointed that the RTA has not been able to adequately plan, prepare and get these roadworks under way. In fact, I think it is almost a state Labor government boycott of the people in my region. We have been fighting for these roadworks for over 10 years. If I were not in parliament perhaps I would be using different words, ones that I use when talking to people down at the pub, as I am so disappointed that this project is not going to be completed this year. I say to the RTA and the new NSW roads minister, Mr Rozendaal: pull the finger out and get on with the job; do what you were elected to do: build roads. If there were a way that the federal government could conduct its own roadworks without the interference of the state governments, more would be done, more roadworks would be completed and more lives would be saved.

Mr Kelvin Thomson interjecting—

Mr BALDWIN—The member opposite says, ‘We’re moving that way.’ I have to say you must be awfully embarrassed about the Scoresby Freeway, as the Victorian Liberal leader has now completely backflipped and said, ‘Yes, we will support tolls on the Scoresby.’ The Liberal Party, who were on a great crusade in the eastern suburbs of Melbourne claiming that there was an alternative to tolls on the Scoresby, have now made a miserable little backflip and admitted that all along tolls were the only option. The Treasurer has egg on his face in relation to that matter and he has dunned Victorian motorists.

In my speech on the appropriation bills, I want to speak firstly about the budget context. For the past few years there has been an unprecedented commodity boom fuelled by demand from China and India. I remember that when I was younger people said, ‘If only we could sell a Ford or a Holden to everyone in China—think of how rich we’d be.’ That never happened of course, but now something like that is happening. The budget papers show that the government expects to yield almost $16 billion more in tax receipts in the next financial year than was forecast in last year’s budget for this financial year—just one year on, this is $16 billion more than they thought they would get—and the commodity boom, fuelled by demand from China and India, is a key reason for this.

Then we have the tax cuts. I support the tax cuts but I do not think people should get too excited about them. They are not so much tax cuts as giving back money which the government has been able to collect through bracket creep, increased petrol taxes, GST, HECS, pharmaceutical charges and so on. The budget papers show that even with the tax changes the government’s income tax revenue increases by $7.9 billion, or 4.9 per cent. Just about everyone earning under $60,000 per year gets less than $10 a week in tax cuts.
and for many people soaring petrol prices and mortgage repayments soon take care of that.

The euphoric initial reaction to the budget reminded me of the story I heard of the Spanish conqueror of Latin America, Torquemada, who for years was in the habit of torturing and killing the native South Americans in order to keep them under the thumb. When he stopped torturing and killing them—I do not know the reason why—the locals turned around and worshiped and revered him for it. It seemed to me that the applause that the government got simply for giving back some of the mountains of our money that they had accumulated through petrol tax, GST et cetera was in a similar category.

Then we have the superannuation changes. The government made a point on budget night of saying that the superannuation changes would simplify the system and reduce the need for financial planners. In looking at what they have put out so far, an 80- or 90-page consultation paper which raises more questions than it answers, I suspect the financial planners will not be looking for another line of work just yet. In fact, I think their businesses will boom as people try to arrange their retirements and their financial affairs to take advantage of the changes. Those changes which are apparently final include no tax on final super payouts for Australians over 60. Whether this will encourage people to go back into the workforce for a month or so, put money in and then retire without that amount tax free is a moot point.

The cost to the budget of abolishing the exit tax is not great because not many people actually pay it. Indeed, the budget papers show that, even with the axing of the exit tax, taxation revenue from super funds to the government will rise: by $5.9 billion next year, by $6.4 billion the year after that and by $7 billion and $7.6 billion in the following years. The other change that has been outlined is that workers can access their superannuation from TAFE since 1998. The new foreign apprenticeship visas are simply making this unsatisfactory situation worse.

Then there are petrol taxes. Despite the people of Australia’s petrol pain, the government is again complacent in its reaction to this massive petrol price hike. Its complacency in this regard comes, in my view, from the windfall gains in excise and GST that they take in as a result. On an average tank of petrol the Howard government pockets around $25 and over a year the money made by the government from the petrol used by just one car equates to around $1,500, the price of a cheap used car. Some research that I carried out at the end of 2004 showed that excise had risen from $7 billion in 2001-02 to $7.37 billion in 2004-05 and that GST revenue on petrol had risen by a third from $1.4 billion in 2001-02 to $1.9 billion in 2004-05.

With the hundreds of millions in taxes and levies that the petrol price hikes provide to the Howard government, it is no wonder that it keeps mum about this issue. Rather than sitting on its hands and allowing the money to roll in, the government should be tackling our growing dependence on imported oil by moving towards alternative fuels. In particular, it should harness some of our massive offshore natural gas reserves to produce liquid fuels capable of being used by Australian vehicles.

In Labor’s budget reply the Leader of the Opposition, Kim Beazley, committed Labor to five key initiatives. The first was on child care. A federal Labor government would provide $200 million to establish 260 new child-care centres on primary school grounds and other community land. This is designed to ease the double drop-off for mothers in the morning.

The second is on apprenticeships and training. Labor would provide apprentices with a ‘skills account’, with a deposit of $800 a year for four years to get rid of up-front TAFE fees. Additionally, we would deliver a $2,000 trade completion bonus to encourage students to finish their courses, and produce an extra 10,000 tradespeople.

The third is no foreign apprenticeships. In the last 10 years the Howard government has imported 270,000 foreign workers to deal with the skills crisis instead of training the 300,000 Australians it has turned away from TAFE since 1998. The new foreign apprenticeship visas are simply making this unsatisfactory situation worse.

The fourth is no unfair dismissals. Labor is dedicated to tearing up John Howard’s extreme industrial relations laws and would put a new system in place to protect working Australians from the threat of unfair dismissal.

The fifth and final is on broadband. Labor would invest, with telecommunications companies, to build a fibre-to-the-node broadband network that is 20 times faster than the speeds available today across the country.

I turn now, as I have done previously in this House, to the ‘wheat for weapons’ scandal. It is one of the worst political scandals this country has witnessed and this government is arrogantly seeking to ride this scandal out. It has chosen to turn a blind eye to what was going on—a case proven beyond a shadow of a doubt by the flood of evidence to the Cole commission.

This scandal took a different turn on 17 February this year, when the Australian newspaper published a
story about government members holding AWB Ltd shares. One of those named was the member for Gwydir, Mr Anderson. The story quoted the member for Gwydir as saying he sold his shares on the advice of his family accountant, who suggested he diversify his interests beyond rural investments. According to the *Australasian*, the member for Gwydir sold his shares, and those belonging to his wife, on 10 and 11 October 2005. He failed to declare the sale to the parliament, as he was obliged to do. He did not lodge the required declaration until the day before the story ran.

On 26 February this year, Glenn Milne wrote a story about the member for Gwydir’s share trading. He referred to the fact that the sale took place just prior to the release of the Volcker report, which was highly critical of AWB. In this story, the member for Gwydir denied any advance knowledge of the contents of the Volcker report. He said that he always intended to sell his shares when the price hit $5. This claim contradicted his earlier statement that, on the basis of advice from his accountant, he sold his shares in order to diversify his rural—

The DEPUTY SPEAKER (Hon. IR Causley)—I do not believe the forms of the House allow the member to attack another member of the House without a substantial motion which allows that member of the House to reply. This is outside the realms of a reply to the budget. I have ruled this way before; I will continue to rule this way.

Mr KELVIN THOMSON—Mr Deputy Speaker, I have discussed this matter with the Speaker. He advises me that—

The DEPUTY SPEAKER—the member for Wills cannot debate the issue. I have ruled.

Mr KELVIN THOMSON—On a point of order, I have taken up your ruling on this matter with the Speaker. He advises me that he has discussed it with you. I believe—

The DEPUTY SPEAKER—the member for Wills is not allowed to debate the point. I have ruled. He will continue with his speech.

Mr KELVIN THOMSON—I am raising with you a point of order—

The DEPUTY SPEAKER—the member for Wills will be sat down, and I will call the next speaker, if he wants to continue on this.

Mr KELVIN THOMSON—I have taken up this matter on a point of order.

The DEPUTY SPEAKER—I have ruled on that. You can continue with a speech on the budget if you want to. I have ruled.

Mr KELVIN THOMSON—I will pursue this matter elsewhere, as I have done before.

The DEPUTY SPEAKER—you may.

Mr KELVIN THOMSON—There are a range of issues as to why I believe the AWB scandal is in order in relation to this budget debate and as to why I have been speaking to it. For example, during his grand tour we had the Prime Minister recently say in Dublin about Iraq:

The cynics in the West are unreasonable, they’re over-demanding, their expectations are far too high.

He says that our expectations are far too high. Let us just do a little audit and reality check. Since the invasion, between 44,000 and 89,000 Iraqi civilians, an estimated 55,000 Iraqi insurgents and 2,500 members of the invading forces have been killed. Even on the minimum estimates, over 100,000 men, women and children have been killed.

The United States spent or approved the spending of $435 billion on Iraq—15 times the entire annual Iraqi GDP. Even so, a greater number of Iraqi children—nine per cent—are suffering from acute malnutrition than was the case before the invasion in March 2003. Is it unreasonable, Prime Minister, to ask that the invasion of Iraq not lead to more children suffering from acute malnutrition than were before the invasion?

More than two-thirds of Iraqis still do not have clean water. Residents of Baghdad receive on average fewer than six hours of electricity per day. Two-thirds of Iraqis feel less secure now than they did before the invasion. Fewer than one per cent believe that the occupying forces have improved security. Is it over-demanding, Prime Minister, and unreasonable to expect that the invasion of Iraq should have improved the security situation and made it safer for ordinary Iraqis to walk the streets at night rather than less safe?

Before the invasion, the Baghdad morgue processed fewer than 100 corpses a month. In the first three months of this year—three years after the invasion, three years after George Bush stood under the ‘mission accomplished’ sign—it processed 3,427 corpses. Are our expectations too high, Prime Minister, if we expect that our actions should lead to fewer deaths in Iraq, not more?

Debate interrupted.

ADJOURNMENT

The SPEAKER—Order! It being 9.00 pm, I propose the question:

That the House do now adjourn.

Occupational Health and Safety

Mr HAYES (Werriwa) (9.00 pm)—As a former official of the Australian Workers Union, I represented, amongst others, miners in the metalliferous mining industry. Not only did I represent those miners in the courts but I also attended mine sites and accompanied miners underground. The mining industry has not always been as buoyant as it is today, propped up by high commodity prices. I remember when ore prices
plummeted some years ago and a number of mines, particularly smaller ones, started to seriously consider closing. Mine managements were under intense pressure to look for cost cutting. As is evident from the recent events at Beaconsfield, mines are often an important economic asset in small towns. While workers were willing to consider compromising on some things in order to keep the mine open and keep their jobs, there was one thing on which miners were never willing to compromise, and that was safety in the workplace. If there is anything that we should take from Beaconsfield it is that we can never do enough to make sure that mines—or any other workplaces for that matter—are safe for people to work in.

Over the years it was the union movement that brought safety to the attention of mine owners and business operators more generally. Unions campaigned for improved health and safety in the mining industry, often opposed in board rooms and corporate offices on the basis of cost. Todd Russell himself indicated recently in that interview that it was through his training that he knew and understood the scope of the rescue operation that was taking place.

It is against this backdrop, one which has shown the dangers faced when people go off to work each day, that this government has actively sought to undermine the hard-won advances in safety for working Australians. The Howard government has specifically banned union provided occupational health and safety training from industrial agreements. Over the last couple of days we have heard repeated yet pathetic attempts by the Minister for Employment and Workplace Relations and the Acting Prime Minister to deny this, but you only need to take a look at their own industrial relations regulations to find out the facts. Section 8.5 of the Workplace Relations Regulations lists the prohibited content for both individual and collective industrial agreements. It states:

A term of a workplace agreement is prohibited content to the extent that it deals with the following:

(c) employees bound by the agreement receiving leave to attend training (however described) provided by a trade union.

That is not the end of the story. Section 365 of the act provides for fines of up to $33,000 for a body simply seeking to include any prohibited content in an agreement. That is a fantastic way to emphasise the point. If you are still not convinced, you need only look at the conclusion of the Office of the Employment Advocate, the government’s own adviser on such matters, on 19 April this year, when it said in relation to mining matter before it:

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

As such I have concluded that it falls within the terms of Regulation 8.5(1)(c) that is, prohibited content. During the term of this parliament the government has progressively sought to undermine the role of trade unions in OH&S in the passage of the National Occupational Health and Safety Commission (Repeal, Consequential and Transitional Provisions) Bill 2005, the Occupational Health and Safety (Commonwealth Employment) Amendment Bill 2005 and the Occupational Health and Safety, Rehabilitation and Compensation Legislation Amendment Bill 2005. Each of these bills acted to compromise safety regulations and put people at risk.

As a parent of a son who works in a mine, it is simply not acceptable for the government and industry to benefit from the mining boom while making it easier for companies to cut corners on safety by trying to sideline legitimate union run health and safety training. This government is trying to drive a stake through the heart of occupational health and safety. It is only too willing to put the safety of working Australians at risk as it pursues its ideological campaign to destroy the union movement. This will not be tolerated.

Darkinjung Local Aboriginal Land Council

Mr TICEHURST (Dobell) (9.04 pm)—I rise tonight to convey my continued support for the Darkinjung Local Aboriginal Land Council in my electorate, and to inform the House of the attack of New South Wales Labor Minister for Aboriginal Affairs on this fantastic, self-sufficient and well-respected group of people. Milton Orkopoulos has appointed an administrator over the Darkinjung Local Aboriginal Land Council. I understand the administrator is now calling for the appointment of a receiver to the Darkinjung Trust. This move would effectively prevent the group’s delivery of funeral fund, housing, youth, child-care, aged care, education and project services currently being delivered.

If successful, the move would also prevent the trust from helping to defend Darkinjung from these attacks. Previous attacks have forced legal costs of almost $1 million over the last couple of years. Through hard work, some good fortune, astute investment and excellent management, Darkinjung has been able to become independent of government grants and move away from welfarism to become a model of self-determination. Why this concerted Labor attack? This decision by Milton Orkopoulos is a disgraceful one. It is nothing more than a vicious attack on the Darkinjung people, who deserve the minister’s appreciation for their significant contribution to the local area.

The Darkinjung people have shown they are able to successfully operate a diverse range of innovative programs. I was delighted recently to officially launch the funeral fund, an important initiative of Darkinjung, which I have commended in the parliament on a previous occasion. The funeral fund gives Aboriginal people on the Central Coast access to a low-cost, immediate-
cover funeral fund that provides for culturally sensitive
funerals. It means that members’ families no longer
need to struggle or do without adequate funeral ar-
rangements for their loved ones.

This is not the only service to be provided through
an initiative of Darkinjung. The Darkinjung Cattle
Company last financial year exported over $1 million
worth of beef to Japan, returning almost 20 per cent of
the total Darkinjung Local Aboriginal Land Council
investment in its first year of operation. The cattle
company provides much needed scholarships for the
further education of Darkinjung’s promising young
people and is instrumental in skills development within
the beef industry for other local land council members.
A proposal also exists to agist 60 head of cattle on a
Pioneer Dairies site at Tuggerah to provide educational
opportunities for young people.

Many communities are forced, through low in-
comes, poverty and insufficient access to government
grant funds, to rely on welfare or shared responsibility
agreements to put in place even basic services. Darkin-
jung is not one of these communities. Darkinjung Lo-
cal Aboriginal Land Council is premised on helping
people to help themselves, but the Labor state govern-
ment are penalising them for delivering independence
and self-determination. What is their motive? Is it a
scam to get the funds they obtained from selling land at
North Entrance? It would be a real tragedy if Darkin-
jung were no longer able to provide its vital commu-
nity services. I can only hope that attempts to thwart
this hardworking group of people are unsuccessful.

I ask the Labor members opposite to urge the New
South Wales Premier to take a break from photo oppor-
tunities when he visits the Central Coast. He should
have a look at these situations and listen to real people,
not just stand in front of the cameras and announce
water grants that Malcolm Turnbull announced a
month ago. The Premier certainly believes in recycling,
but all he is recycling is previous federal government
programs.

Milton Orkopoulos once sneered in the New South
Wales parliament that I would be a one-term wonder.
Milton, I am not a one-term wonder. I am here to sup-
port the people of Dobell and to support the local Ab-
original land council in their quest. To freeze their funds
so that they cannot defend themselves is an absolute
disgrace.

Share Trading

Mr KELVIN THOMSON (Wills) (9.09 pm)—On
26 February, Glenn Milne wrote a story about the
member for Gwydir’s AWB share trading. He referred
to the fact that the sale took place just prior to the re-
lease of the Volcker report, which was highly critical of
AWB. In this story, the member for Gwydir denied any
advance knowledge of the contents of the Volcker re-
port and said that he had always intended to sell the
shares when the price hit $5. This claim contradicted
his earlier statement that, on the basis of advice from
his accountant, he sold his shares in order to diversify
his rural investments. But it gets worse. His claim that
he intended to sell the AWB shares as soon as they
reached $5—

Mr Turnbull—Mr Speaker, I draw your attention to
standing order 90. There is an imputation of improper
motive to a member and it is disorderly.

The SPEAKER—I am listening closely to the
member for Wills and he is going very close to over-
stepping the mark. He would be well aware that the
proper forms of the House are that, if he wishes to pur-
sue this much further, he should use a substantive
motion. I will allow the member for Wills to continue but
I would ask him to temper his remarks.

Mr KELVIN THOMSON—Thank you, Mr
Speaker. The member for Gwydir’s claim that he in-
tended to sell the AWB shares as soon as they reached
$5 is not supported by the facts.

The SPEAKER—The member for Wills will either
rephrase that or resume his seat.

Mr KELVIN THOMSON—Thank you for your
ruling, Mr Speaker. If $5 was the trigger price for the
sale of shares, they would have been sold on 10 March
2004, when the share price hit that point. The share
price hit that point on another 30 occasions between 10
March 2004 and 5 October 2005. But this self-declared
share price was ignored and the stock was held onto.
The member for Gwydir also told Glenn Milne that he
had not spoken to anyone about AWB Ltd and Volcker.
He said:

Alexander Downer didn’t talk to me and neither did any-
one else.

He then went on the ABC’s Insiders programs and said—

Mr Turnbull—Mr Speaker, you have drawn the
member’s attention to the standing order but he persists
in making the imputation of improper motives to the
member for Gwydir.

Mr Stephen Smith interjecting—

Mr Turnbull—It is an imputation of an improper
motive to a member. If he wishes to make the imputa-
tion, he should make it in a substantive motion to
which the member for Gwydir can respond. There is a
reason for these standing orders, and that is to give
members to whom those—

The SPEAKER—The parliamentary secretary has
raised a valid point of order. The member for Wills is
well aware of the standing orders. If he wishes to pur-
sue an imputation against the member for Gwydir, he
should do so through the proper forms of the House. I
call the member for Wills. I have given him a very
clear indication of the rules.
Mr KELVIN THOMSON—Mr Speaker, I heard your ruling and followed it. The parliamentary secretary was simply endeavouring to prevent me from saying things this parliament needs to hear and ought to be discussing. The member for Gwydir went on the ABC’s Insiders program and said:

I want to make it absolutely plain that the three senior colleagues of mine who are in the firing line at the moment over this, none of them in any way spoke to me ...

But we discovered on 27 February this year that the member for Gwydir had a discussion with senior colleagues early last year about AWB, Volcker and the oil for food program. We also discovered that the member for Gwydir—

The SPEAKER—I think the member for Wills should be using a substantive motion on this point. I ask the member for Wills to resume his seat.

Religious Education

Mr LAMING (Bowman) (9.13 pm)—The last 48 hours has been a troubling period for the Christian community in my electorate of Bowman. There was an important victory at 2.30 pm yesterday when the Queensland education minister removed the religious education provisions of the education bill 2006 and promised not to bring the bill back to Queensland’s unicameral parliament in the foreseeable future. But, no sooner than that victory has been achieved, we have the same problem in our public hospitals. It is the same decision to move our leading faiths in Queensland from being an opt-out arrangement, which allows everyone to have access to Christian values and to religious education and, in the case of hospitals, to a Bible in a side cupboard in our public wards.

The spokespersons from leading state hospitals in Brisbane indicated both to the leading paper in Brisbane and also on radio that there was no place for Bibles in their hospitals, as of the time of their making the statement, and they dissembled about two causes of concern to them being cross-infection and respect for multiculturalism. What an appalling defence for an appalling act. There is not a scintilla of evidence to suggest that a Bible sitting in a top cupboard in a public room in a state hospital presents an infection risk—certainly no more than the magazines that are sitting on the front counter for everyone to read and that are scattered in the waiting rooms of surgical wards around the state. It is an abhorrent move.

Of course, it was interesting today then when all roads led to Rome—that is, Acting Premier Anna Bligh, the presumed architect of all of these opt-in provisions for spirituality and for Christianity in Queensland. What did the press release say? The press release said:

If a patient in one of our hospitals wants a Bible there will be one there.

That presumably means somebody just stops doing the cardiac monitoring and scurries around for a holy book. It is a preposterous proposition. Also, the Acting Premier said:

Bibles have always been allowed in Queensland Hospitals and that will remain ...

Of course one cannot ban a Bible from anywhere; that would be a breach of section 116 of the Constitution. That would be prohibiting the free exercise of religion. But the point is: are Bibles practically available? And this Acting Premier is doing everything to make sure that they are not.

I have already been on the record about this in only the last 24 hours. I said that, in a state where waiting lists are blowing out, in a state where medical registration has been effectively mangled by the Premier, in a state where there is a complete collapse in confidence and issues with nursing and allied health wages, I think that a state public hospital in Queensland would have to be the one place where I would want to be able to reach out for a Bible.

Those who provide the Bibles are unwilling to make public statements, for understandable reasons, just as we saw with religious education provisions. There is a genuine reluctance for those who are privileged enough to be able to educate our children and have 40 hours access a year in the curriculum to take issue with the Beattie government on this very matter. So I am compelled to stand here in the federal parliament, and I can already say that we have had considerable success in education. The next battlefront, the next trench in this battle between now and the next state election, is certainly the attempt by the Beattie government to eliminate Bibles from hospitals.

There is already the trickery in the language, the trickery that ‘There will be one there’ and that ‘We can call a chaplain and bring one in tomorrow for you’, to make it as difficult as possible. It comes back to the opt-in provisions. You have to actively scurry around to find something as ‘dangerous’ as a Bible. What a preposterous proposition. But that is what underpins their ideology.

We already know that Queensland is a state with enough commonsense to realise when completely foolish decisions are made by a state government. They will tip them out. This should already be a warning, and I think that in hospitals we have another one coming. Already we know that the attitude to Christian heritage in Queensland from the Beattie government is questionable at best. It appears to be an operating principle of Queensland political life that you make it as tough as possible for values.

I do not stand up here for one moment and say that everyone should have to read a Bible, but I also ask for
some commonsense. If I found myself admitted to a Thai hospital, I do not think I would be offended to open up a cupboard and see a holy book from some other religion. In fact, it would probably make interesting reading. So I see no problem with the current arrangements. Many have said that that is a particular time when our hospitals look after not only our physical health, not only our emotional health, but our spiritual health. There is no reason to change the status quo. Those Bibles should be replaced—(Time expired)

Occupational Health and Safety

Mr BRENDAN O’CONNOR (Gorton) (9.18 pm)—Clearly the government members do not want to get up and defend their own policies; they want to play the quasi-role of the opposition of the state of Queensland; whereas we all know that there is no opposition—not an effective one, not one that can properly look after the constituents of its parties—in that state.

More importantly, I turn to matters that this chamber concerns itself with—that is, the industrial relations agenda of the government and, in particular, the way in which this government has chosen to abuse the occupational health and safety rights of employees across this nation. This government has form in OH&S. There is no doubt. It has been amending Commonwealth laws with respect to occupational health and safety matters this term, and indeed it sought to do so last term. I accept that there will be differences in industrial relations. There will always be differences between the two major parties, between the government and the opposition, in relation to that area of public policy. But I would not expect a decent, responsible government to choose to put as its higher priority its attack upon unions, as opposed to the safety of employees in this country.

What we have seen in the failure by the Minister for Employment and Workplace Relations to answer a question yesterday by the shadow minister for workplace relations, and in the failure by the Acting Prime Minister, the Treasurer, to answer a question yesterday about what has happened to the opportunities of training health and safety delegates in this country as a result of the work choices act, is a complete abrogation of the Commonwealth responsibility to workers in this country.

The government may want to say that the responsibility for health and safety training and the regulation of health and safety are state matters. But when you design a set of employment laws that make it unlawful to train health and safety representatives in a union run course, when you prohibit the capacity for even an employer to bargain for a health and safety clause that involves union health and safety training, you are increasing the likelihood of injury and fatality in the workplace, because the reality is that most health and safety training in workplaces in this country is undertaken either by employers and unions together or by unions. It is true to say that you can still provide health and safety training, but removing the capacity to negotiate a clause that would enshrine the right for unions to be involved in occupational health and safety training will definitely increase the likelihood of death and injury in workplaces in this country.

As a result, this government will have blood on its hands. And the actions of the minister for workplace relations, who tried to defend the indefensible and suggested that it is okay not to allow unions and employers to negotiate union based health and safety training, will lead to a greater incidence of death and injury in workplaces. He personally has blood on his hands, as indeed this government has collective blood on its hands for failing to put the health and safety of Australian workers ahead of its antipathy towards unions.

We know how much this government hates unions. We would have thought that it would put health and safety training at workplaces above its own ideological hatred of employee organisations registered under the Workplace Relations Act—but it has not. What it has done instead is place Australian workers in a less safe situation than they would have been in had there not been the introduction of the Work Choices legislation.

That was what we were trying to get at yesterday in question time, when the Acting Prime Minister and the Minister for Employment and Workplace Relations refused to answer the question as to why they chose to prohibit the capacity for an employer and union to negotiate an enterprise bargaining clause that would allow unions to be involved in providing health and safety training. It is an utter disgrace that this government could imagine that their hatred of unions is such that they would endanger the safety of workers in this country—it is an absolute disgrace. (Time expired)

Riverstone Festival

Kellyville Ridge Community Association Open Day

Mrs MARKUS (Greenway) (9.23 pm)—I rise tonight to talk on a bit of a lighter matter, to comment on the vibrant community that is working very actively in Greenway. I would particularly like to highlight two festivals that happened on the weekend. Greenway is very diverse and has a number of communities that have unique characteristics. I would firstly like to talk about the Riverstone Festival, which happens every year. Every year this festival is coordinated by a dedicated band of volunteers, led by Phyllis McAlpine. She is president of the committee and a member of the historical society.

I was fortunate to be part of a street parade that brought together several community organisations, from primary schools—we had St John’s Primary School and Riverstone Primary School—to the Riverstone Razorbacks rugby league team, the scouts, sev-
eral local businesses, the chamber of commerce and of course many bands. I was heartened to see that, in spite of the clouds appearing, we had several thousand there. They turned out in great waves to celebrate with their fellow community members.

I would also like to congratulate some of the local volunteer organisations, like the Lions Club, who had a sausage sizzle on the day. As a member of the local Riverstone Lions I was able to pitch in and turn a few sausages, and we had great fun. I would also like to congratulate other groups such as the Riverstone Family Connect Project, which works with single mums and helps them prepare for work. They were actively involved in raising funds there. It was a fantastic community day.

On the Sunday I had the privilege of attending the first Kellyville Ridge Community Association open day at Merriville House. Merriville House was built in the 1820s and is owned by a wonderful couple, Colin and Marion Malcolm, who are both part of the Kellyville Ridge Community Association and work very actively in the community. Again, over 1,000 people attended. The open day was absolutely outstanding. I participated in the gumboot throwing competition. I did not win the event; however, towards the end of the day I, my husband, some local firies and some gentlemen dressed in regalia of the 1820s participated in the tug of war. I have to say that we won. So there were great community activities. We also had the whip cracking. Next year I may invite the Chief Government Whip to attend. He may just win that event.

I also want to commend the work of North West Community Care group. This community organisation works with Landcom and a number of community organisations across the Norwest sector to develop family day care and child care. It also works with mums to develop support groups and have large community events that bring the community together. In a sector like Norwest development there are a number of families who move into the area and who do not know each other. These kinds of events bring people together in a place where they can get to know each other, have fun and play together and where isolation is broken down. Building sustainable communities is really critical in this day and age.

I would particularly like to commend the coordinator of that event, Gillian Schrickker and Warren Weir, who heads up North West Community Care, for pulling this together; and the Kellyville Ridge Community Association. I look forward to this event, which will be running every year. My understanding is that starting next year it will be running in Heritage Week and will be an annual event. So I look forward to that. I congratulate everybody for participating, for their hard work and for creating such a wonderful opportunity for families, individuals and community organisations to come together and celebrate our diversity and enjoy one another’s company.

**Hunter Volunteer Centre**

Ms HALL (Shortland) (9.28 pm)—In the few moments remaining in this adjournment debate I would like to congratulate the Hunter Volunteer Centre for the service that they have provided to the Hunter for the last 25 years. This year is their 25th anniversary. They have provided a referral service to volunteer groups throughout the Hunter. They are a group of very dedicated professional volunteers who work very hard to see that our community has the volunteers, the services, that government does not pay for.

I think it is important to remember just what a contribution volunteers make to our community. On 1998 figures, volunteers made a contribution of $30 billion to the Australian economy. The government is quite excited about having a $10 billion surplus. But each and every year volunteers contribute $30 billion to our Australian community, our Australian society, and they deserve to be congratulated. I particularly wish to congratulate the volunteers of the Hunter and tell them they have done a great job in the past and I know they will do a great job in the future.

**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 Andrews** to move:

That so much of the standing and sessional orders be suspended as would prevent the Member for Perth’s private Members’ business notice relating to the disallowance of Workplace Relations Regulations 2006, as contained in Select Legislative Instrument 2006 No 52 and made under the Workplace Relations Act 1996 and the Workplace Relations Amendment (Work Choices) Act 2005, being called on immediately.

**Mrs Elliot** to move:

That this House:

1. notes that petrol prices have dramatically increased;
2. recognises that these prices are becoming prohibitive for families, pensioners, small businesses and community groups, and are adversely impacting on the tourism industry; and

(Notice given 23 May 2006.)

**Mr Bowen** to move:

That this House:

1. notes that the Commonwealth’s Procurement Guidelines include a 30 Day Payment Policy for small business;
2. notes that the Department of Prime Minister and Cabinet, the Department of Foreign Affairs and Trade, the
Department of Defence, and the Department of Finance and Administration all have financial systems that do not even collect data in relation to payments made to small business;

(3) notes that for the 2004-2005 financial year the Federal Government has made over 100,000 payments outside the mandatory 30 Day Payment Policy; and

(4) calls on the Prime Minister to bring all Commonwealth departments into line and enforce the mandatory payment policy and notes that, as a first step, departments should be keeping records of their payments to small businesses within the 30 day timeframe. (Notice given 23 May 2006.)
QUESTIONS IN WRITING

Immigration and Multicultural Affairs: Small Business Payments
(Question No. 2665)

Mr Bowen asked the Minister representing the Minister for Immigration and Multicultural Affairs, 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 businesses were not made within:
   (i) 30; and
   (ii) 60 days of receipt of the goods and services and a proper invoice in accordance with Government procurement policy.

Mr Ruddock—The Minister for Immigration and Multicultural Affairs has provided the following answer to the honourable member’s question:

(a) No. of invoices, 2133
(b) Proportion, 4.008%
   (i) and (ii) DIMA’s current reporting capability within its financial management system does not enable reporting on the 60 day requirement of Mr Bowen’s question. DIMA currently reports on the following time frames:
   Less than 30 days
   31 - 37 days
   38 - 44 days
   45 - 75 days
   Over 76 days
   In lieu of part (ii) of the question details are provided for 45 and 75 days.
   45-75 days
   No. of invoices 1166
   Proportion, 2.188%
   Over 76 days
   No. of invoices, 904
   Proportion, 1.653%

Communications, Information Technology and the Arts: Small Business Payments
(Question No. 2670)

Mr Bowen asked the Minister representing the Minister for Communications, Information Technology and the Arts, in writing, on 28 November 2005:

For 2004-05, (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 McGauran—The Minister for Communications, Information Technology and the Arts has provided the following answer to the honourable member’s question:

The Department exceeded the 90% target identified by Government; it achieved 93.52% of payments to small business within 30 days. The Department has processes in place to track the number of late payments made to suppliers. This data is included in the monthly financial report considered by the Department’s Executive Management Group and is being used to identify areas where improvements can be made to ensure payments are made promptly.

(a) and (b) The table below shows the number and proportion of payments not made to small business within 30 and 60 days of receipt of the goods or services and a proper invoice in accordance with Government procurement policy.

<table>
<thead>
<tr>
<th>Payments not made within 30 days</th>
<th>Payments not made within 60 days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>Proportion</td>
</tr>
<tr>
<td>309</td>
<td>6.48%</td>
</tr>
<tr>
<td>59</td>
<td>1.24%</td>
</tr>
</tbody>
</table>

The Department has distinguished between small business, medium and large business, using the criteria applied by the Australian Bureau of Statistics to classify small businesses.
Agriculture, Fisheries and Forestry: Small Business Payments
(Question No. 2672)

Mr Bowen asked the Minister for Agriculture, Fisheries and Forestry, 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 McGauran—The answer to the honourable member’s question is as follows:
(a) (i) 197 of 61,622.
(a) (ii) 45 of 61,622.
(b) (i) 0.32%.
(b) (ii) 0.07%.

Immigration and Multicultural Affairs: Staffing
(Question No. 2733)

Ms Macklin asked the Minister representing the Minister for Immigration and Multicultural Affairs, 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 Ruddock—The Minister for Immigration and Multicultural Affairs has provided the following answer to the honourable member’s question:
(1) Please refer to the relevant Annual Report for total staffing levels within the Department of Immigration and Multicultural Affairs (DIMA) and portfolio agencies for the requested 2001 – 2005 periods.
(2) (i) The total number of New Apprentices that have commenced in DIMA and portfolio agencies are outlined in the table below (the results are displayed by financial years):

<table>
<thead>
<tr>
<th>Portfolio Department/Agency</th>
<th>30/06/2002</th>
<th>30/06/2003</th>
<th>30/06/2004</th>
<th>30/06/2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Immigration, and Multicultural and Indigenous Affairs</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Office of Indigenous Policy Coordination</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Office of the Registrar of Aboriginal Corporations</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Indigenous Land Corporation</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Torres Strait Regional Authority</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Refugee Review Tribunal/Migration Review Tribunal</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Migration Agents Registration Authority</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
</tbody>
</table>

(ii) The total number of New Apprentices that were employed within DIMA and portfolio agencies outlined in the table below (the results are displayed by financial years):

<table>
<thead>
<tr>
<th>Portfolio Department/Agency</th>
<th>30/06/2002</th>
<th>30/06/2003</th>
<th>30/06/2004</th>
<th>30/06/2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Immigration, and Multicultural and Indigenous Affairs</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Office of Indigenous Policy Coordination</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Office of the Registrar of Aboriginal Corporations</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Indigenous Land Corporation</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Torres Strait Regional Authority</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Refugee Review Tribunal/Migration Review Tribunal</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Migration Agents Registration Authority</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
</tbody>
</table>

(3) Not Applicable.
(4) DIMA and portfolio agencies are not intending on commencing ‘New Apprentices’ in 2006. DIMA’s entry level recruitment does include Graduates and Indigenous Cadets.
Ms Roxon asked the Minister for Education, Science and Training, 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.

Ms Julie Bishop—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 Education, Science and Training Department, were as follows:

<table>
<thead>
<tr>
<th>Department of Education, Science and Training</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Clayton Utz</td>
<td>$621,078.00</td>
</tr>
<tr>
<td>(b) Blakes Dawson Waldron</td>
<td>$0.00</td>
</tr>
<tr>
<td>(c) Philips Fox</td>
<td>$195,331.00</td>
</tr>
<tr>
<td>(d) Sparke Helmore</td>
<td>$0.00</td>
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<tr>
<td>(e) Freehills</td>
<td>$0.00</td>
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<tr>
<td>(f) Minter Ellison</td>
<td>$0.00</td>
</tr>
<tr>
<td>(g) Corrs Chambers Westgarth</td>
<td>$0.00</td>
</tr>
<tr>
<td>(h) Mallesons Stephens Jacques</td>
<td>$0.00</td>
</tr>
<tr>
<td>(i) Deacons</td>
<td>$0.00</td>
</tr>
<tr>
<td>(j) Craddock Murray Neumann</td>
<td>$0.00</td>
</tr>
<tr>
<td>Portfolio agency 1 – Australian Institute of Aboriginal and Torres Strait Islander</td>
<td></td>
</tr>
<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>$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>
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</tr>
<tr>
<td>(h) Mallesons Stephens Jacques</td>
<td>$0.00</td>
</tr>
<tr>
<td>(i) Deacons</td>
<td>$23,132.00</td>
</tr>
<tr>
<td>(j) Craddock Murray Neumann</td>
<td>$0.00</td>
</tr>
<tr>
<td>Portfolio agency 2 – Australian Nuclear Science and Technology Organisation</td>
<td></td>
</tr>
<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>$0.00</td>
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<tr>
<td>(e) Freehills</td>
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<td>(f) Minter Ellison</td>
<td>$0.00</td>
</tr>
<tr>
<td>(g) Corrs Chambers Westgarth</td>
<td>$2660.00</td>
</tr>
<tr>
<td>(h) Mallesons Stephens Jacques</td>
<td>$0.00</td>
</tr>
<tr>
<td>(i) Deacons</td>
<td>$0.00</td>
</tr>
<tr>
<td>(j) Craddock Murray Neumann</td>
<td>$0.00</td>
</tr>
<tr>
<td>Portfolio agency 3 – Commonwealth Scientific and Industrial Research Organisation</td>
<td></td>
</tr>
<tr>
<td>(a) Clayton Utz</td>
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<tr>
<td>(b) Blakes Dawson Waldron</td>
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<tr>
<td>(c) Philips Fox</td>
<td>$1,800.00</td>
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<td>(d) Sparke Helmore</td>
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<td>(e) Freehills</td>
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<td>(f) Minter Ellison</td>
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<td>(g) Corrs Chambers Westgarth</td>
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<td>(h) Mallesons Stephens Jacques</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

QUESTIONS IN WRITING
No payment was made by the following portfolio agencies to the firms listed in the question in 2004-05:

(a) Australian Research Council (ARC).

The ARC uses the Department’s internal legal area to supply their legal services.

(b) Australian Institute of Marine Science.

(2) 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:

<table>
<thead>
<tr>
<th>Department of Education, Science and Training</th>
<th>Partners/Principals</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Deacons</td>
<td>$120,786.95</td>
</tr>
<tr>
<td>(j) Craddock Murray Neumann</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Portfolio agency 4 - Questacon</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Clayton Utz</td>
</tr>
<tr>
<td>(b) Blakes Dawson Waldron</td>
</tr>
<tr>
<td>(c) Philips Fox</td>
</tr>
<tr>
<td>(d) Sparke Helmore</td>
</tr>
<tr>
<td>(e) Freehills</td>
</tr>
<tr>
<td>(f) Minter Ellison</td>
</tr>
<tr>
<td>(g) Corrs Chambers Westgarth</td>
</tr>
<tr>
<td>(h) Mallesons Stephens Jaques</td>
</tr>
<tr>
<td>(i) Deacons</td>
</tr>
<tr>
<td>(j) Craddock Murray Neumann</td>
</tr>
</tbody>
</table>

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(a) Australian Research Council (ARC).

The ARC uses the Department’s internal legal area to supply their legal services.

(b) Australian Institute of Marine Science.
<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>Neal Parkinson (Partner)</td>
</tr>
<tr>
<td>(c) Philips Fox</td>
<td></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></td>
</tr>
<tr>
<td>(h) Mallesons Stephens Jaques</td>
<td></td>
</tr>
<tr>
<td>(i) Deacons</td>
<td></td>
</tr>
<tr>
<td>(j) Craddock Murray Neumann</td>
<td></td>
</tr>
</tbody>
</table>

(3) 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:

### Department of Education, Science and Training

Under the billing provisions set out in the Deed of Agreement between DEST and its external legal services providers the proportion of services undertaken or supervised by a partner or principal are not recorded.

The billing regime requires the department’s external legal services providers to charge a blended hourly rate for all work they perform. With all of this work billed at the same rate it is not possible to differentiate between the level/position of external legal services provider staff working on a matter.

<table>
<thead>
<tr>
<th>Partner or principal (Deacons)</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alan Grinsell Jones</td>
<td>$3648</td>
</tr>
<tr>
<td>Bernard O'Shea</td>
<td>$8520</td>
</tr>
<tr>
<td>Edwina Menzies</td>
<td>$3544</td>
</tr>
<tr>
<td>Vince Sharma</td>
<td>$7420</td>
</tr>
</tbody>
</table>

### Portfolio agency 2 - Australian Nuclear Science and Technology Organisation

<table>
<thead>
<tr>
<th>Partner or principal (Freehills)</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Juliana Warner</td>
<td>$60,543</td>
</tr>
<tr>
<td>Glen Fredericks</td>
<td>$8,631</td>
</tr>
<tr>
<td>Anne Caine (Corrs Chambers Westgarth)</td>
<td>$2660</td>
</tr>
</tbody>
</table>

### Portfolio agency 3 - Commonwealth Scientific and Industrial Research Organisation (CSIRO)

Information concerning the amount billed by individual partners/principals to CSIRO in 2004-2005 is not available.

### Portfolio agency 4 - Questacon

<table>
<thead>
<tr>
<th>Partner or principal (Blake Dawson Waldron)</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neal Parkinson</td>
<td>$330</td>
</tr>
</tbody>
</table>
(4) Details of the legal services provided to the Department and its portfolio agencies in 2004-2005 are as follows:

**Department of Education, Science and Training**

The work performed by external legal services providers covers the full range of the department’s programme, policy and administration responsibilities. Providing greater detail of these services may invoke legal professional privilege.

<table>
<thead>
<tr>
<th>Firm</th>
<th>Legal services provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clayton Utz</td>
<td>Contract drafting</td>
</tr>
<tr>
<td>Blakes Dawson Waldron</td>
<td>Advice on employment contracts; intellectual property, publications</td>
</tr>
<tr>
<td>Philips Fox</td>
<td>Trade Mark applications</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></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>
</tbody>
</table>

**Portfolio agency 1 - Australian Institute of Aboriginal and Torres Strait Islander Studies**

<table>
<thead>
<tr>
<th>Firm</th>
<th>Legal services provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clayton Utz</td>
<td>Contract drafting</td>
</tr>
<tr>
<td>Blakes Dawson Waldron</td>
<td>Advice on employment contracts; intellectual property, publications</td>
</tr>
<tr>
<td>Philips Fox</td>
<td>Trade Mark applications</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></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>
</tbody>
</table>

**Portfolio agency 2 - Australian Nuclear Science and Technology Organisation**

<table>
<thead>
<tr>
<th>Firm</th>
<th>Legal services provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clayton Utz</td>
<td>Product distribution enquiry</td>
</tr>
<tr>
<td>Blakes Dawson Waldron</td>
<td></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></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>
</tbody>
</table>

**Portfolio agency 3 - Commonwealth Scientific and Industrial Research Organisation (CSIRO)**

<table>
<thead>
<tr>
<th>Firm</th>
<th>Legal services provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clayton Utz</td>
<td>Not available</td>
</tr>
<tr>
<td>Blakes Dawson Waldron</td>
<td>Managing dispute</td>
</tr>
<tr>
<td>Philips Fox</td>
<td>Handling Intellectual Property matter</td>
</tr>
<tr>
<td>Sparke Helmore</td>
<td>Managing copyright matters</td>
</tr>
<tr>
<td>Freehills</td>
<td></td>
</tr>
<tr>
<td>Minter Ellison</td>
<td></td>
</tr>
<tr>
<td>Corrs Chambers Westgarth</td>
<td>Review of subscriber agreements</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>
</tbody>
</table>

**Portfolio agency 4 – Questacon**

<table>
<thead>
<tr>
<th>Firm</th>
<th>Legal services provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clayton Utz</td>
<td>Letters for auditors - ANAO</td>
</tr>
<tr>
<td>Blakes Dawson Waldron</td>
<td></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></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>
</tbody>
</table>

+ In relation to details of the partners or principals, the information provided reflects information readily available to CSIRO's corporate legal group only. The answer “not available” means the information does not exist or is not readily available.
Immigration and Multicultural and Indigenous Affairs: Australian Chamber of Commerce and Industry
(Question No. 2988)

Mr Martin Ferguson asked the Minister representing the Minister for Immigration and Multicultural Affairs, in writing, on 7 February 2006:

Further to the answer to question No. 2586 concerning payments to the Australian Chamber of Commerce and Industry (ACCI), what was the purpose of the payment of $5,592.03 paid to the ACCI during the last nine financial years.

Mr Ruddock—The Minister for Immigration and Multicultural Affairs has provided the following answer to the honourable member’s question:

Payments made over the last nine financial years and their purpose are:

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount</th>
<th>Purpose of Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>29/03/99</td>
<td>$326.00</td>
<td>Reimbursement of Airfare</td>
</tr>
<tr>
<td>27/07/99</td>
<td>$530.41</td>
<td>Reimbursement of Expenses</td>
</tr>
<tr>
<td>19/11/99</td>
<td>$395.00</td>
<td>Conference attendance fee</td>
</tr>
<tr>
<td>04/02/00</td>
<td>$395.00</td>
<td>Conference attendance fee</td>
</tr>
<tr>
<td>01/08/00</td>
<td>$450.00</td>
<td>Reimbursement of Airfare</td>
</tr>
<tr>
<td>27/02/01</td>
<td>$373.96</td>
<td>Reimbursement of Airfare</td>
</tr>
<tr>
<td>07/08/01</td>
<td>$545.49</td>
<td>Reimbursement of Airfare</td>
</tr>
<tr>
<td>17/02/03</td>
<td>$742.33</td>
<td>Sitting Fee for external reference group</td>
</tr>
<tr>
<td>20/10/05</td>
<td>$513.43</td>
<td>Travel Expenses</td>
</tr>
<tr>
<td>Total</td>
<td>$4,271.62</td>
<td></td>
</tr>
</tbody>
</table>

Note, since providing the response to Question No. 2586 payments totalling $1,320.41 (difference between $5,592.03 and $4,271.62) have been reversed as they were charged against the incorrect entity.

Australian Taxation Office
(Question No. 2996)

Ms Hoare asked the Minister for Revenue and Assistant Treasurer, in writing, on 7 February 2006:

(1) Is it the case that when a taxation refund cheque is posted to the wrong address, a replacement cheque will not be issued until the misaddressed cheque is returned to the Australian Taxation Office (ATO); if so, can he explain why the ATO will not reissue cheques when they have been misaddressed and in what circumstances a refund cheque will be reissued.

(2) Does the ATO rely on the goodwill of people living at the addresses to which misaddressed refund cheques are sent to return this mail and can he say whether there is any obligation on the part of people to do so?

(3) How many taxpayers did not receive their tax refund in 2004-2005 because their cheques were misaddressed and were not returned to the ATO.

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

(1) No. The ATO issues replacement cheques after stopping unpresented lost cheques. When an entity, or their authorised representative advises a refund cheque is lost, destroyed, not received, or stolen, ATO staff action a stop payment on the cheque. This is to ensure that the opportunity to present or cash the original cheque is minimised. Where the cheque has not been presented, the ATO is able to immediately issue a replacement cheque. Where the cheque has been presented, investigation is undertaken as to the circumstances of presentation to ensure there is no fraudulent activity before a replacement cheque can issue.

(2) There is no obligation under the Taxation Acts for persons receiving a misaddressed refund cheque to return it to the ATO.

(3) The ATO is unable to ascertain how many taxpayers did not receive their tax refund in 2004-2005 because their cheques were misaddressed and were not returned to the ATO.

Consultancy Services
(Question No. 3054)

Mr Bowen asked the Minister representing the Minister for Immigration and Multicultural Affairs, in writing, on 14 February 2006:

(1) Did the Minister’s Department engage Yellow Edge Pty Ltd at a cost of $15,840; if so:

(a) what services were obtained under the terms of this contract; and

(b) why was it considered necessary to engage outside consultants on this matter.

Mr Ruddock—The Minister for Immigration and Multicultural Affairs has provided the following answer to the honourable member’s question:

(1) Yes.
(a) Yellow Edge Pty Ltd was engaged by the Minister’s Department to provide a consultancy service in relation to defining the framework in which to establish the College of Immigration Border Security and Compliance.

(b) The consultant was engaged to provide independent expertise not available from within the Department.

Higher Education Contribution Scheme

(Question No. 3181)

Mr Martin Ferguson asked the Minister for Education, Science and Training, in writing, on 27 March 2006:

How many (a) Higher Education Contribution Scheme and (b) full fee paying places were filled at each higher education institution in 2006?

Ms Julie Bishop—The answer to the honourable member’s question is as follows:

Many 2006 places will not be filled until the second semester intake later this year. Higher education providers are required to submit final data for 2006 through the Higher Education Student Collection by 31 March 2007. The information will then be collated and prepared for publication. Therefore, information on the number of Commonwealth supported places (formerly known as HECS places) and fee-paying places filled by each higher education provider in 2006 is not yet available.

Passenger Movement Charge

(Question No. 3182)

Mr Martin Ferguson asked the Minister representing the Minister for Justice and Customs, in writing, on 27 March 2006:

1. When will the Australian Customs Service complete the review of the Passenger Movement Charge (PMC).
2. What are the terms of the review.
3. Have there been any increases in the PMC since July 2001; if so what were they.
4. What sum was collected by the PMC in
   (a) 2004 – 2005 and
   (b) 2005 – 2006 to 28 February,
       (i) in total and
       (ii) net of expenses incurred in its collection.
5. Will the Minister explain why it is not possible to collect data on the PMC which distinguishes between overseas visitors and Australian residents?

Mr Ruddock—The Minister for Justice and Customs has provided the following answer to the honourable member’s question:

1. The review, undertaken by the Department of Finance and Administration, has been completed.
2. The Department of Finance and Administration has advised that the review was intended for internal Government consideration and examined the nature and basis of the Passenger Movement Charge. As an internal review, full terms of reference will not be disclosed.
3. No there have been no increases.
4. (a) (i) $363,841,137
   (ii) $361,953,982
   (b) (i) $255,275,242
   (ii) $254,103,618
5. It would be possible to distinguish between the two types of travellers but this would be administratively onerous and Customs has no requirement for this distinction for the purposes of collection of the PMC.