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SITTING DAYS—2006

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- **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>Wilkie, Kim William</td>
<td>Swan, WA</td>
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<td>Windsor, Antony Harold Curties</td>
<td>New England, NSW</td>
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<td>Wood, Jason Peter</td>
<td>La Trobe, Vic</td>
<td>LP</td>
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PARTY ABBREVIATIONS
ALP—Australian Labor Party; LP—Liberal Party of Australia; Nats—The Nationals; Ind—Independent; CLP—Country Liberal Party; AG—Australian Greens

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

Prime Minister
The Hon. John Winston Howard MP

Minister for Trade and Deputy Prime Minister
The Hon. Mark Anthony James Vaile MP

Treasurer
The Hon. Peter Howard Costello MP

Minister for Transport and Regional Services
The Hon. Warren Errol Truss MP

Minister for Defence
The Hon. Dr Brendan John Nelson MP

Minister for Foreign Affairs
The Hon. Alexander John Gosse Downer MP

Minister for Health and Ageing and Leader of the House
The Hon. Anthony John Abbott MP

Attorney-General
The Hon. Philip Maxwell Ruddock MP

Minister for Finance and Administration, Leader of the Government in the Senate and Vice-President of the Executive Council
Senator the Hon. Nicholas Hugh Minchin

Minister for Agriculture, Fisheries and Forestry and Deputy Leader of the House
The Hon. Peter John McGauran MP

Minister for Immigration and Multicultural Affairs
Senator the Hon. Amanda Eloise Vanstone

Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues
The Hon. Julie Isabel Bishop MP

Minister for Families, Community Services and Indigenous Affairs and Minister Assisting the Prime Minister for Indigenous Affairs
The Hon. Malcolm Thomas Brough MP

Minister for Industry, Tourism and Resources
The Hon. Ian Elgin Macfarlane MP

Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service
The Hon. Kevin James Andrews MP

Minister for Communications, Information Technology and the Arts and Deputy Leader of the Government in the Senate
Senator the Hon. Helen Lloyd Coonan

Minister for the Environment and Heritage
Senator the Hon. Ian Gordon Campbell

(The above ministers constitute the cabinet)
Minister for Justice and Customs and Manager of Government Business in the Senate
Senator the Hon. Christopher Martin Ellison

Minister for Fisheries, Forestry and Conservation
Senator the Hon. Eric Abetz

Minister for the Arts and Sport
Senator the Hon. Charles Roderick Kemp

Minister for Human Services
The Hon. Joseph Benedict Hockey MP

Minister for Community Affairs
The Hon. John Kenneth Cobb MP

Minister for Revenue and Assistant Treasurer
The Hon. Peter Craig Dutton MP

Special Minister of State
The Hon. Gary Roy Nairn MP

Minister for Vocational and Technical Education and Minister Assisting the Prime Minister
The Hon. Gary Douglas Hardgrave MP

Minister for Ageing
Senator the Hon. Santo Santoro

Minister for Small Business and Tourism
The Hon. Frances Esther Bailey MP

Minister for Local Government, Territories and Roads
The Hon. James Eric Lloyd MP

Minister for Veterans’ Affairs and Minister Assisting the Minister for Defence
The Hon. Bruce Frederick Billson MP

Minister for Workforce Participation
The Hon. Dr Sharman Nancy Stone MP

Parliamentary Secretary to the Minister for Finance and Administration
Senator the Hon. Richard Mansell Colbeck

Parliamentary Secretary to the Minister for Industry, Tourism and Resources
The Hon. Robert Charles Baldwin MP

Parliamentary Secretary to the Minister for Local Government, Territories and Roads
The Hon. Christopher Maurice Pyne MP

Parliamentary Secretary to the Minister for Defence
Senator the Hon. John Alexander Lindsay (Sandy) Macdonald

Parliamentary Secretary (Trade)
The Hon. De-Anne Margaret Kelly MP

Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs
The Hon. Andrew John Robb MP

Parliamentary Secretary to the Prime Minister
The Hon. Malcolm Bligh Turnbull MP

Parliamentary Secretary to the Treasurer
The Hon. Christopher John Pearce MP

Parliamentary Secretary to the Minister for the Environment and Heritage
The Hon. Gregory Andrew Hunt MP

Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry
The Hon. Sussan Penelope Ley MP

Parliamentary Secretary to the Minister for Education, Science and Training
The Hon. Patrick Francis Farmer MP

Parliamentary Secretary (Foreign Affairs)
The Hon. Teresa Gambaro MP

HOWARD MINISTRY—continued
Leader of the Opposition
The Hon. Kim Christian Beazley MP

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

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

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

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

Shadow Treasurer
Wayne Maxwell Swan MP

Shadow Attorney-General
Nicola Louise Roxon MP

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

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

Shadow Minister for Defence
Robert Bruce McClelland MP

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

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

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

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

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

Shadow Minister for Finance
Lindsay James Tanner MP

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

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

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

(The above are shadow cabinet ministers)
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<td>Shadow Minister for Consumer Affairs and</td>
<td>Laurie Donald Thomas Ferguson MP</td>
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<td>Shadow Minister for Population Health and</td>
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<td>Health Regulation</td>
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<td>Shadow Minister for Agriculture and Fisheries</td>
<td>Gavan Michael O’Connor MP</td>
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<td>Shadow Assistant Treasurer, Shadow Minister for</td>
<td>Joel Andrew Fitzgibbon MP</td>
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<td>Revenue and Shadow Minister for Small Business and Competition</td>
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<td>Shadow Minister for Transport</td>
<td>Senator Kerry Williams Kelso O’Brien</td>
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<td>Shadow Minister for Sport and Recreation</td>
<td>Senator Kate Alexandra Lundy</td>
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<td>Shadow Minister for Homeland Security and</td>
<td>The Hon. Archibald Ronald Bevis MP</td>
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<td>Shadow Minister for Aviation and Transport Security</td>
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<td>Shadow Minister for Veterans’ Affairs and Shadow Special Minister of State</td>
<td>Alan Peter Griffin MP</td>
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<td>Shadow Minister for Defence Industry, Procurement and Personnel</td>
<td>Senator Thomas Mark Bishop</td>
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<td>Shadow Minister for Immigration</td>
<td>Anthony Stephen Burke MP</td>
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<td>Shadow Minister for Ageing, Disabilities and Carers</td>
<td>Senator Jan Elizabeth McLucas</td>
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<td>Shadow Minister for Justice and Customs and Manager of Opposition Business in the</td>
<td>Senator Joseph William Ludwig</td>
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<td>Shadow Minister for Overseas Aid and Pacific Island Affairs</td>
<td>Robert Charles Grant Sercombe MP</td>
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<td>Shadow Minister for Citizenship and Multicultural Affairs</td>
<td>Senator Annette Hurley</td>
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<td>Shadow Parliamentary Secretary for Reconciliation and the Arts</td>
<td>Peter Robert Garrett MP</td>
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<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
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<td>Shadow Parliamentary Secretary for Defence and Veterans’ Affairs</td>
<td>The Hon. Graham John Edwards MP</td>
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<td>Shadow Parliamentary Secretary for Education</td>
<td>Kirsten Fiona Livermore MP</td>
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<td>Ann Kathleen Corcoran MP</td>
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<td>Shadow Parliamentary Secretary for Treasury</td>
<td>Catherine Fiona King MP</td>
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<td>Shadow Parliamentary Secretary for Science and Water</td>
<td>Senator Ursula Mary Stephens</td>
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<td>Shadow Parliamentary Secretary for Northern Australia and Indigenous Affairs</td>
<td>The Hon. Warren Edward Snowdon MP</td>
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Monday, 29 May 2006

The SPEAKER (Hon. David Hawker) took the chair at 12.30 pm and read prayers.

COMMITTEES
Publications Committee
Report

Mrs DRAPER (Makin) (12.31 pm) — On behalf of the Joint Committee on Publications, I present the committee’s report entitled Distribution of the parliamentary papers series, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be made a parliamentary paper.

Mrs DRAPER — As chair of the committee it gives me great pleasure to present to the parliament the Joint Committee on Publications report titled Distribution of the parliamentary papers series, May 2006, to give a brief overview of the committee’s work over the past year and to outline to the House several key recommendations of the 23 recommendations in the body of the report.

I would like to acknowledge my parliamentary colleagues and other members of the committee, the chair of the Senate committee Senator John Watson, and deputy chair of the House of Representatives committee, the honourable member for Lyons, and honourable members for Braddon, Isaacs, Werriwa, Riverina and Ryan, as well as Senators Johnston, Marshall, Nash, Polley, Sterle and Wortley for their worthy contributions and efforts in compiling this important report. Also, I would like to acknowledge the Secretary of the House of Representatives Committee, Mr Jason Sherd, the Secretary of the Senate Publications Committee, Ms Jan Chapman, and the documents manager, Ms Vicki Bradley, for their hard work, professionalism and patience and recognise their support and involvement throughout the committee process. I would also like to acknowledge and thank former committee members, the members for Paterson and Chifley and Senators Kirk, Moore and Scullion.

The terms of reference were to inquire and report on the distribution of the parliamentary papers series, with particular reference to the potential impact of changes to the distribution of the PPS made by the Presiding Officers, mainly the tightening of the eligibility guidelines and the cessation of blister packs to commence on 1 January 2006; the provision of the PPS in a digital format, either as an alternative or an adjunct to the hard copy series; the feasibility of a subscription service, either in digital or hard copy form; and the possibility of partial or full cost recovery for the series.

Mr Speaker, as you are aware, many documents are presented to the parliament each year; some are required to be presented by law, others may just be presented for the general information of members. These documents include the annual reports of all government agencies, reports of royal commissions and other government inquiries, parliamentary committee reports and a wide variety of other material. Whilst these documents assist with good and accountable governance, only documents of a substantial nature are included in the parliamentary papers series.

Those documents not already ordered to be included in the PPS by the parliament are later considered by the publications committees, which have the role of making a recommendation to the parliament for their inclusion in the PPS. Mr Speaker, as you are aware, the PPS is then distributed to organisations such as state, publicly funded university or parliamentary libraries and is available throughout Australia for use by students,
researchers and other sections of the public. It is fair to say that the PPS plays a major role in the governance practices of all government agencies and the parliament and is integral to an open and democratic system of government such as ours. But, most importantly, the PPS provides a historic record for future generations.

The Publications Committee has existed since 1970 and since its inception has only specifically reported on the parliamentary papers series four times—the last time being in 1997. The committee in 2006 has recommended that the eligibility criteria be broadened to include Commonwealth departmental libraries and that all recipients of the PPS are regularly monitored to ascertain their wish to continue receiving parliamentary papers.

The committee has recognised the popularity of electronic copies and the benefits this provides for accessibility; thus, the committee recommends the Australian Government Information Management Office continue to ensure that all government documents are permanently available online and that where possible any digital versions augment the hard copy PPS. Whilst the committee acknowledges the advances in technology and its availability, it was not comfortable recommending it as a replacement of the hard copy series due to the inconclusive evidence of the reliability of digital copies and the concerns arising from this record-keeping format.

The committee has also recommended that historic documents should be made available online and has requested the Department of the House of Representatives investigate the digital imaging of House committee reports from 1901 to 1996 to complement the Department of the Senate’s digital imaging project. I commend this report to the House. (Time expired)

Mr ADAMS (Lyons) (12.36 pm)—The member for Makin has touched on the role of the Publications Committee and the main thrust of the recommendations. Mr Speaker, as you will see from the contents of the report, Distribution of the parliamentary papers series, this committee has played a very important role in reviewing the process by which information can be relayed to the community at large, allowing everybody an opportunity to have access to the parliamentary process. The need for the report is because of tightening of the distribution of the parliamentary papers series. Mr Speaker, you would be aware of that. There was a false expectation that the parliamentary papers series need be available only in a digital rather than in a hard copy format, thinking that it would allow access to the papers just as easily, and therefore we could reduce costs by reducing hard copies.

This is certainly a simplistic view and too premature. It is important that the general public have access to these papers, so there needs to be a structure whereby papers can be put together in a less unstructured way. The cost of the retention of hard copies is usually small and there is not enough depth in the process with the digital electronic format. The important point is that those who receive the hard copies are usually the ones who set up the access for electronic copies. The committee found from a departmental website that, as soon as this year’s report goes on, last year’s report comes off in most areas, thereby removing the link. So there is a need for national, state and parliamentary libraries to have an ongoing point of reference. There also needs to be more links and the ability to keep some continuity in the papers so that people can find the papers in the system.

Recommendation 1 deals with Commonwealth departmental libraries not receiving hard copies and therefore not keeping a full
series of papers. There is no doubt that there needs to be work done on departments that get their information together two years late. We received evidence that one department was up to three years late on one occasion. We need to make sure that those agencies receive a little bit more attention.

Recommendations 12 and 14 deal with the issue of some documents which just do not turn up—usually the controversial ones—and therefore are not available to the public. It is thought that there is a need to ensure they are available and in a timely fashion. Recommendation 16 shows the importance of having website links from each agency so that all documents that are presented to parliament are available as public documents. The committee became aware of the need to develop an online digital repository for the parliamentary papers series, with someone in charge to monitor and catalogue all papers that are in the system and make them available within a reasonable time period. This is reflected in recommendation 19.

With cost always a consideration for good governance, recommendation 20 of the committee looks at the Senate’s digital imaging project and asks the House of Representatives to investigate similar digital imaging of all documents, going back to all of the House’s committee reports which have been presented from 1901 up to 1996, to make sure that they are available online. This is a large part of the Australian historical democratic process of the parliament at work which the public needs to have easy access to, using our modern technology. How can young people engage with the parliamentary process without having the links available to look at these documents? I think it is very necessary for these things to occur.

I thank the chair and other members of the committee who have served with us, and particularly thank Jason Sherd and his assistants for putting all this together. I hope the Presiding Officers and our good clerks will give this report the consideration that it needs. It is a very important report and I look forward to speedy consideration of it.

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

Mrs DRAPER (Makin) (12.41 pm)—I move:

That the House take note of the report.

The SPEAKER—In accordance with sessional order 39, the debate is adjourned. The resumption of the debate will be made an order of the day for a later hour this day. Does the member for Makin wish to move a motion to refer the matter to the Main Committee?

MAIN COMMITTEE
Publications Committee
Reference

Mrs DRAPER (Makin) (12.41 pm)—I move:

That the order of the day be referred to the Main Committee for debate.

Question agreed to.

COMMITTEES
Treaties Committee
Report

Dr SOUTHCOTT (Boothby) (12.42 pm)—On behalf of the Joint Standing Committee on Treaties, I present the committee’s report entitled Report 74—Treaty tabled on 28 March 2006: agreement for establishment of the Global Crop Diversity Trust.

Ordered that the report be made a parliamentary paper.

Dr SOUTHCOTT—Report 74 contains the findings and recommendation of the review of the Joint Standing Committee on
Treaties of the agreement for the establishment of the Global Crop Diversity Trust, tabled in parliament on 28 March 2006. The agreement for the establishment of the Global Crop Diversity Trust, although a separate legal instrument, will operate within the framework of the International Treaty on Plant Genetic Resources for Food and Agriculture.

The International Treaty on Plant Genetic Resources for Food and Agriculture was reviewed in the 68th report of the committee and provides a binding international framework for the conservation, sustainable use and exchange of plant genetic resources for food and agriculture for global food security. The agreement, through the establishment of the Global Crop Diversity Trust, secures the long-term conservation aims of the international treaty through long-term funding. The agreement will provide for the establishment of a trust to finance gene bank conservation of crop genetic diversity. The focus of the trust will be to secure the future of key international collections under the Consultative Group on International Agricultural Research system.

The trust is a public-private partnership that will be financed by voluntary contributions from North American and European corporations and private foundations. The permanent endowment will be $US260 million and will generate $US10 million to $US14 million annually for the maintenance of eligible national, regional and international gene banks or collections of crop diversity. While the majority of funding received in the early stages has come from national governments, the trust will shortly commence fundraising, concentrating on private sources. Australia has made the largest overall financial commitment to the trust of $A12.5 million. The government informed the committee that accession to the agreement would formalise Australia’s involvement in line with its commitment to global crop diversity and complement Australia’s interests in the international treaty.

The committee has agreed to fast-track the review of this treaty, as on 6 April 2006 the Hon. Alexander Downer, Minister for Foreign Affairs, informed the committee that Australia is seeking to secure a position on the Executive Board of the Global Crop Diversity Trust. Further, the minister stated that Australia’s position on the board would ensure appropriate consideration of Australia’s interests and that Australia’s executive board campaign would be strengthened if Australia were in a position to become a party to the trust agreement at the time of the board’s first meeting. The board’s first meeting is scheduled to take place from 12 to 15 June 2006. I thank all members of the committee for facilitation of this speedy review.

The executive board of the trust will have responsibility for the operation of the trust, control over its budget and ensure its policies are in line with those of the international treaty. The committee was informed that Australia has taken a leading role in the establishment of the trust and its ongoing management and administration. Australia was elected Chair of the Donor’s Council of the trust for an initial term of three years at the inaugural meeting of the council in October 2005. In this role, Australia is responsible for selecting four members of the executive board of the trust in the first half of 2006.

As the parliament would be aware, the period for review of proposed category 1 treaty actions by JSCOT is 20 sitting days. The period of review for this treaty would have expired in mid-August, at which time the committee expects to report on seven other proposed treaty actions which were tabled on 28 March 2006. In considering this treaty action, the committee was concerned that only one other member of the Cairns Group
was a member of this treaty. The committee was also concerned that there were no other developed countries such as the United States and Canada which Australia would benchmark itself against in the area of agricultural research that were also party to this agreement. The committee was also concerned that in our three-year review of the overarching treaty this trust agreement was not brought to its attention.

However, in conclusion, on balance the committee does support Australia’s campaign to seek a position on the executive board of the trust and believes that Australia’s representation on the executive board will ensure appropriate consideration of Australia’s interests at the upcoming meeting of the governing body of the international treaty. The committee therefore recommends that the treaty reviewed in report 74 be acceded to. I commend the report to the House. (Time expired)

Mr WILKIE (Swan) (12.47 pm)—Report 74 of the Joint Standing Committee on Treaties contains the review of the agreement for the establishment of the Global Crop Diversity Trust. The thrust of the agreement is to establish a permanent funding structure that will help maintain the genetic plant material held in the field and in gene banks. The International Treaty on Plant Genetic Resources for Food and Agriculture provides for the physical maintenance of genetic plant material for food and agriculture and was previously reviewed by the committee and appears in report 68.

The committee received evidence that in the last 25 years there has been an accelerated decline in agricultural diversity due mainly to large increases in population and unsustainable practices affecting the natural environment. This situation has also negatively influenced the security of food sources and put these food sources at risk in the wild and in gene bank collections. The role of the 1,470 gene banks in existence is to conserve, manage and reproduce crop varieties and their related wild species, of which there are approximately 5.4 million samples in existence. Sixty-five per cent of gene banks are located in developing nations and receive annual funding. However, since 1996, around 60 per cent of funding for the world’s gene banks has either decreased or remained static.

It is recognised that genetic diversity is central to agricultural innovation and allows for the breeding of crops that will increase production and enhance the capacity to manage new and existing threats from pests, diseases, climate change and environmental degradation. As a major agricultural producer and plant breeder, Australia has a national interest in ensuring the maintenance of continued access to genetic material held in international gene banks. In addition to ensuring that Australia will have continued access to the genetic material held in international gene banks, the trust will complement Australia’s aid program by reducing poverty and improving food security in developing partner countries. The committee received information that new varieties of high-yielding crops secure export markets for agricultural produce and increase domestic and export earnings, thereby contributing to economic growth in a developing country.

As a joint initiative of the United Nations Food and Agriculture Organisation and the International Plant Genetic Resources Institute, the trust will provide technical and capacity-building assistance to enable collections of genetic resources to meet required standards and promote and assist in the development of a rational and efficient system of crop diversity conservation in gene banks internationally.
An executive board, to which Australia has indicated its intention to join, will manage the trust with an annual budget of $US260 million and an annual turnover of between $US10 million to $US14 million. The Grains Research and Development Corporation of Australia has pledged $US5 million and the Australian government has pledged $US7.5 million to the trust.

In its role as Chair of the Donor’s Council, Australia is nominating a member of the inaugural executive board. Australia will also be responsible for selecting four members of the existing executive board of the trust by mid-2006. A number of Australian agencies support Australia’s pursuit of a seat on the executive board. These include the Department of Agriculture, Fisheries and Forestry, the Grains Research and Development Corporation, the Australian Centre for International Agricultural Research, the Commonwealth Scientific and Industrial Research Organisation and the Australian Academy of Technological Sciences and Engineering Crawford Fund.

The committee has indicated its support for Australia’s pursuit of a position on the executive board of the trust, given the upcoming meeting of the organisation. However, the committee has indicated that it is concerned that it was not informed of the trust agreement during the course of its three-year review of the International Treaty on Plant Genetic Resources for Food and Agriculture, which would have allowed for greater scrutiny of this agreement. The committee is further concerned that only one member of the Cairns Group of nations is involved in the treaty, given their importance to Australia. I commend the report to the House and again thank the secretariat for their ongoing work for the committee.

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

Dr SOUTHcott (Boothby) (12.51 pm)—I move:

That the House take note of the report.

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

AVOIDING DANGEROUS CLIMATE CHANGE (KYOTO PROTOCOL RATIFICATION) BILL 2006

First Reading

Bill and explanatory memorandum presented by Mr Albanese.

Mr ALBANESE (Grayndler) (12.52 pm)—Today I rise to once again introduce the Avoiding Dangerous Climate Change (Kyoto Protocol Ratification) Bill 2006, which lapsed due to the government’s unpreparedness to have a debate on this issue. If this bill is passed, the Australian government would be required to ratify the Kyoto protocol and become part of the global solution to the global challenge that is climate change. Climate change is real and it is happening right now. The last four years have seen an unprecedented rise in the global level of carbon dioxide in the atmosphere.

The Chief Scientist of the Marine and Atmospheric Research Division of CSIRO recently reported that 2005 recorded the highest ever growth of artificial greenhouse gases, up by 5.3 per cent. CSIRO said that 2005 ‘was a record for increases in greenhouse gas heating—the main driver of increasing surface temperature’. Last year was the hottest year on record. We can already see the kinds of impacts that will only get worse as warming advances: the long-term drought in New South Wales, Kakadu being flooded by salt water and coral bleaching of...
the Great Barrier Reef. The recent destruction caused by Cyclone Larry must also serve as a reminder of the kind of severe weather events that we must prepare for at home as our planet warms. If for no other reason than self-interest, Australia should immediately ratify the protocol and engage with the global effort to avoid dangerous climate change.

If passed, this bill will require the Australian government to do several things. First, it must ratify the protocol within 60 days of the commencement of the act. Second, it must ensure Australia meets its greenhouse emission target set out in the Kyoto protocol: 108 per cent of 1990 levels. Of industrialised countries, only Iceland has a higher target. Third, the Minister for the Environment and Heritage must develop a national climate change action plan setting out our national strategy for meeting our greenhouse emissions target. Fourth, the minister must establish an annual greenhouse gas inventory and publish the results. Fifth, the minister must also develop a framework for involvement in the international trading of carbon. This will include emissions trading but also clean development mechanism projects in developing countries and will make Australia eligible to participate in joint implementation projects under the protocol. Given that Australia is on track to meet our emissions target, there is absolutely no drawback to Australia ratifying Kyoto today.

Last week the National Greenhouse Gas Inventory report of the Australian Greenhouse Office stated that greenhouse gas emissions from energy and transport sectors are spiralling. There has been a 34.7 per cent increase in emissions of 1990 levels from the energy sector; stationary energy, 43 per cent; and transport, 23.4 per cent. The reason we will be able to meet our target is that there has been a 72.5 per cent reduction in emissions, due to decisions to end land clearing by the Queensland and News South Wales Labor governments. It is only because of this action that Australia is on track to meet our Kyoto target. If you exclude land use changes, our overall greenhouse gas emissions increased by 25.1 per cent between 1990 and 2004—one of the most significant increases in the world.

If passed, this bill would enable Australia to be a part of the global market benefits harnessed by the other 158 countries which have ratified the protocol. A recent report by the Australia Institute confirms that the government’s arguments for refusing to ratify the protocol are fundamentally flawed. Staying outside of Kyoto and not pricing carbon nor introducing emissions trading carries significant economic risk.

The report confirms that the Howard government’s policy locks Australia out of emerging carbon markets, retards the development of new, clean industries and fails to preserve the competitiveness of coal exports—this country’s biggest earner—which will be subject to emissions policies and taxes of importing countries.

The potential for innovation and business investment is immense. It is about providing the market based stimulus for the deployment and transfer of clean energy technologies, the transfer of which the International Energy Agency has estimated at $27.5 billion. Australian companies are being disadvantaged now and our technology is moving overseas to countries such as China. Just last month the Roaring 40s company announced a $300 million deal to provide three wind farms to China, at the same time as they withdrew from projects in South Australia and Tasmania. We need to ratify the Kyoto protocol in the interests of the economy, jobs and the environment. (Time expired)

Bill read a first time.
The SPEAKER—In accordance with standing order 41, the second reading will be made an order of the day for the next sitting.

PRIVATE MEMBERS’ BUSINESS

Religious Minorities

Mr CADMAN (Mitchell) (12.57 pm)—I ask leave of the House to amend notice No. 2, private members’ business, in the terms circulated to honourable members.

Leave granted.

Mr CADMAN—I move notice No. 2 as amended:

That this House:

(1) commends Australians of Greek and Turkish origin for the peaceful and harmonious relationship they have established in Australia which is an example to all communities coming from older cultures;

(2) recognises, with appreciation, the past endeavours of the Hon. Bill Hayden and the current efforts of Australia’s Special Envoy on Cyprus the Hon. Jim Short, and their contribution towards improving relationships between the Turkish Cypriot and Greek Cypriot communities to bring about the reunification of the island of Cyprus;

(3) requests the Government of the Republic of Turkey, as it moves towards joining the European Union as a full member, to:

(a) return private property to minority groups of all religious backgrounds and to allow the freedoms of settlement and property throughout Cyprus;

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

(d) permit Christian denominations to operate seminaries of their own, whether Greek, Armenian or Syriac; and

(4) encourage all parties, including the Turkish Government and the Government of the Republic of Cyprus, to work together with the United Nations and the European Union to ensure a lasting solution in which all Cypriots enjoy the economic, political and security benefits of the EU in a united, democratic, just Cyprus.

I have decided to amend my original motion in order not to involve the sensitivities of the Australian community, particularly those who arrived here from Turkey or Greece. Australia has a friendly relationship with Cyprus, Greece and Turkey, and that has been the case for a long time. We are conscious that we have made a very strong contribution to relieving the tensions within the Mediterranean and particularly within Cyprus. We want to pay tribute to two Australians who have assisted in the process.

Since the invasion of northern Cyprus by Turkey in 1974, this issue has been a consistent, festering problem. It is a particular problem for religious groups, particularly the Orthodox Church, and for parties, people and families with properties in northern Cyprus. This is a wonderful opportunity for the government of the Republic of Turkey to take steps to resolve some of these issues. It has been a tradition for Australia—and currently we observe the Australian military in East Timor—to move in, resolve a problem and move out. If there were problems which caused or brought about the invasion in 1974, it is time that those matters are put aside and that the people of Cyprus, who lived in harmony, are once more given the opportunity of reunification. Nothing could be more opportune. Nothing could be more valuable. Nothing could enhance the reputation of Turkey more at the moment. Taking this step will ease Turkey’s entry into Europe and enhance its global reputation for the treatment of minority groups.

I wish to acknowledge the work that was done by the Hon. Bill Hayden some years ago and the work currently being done by the Hon. Jim Short. The representatives of the Cypriot and Turkish governments, of course, have been interested in this motion, and I wish to express my personal goodwill to the
peoples from both of those countries who
have settled in Australia. I encourage the
Turkish parliament to pass the proposed re-
form of the Turkish foundation law and ap-
plaud the opportunity for Christian groups to
resume the operation of their religious train-
ing centres, something that is dear to the
hearts of all of those people in the region.

(Time expired)

The SPEAKER—Is the motion sec-
onded?

Mr BOWEN (Prospect) (1.02 pm)—I
second the motion. Freedom of religion is a
fundamental and inalienable right of every
human being. There is an obligation on those
of us in positions of influence to speak out
for those who do not have that freedom and
cannot speak out. However, we must always
be careful to describe the situation in other
jurisdictions accurately and in the proper
context. There are issues related to religious
freedom in Turkey. These cannot be doubted,
and I will return to the details of these
shortly. The issues in Turkey must be put in
perspective, especially when compared to
those in some neighbouring countries, for
example.

I am particularly concerned about the
rights of Christians in Iraq, and I have spo-
ken about this previously in the House. It is
hard to conceive that the position of Chris-
tians in Iraq has actually deteriorated since
the fall of Saddam Hussein. As a member of
the coalition of the willing, this government
has an obligation to speak up for Christians
in Iraq. I am sorry to say that the govern-
ment’s response has been less than adequate,
and I use the forum of this motion to again
call on the Minister for Foreign Affairs to
make representations at the highest possible
level to ensure the protection of Assyrians,
Chaldeans and Mandaeans in Iraq. The gov-
ernment also needs to be doing more in rela-
tion to providing safe haven for Christians
who have left Iraq. I again call on the Minis-
ter for Immigration and Multicultural Affairs
to review the way her department handle
applications for refugee status from Chris-
tians and Mandaeans who have fled Iraq.

Let me now turn to the situation in Turkey
in detail. It needs to be noted Turkey is a
fiercely secular state and a democratic state.
Despite the fact 99.8 per cent of the citizens
of Turkey are Muslim, the Turkish constitu-
tion gives no special status to Islam. This is
one of the legacies of the statesman Ataturk,
who abolished the caliphate and modernised
Turkey’s administration. We should be build-
ning on these foundations. It would be very
tempting for a nation like Turkey, with such
an overwhelming Muslim majority and so
close to nations like Iraq and Iran, to adopt
Sharia law, but it is in fact the fierce secular-
ism which has led to some of the problems
with religious freedom in Turkey. It is Turk-

ish national policy, for example, that women
in public service are not allowed to wear the
burkha or hijab in work time or on govern-
ment premises, and also that women who
wear these religious garments in private time
not be promoted. That is not a policy, of
course, that we would be comfortable with in
Australia, despite the well-publicised views
of some members opposite.

There have been improvements in trans-
parency and freedoms in Turkey as it contin-
ues to negotiate for its admission to the
European Union. I note that this is referred to
in the amended motion circulated by the
honourable member for Mitchell. We need to
be encouraging Turkey to build on these re-
forms. It is true that there is an ongoing dis-
pute about the property of Christian churches
and individuals. Turkish law allows the state
to expropriate land when the size of a local
non-Muslim community falls significantly.
The United States Department of State also
reports that the state has expropriated the
properties of individuals who had left Turkey.
or died without heirs. All honourable members would join together in calling for this situation to be fixed.

It is also important for the future that the wrongs of the past are acknowledged. I believe the Assyrian people, among others, have a legitimate concern to ensure that the terrible events of 1915 are properly acknowledged and commemorated. The Turkish people and the Assyrian people could then join together in the acknowledgment that we must all work together to ensure that such events can never happen again—just as the Turkish and Australian people joined together in friendship after Gallipoli, especially after the warm words of acknowledgment of Ataturk, who paid tribute to the Australian men he fought against on the shores of Gallipoli.

In conclusion, I support the calls for freedom of religion everywhere and the need for the rights of Christians in Turkey to be respected. I do not believe that the Turkish government is anti-Christian—the Turkish constitution would not allow it to be. But I do believe that Christian communities in Turkey have legitimate concerns that need to be addressed. We need to extend a hand of friendship and cooperation to leaders of secular Muslim nations. While we may not always agree, we can work together towards greater tolerance and understanding of each other.

Mrs VALE (Hughes) (1.07 pm)—In a world torn by religious conflict and beset by religious tension, it is worth reminding ourselves that a spiritual belief is one of the greatest and deepest needs of humankind. This is a fact that sometimes gets lost in a humanist, secular world which itself has bred its share of similar conflict and tension. Not all paths lead to God. Not all faiths and religions are the same, and that fact can be the source of discord and dispute amongst peoples. But we must always remember that each person on the face of this earth is a creation of God, who treasures each and every one of us, despite our failings and ungodliness.

The modern Republic of Turkey is a democratic and secular nation that has done much to achieve religious harmony amongst its peoples and deserves our commendation. Over 90 years ago, because of a humanistic conflict, Turkey became home to the graves of many thousands of young Australian soldiers who fought and died on Turkish soil at Gallipoli. Today all Australians would join me in expressing their appreciation for the help and hospitality that the Turkish government and people give to the Australians who visit the Gallipoli peninsula each year. Despite the inauspicious start to our relationship, today there is a warm, strong bond of mutual respect and friendship between our two democratic nations.

The law of Turkey establishes that country as a secular state and provides for freedom of belief, freedom of worship and the private dissemination of religious ideas. However, other laws regarding the integrity and existence of the secular state constrain these rights. In noting this, I again acknowledge the steps that Turkey has taken toward ensuring religious harmony. In keeping with these efforts, and in the knowledge that a secular state does not need to be an irreligious state, I respectfully urge the Turkish parliament to pass laws that will enable minority groups, including Christian organisations, to reclaim property that has been expropriated from them in the past. In particular, I ask that Turkish Christian foundations be allowed to acquire legal ownership of properties that were once registered under the names of, for example, saints and archangels during periods when foundations could not own property in their own name. Such gestures by the Turkish authorities would be warmly appre-
ciated here in Australia, where we have extended the right of freedom of worship and the building of mosques to those settlers of Turkish origin.

It would also be noted with appreciation if, likewise, the Turkish authorities would allow the Halke seminary to reopen, which I understand was closed in 1971, when all private institutions of higher learning were nationalised. I respectfully seek that the Armenian Apostolic Seminary in Istanbul be reopened and that other Christian denominations, such as the Syriac Orthodox Church, be allowed to operate seminaries of their own. I understand that currently religious communities other than Sunni Muslims cannot legally train new clergy in the country for eventual leadership. Hopefully, this may change. Educated Turkish clergy providing leadership to their churches instead of co-religionists from abroad would be an asset to Turkish national identity and to the Turkish nation in the modern world of closer economic cooperation.

Finally, I would like to respectfully encourage the good people of Turkey—a very large nation that plays a unique and geo-strategic role as the bridge between Europe, the Caucasus, Central Asia and the Middle East—to persevere in their efforts, together with the United Nations and its Secretary-General, the United Nations’s committees and the EU, to achieve more people-to-people contact and reconciliation and to reach a just and lasting peaceful settlement to the Cyprus dispute. We in Australia have been greatly blessed by both Turkish and Greek Cypriots, about 19,500 in number, who have come to our land as settlers and share our community in peace. I understand that the Cypriot community in Australia is the second largest outside Cyprus, after the United Kingdom.

Here in Australia both Christians and Muslims from Cyprus and Turkey are free to worship, to build their churches and mosques, to exercise their free will under democratically formed law, to educate their children in religious schools of their choosing and to associate together as they choose within the one island territory and state that is Australia. I would urge both Turkey and Greece to help the birth of a new democratic Cypriot state, encompassing the whole island, where all the people of Cyprus can enjoy the same conditions in friendship and prosperity and without fear of the future. I commend this motion to the House.

Mr GEORGANAS (Hindmarsh) (1.11 pm)—I rise in support of this motion moved by the member for Mitchell with reference to the Republic of Turkey and its relations with the different Christian minorities in the area. This motion was seconded by the member for Barton, who has a great interest in this area and unfortunately was unable to speak today. Firstly, I would like to point out that the Greek-Australian community and the Turkish-Australian community should be commended for the peaceful manner in which they coexist in this country, as was mentioned in the motion by the member for Mitchell. In a climate of world tension and unrest these two communities have set an example of how to live and learn with people of all nationalities and religions.

I too welcome Turkey’s request for membership of the European Union, but there are certain areas of responsibility and concern that quite simply cannot be ignored, and one of them is the reunification of the island of Cyprus. That is paramount. This is a central and critical issue that the Turkish government must act upon without hesitation. Cyprus remains divided after the Turkish invasion of 1974. Northern Cyprus is not recognised by any other country throughout the
world. It is recognised only by the Republic of Turkey. The fact that over 200,000 Cypriots were expelled from their country courtesy of the invasion in 1974 makes it one of the great tragedies of modern day history. It is time to take whatever action is necessary for ensuring that this issue is resolved once and for all. The only acceptable outcome is for Cyprus to become unified.

I would also like to mention Turkey’s relations with the Christian minorities in the Republic of Turkey. While there have been reforms, promises of reforms and some improvements in this area, we must prove beyond doubt that the Turkish government is prepared and willing to conform to expectations from governments all over the world that they should be viewed as a worthy member of the European community. The government of the Republic of Turkey must dispel once and for all global concerns that, if admitted to the European Union, it would pose a problem.

We must ensure that human rights are preserved. They can begin this process by adhering to the following: return to the Christian minorities properties that have been and continue to be expropriated by the state. In particular, the Greek and Armenian Orthodox communities have lost numerous properties to the state in the past and continue to fight ongoing efforts by the state for these properties. I hope the government of Turkey realises that this practice of seizing properties from minority Christian communities must stop immediately and all properties must be returned to their rightful owners.

The Turkish government must also permit the reopening of the Armenian Apostolic Seminary in Istanbul. The government of the Republic of Turkey must allow all other Christian denominations, in particular the Syriac Orthodox one, to conduct seminaries of their own.

As the eyes of the world watch closely with great interest the unfolding of Turkey’s request for admission to the European Union as a full member—and I am sure everyone supports that admission—I sincerely hope that the government of Turkey will listen to the voices of governments around the world and of the European Union and comply with the expectations put before them. There are some very welcoming signs that the government will take these up. Firstly, we welcome the initial cautious attitude adopted by the current Justice and Development Party (AKP) government of Prime Minister Erdogan on the Armenian genocide and we hope he will continue to retain an open mind on this burning issue. Secondly, we welcome other initiatives by the current Prime Minister, including cosponsoring, with the Prime Minister of Spain, the UN auspice initiative for the Alliance of Civilisations. Thirdly, there are healthy and encouraging signs for Turkish democracy that courageous voices, such as that of Turkey’s leading novelist, Orhan Pamuk, are being heard over this issue. I remind members of the remarks Pamuk made concerning the Armenian genocide during an interview in February 2005 with the Swiss magazine Das Magazin. He said:

Thirty thousand Kurds and a million Armenians were killed in these lands and nobody but me dares to talk about it.

He was subsequently prosecuted but the charges were dropped. I hope these comments help in some way to ensure that peace reigns in Asia Minor forever and a day so that we will live in a peaceful world.
The DEPUTY SPEAKER (Mr Jenkins)—The time allotted for this debate has expired. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting Monday.

Fuel Prices

Mr BYRNE (Holt) (1.16 pm)—I 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.

In speaking to this motion, I am relaying the concerns of many of my constituents whom I have spoken to since the sustained rise in petrol prices. It is ironic that, when I raised a motion of a similar nature in this House in November, one of the contributors from the government side basically said that I was overstating the position and that what would happen in reality would be that, due to market forces, the price of petrol would come down to about $1 a litre.

Mr Gavan O’Connor—Oh!

Mr BYRNE—The last time I checked, Member for Corio, which was when I took a drive around my electorate yesterday, the price of petrol ranged, as you would know, from $1.33 in Cranbourne to $1.30 in Narre Warren. So much for petrol prices coming down! That comment signalled the complacency of the Howard government over petrol prices and their effects on the community—and my electorate knows more than most the effects of petrol prices on the community. Remember that my electorate has the highest rate of mortgages in Australia, the highest rate of couples with dependent children in Australia and one of the highest rates of motor car usage in Australia. These are working people who have been affected by petrol price increases. These are the ones who have generated our current economic prosperity but are now faced with huge petrol costs with no relief in sight.

Given the large number of families in the area of my electorate, these people need a car—and to pay a lot more for petrol—to take their kids to school, to child care, to sport or to the doctor. Because many of my constituents work outside the area, these people need to drive to work, particularly the large number of tradespeople who live in my electorate. The government has given them no relief from petrol prices, but I will tell you what it has given them: the WorkChoices legislation which, as we have seen, is ripping away job security and, even worse—particularly for the tradespeople in my electorate—the government’s intention to employ cheap foreign labour in many of the trades and areas that my constituents work in.

The sustained high price of petrol is having devastating consequences and effects in my area. Parents are being forced to tighten their belts. I hear so many stories of financial pressure and of the way that people are starting to worry about servicing their mortgages. Take, for example, the stories from the Casey North information and support service, which provides support and information services to suburbs in my electorate like Narre Warren, Narre Warren North, Narre Warren South, Berwick and Hallam. In the financial year of 2004-05, Casey North provided $1,500 in petrol vouchers. With the massive
rise in petrol prices and the increasing demand for these vouchers, Casey North has since purchased $3,500 worth of vouchers, an increase of 133 per cent—and it still cannot keep up with the demand. These are not voucher requests from the poor people in these areas; these requests are from the working families in these areas. As a consequence of this demand, Casey North will only provide vouchers in the most extreme set of circumstances, such as medical treatment or picking up kids from school, and people will have to be turned away.

This is the tip of the iceberg. Look at the basic hits that the residents of my area have copped. In May there was an interest rate rise that added between $33 and $37 per month to the average mortgage of families in Narre Warren and Cranbourne. If you compare the price of fuel in early 2005 to that now, families in these areas are paying up to $52 a month for petrol per car. Most of the families in my electorate have two cars, so that is an additional $104 per month. The government has made much of its tax cuts in my area. Many in my electorate have an income of between $40,000 and $60,000 per annum. The government’s tax cuts in the budget work out to be $9.80 per week, so roughly $40 per month. That is not even covering the increase in petrol costs. So families in my area are seriously worried.

Yet while they are suffering, oil companies are making gigantic profits. For example, the profits of companies like Exxon Mobil and the other companies which produce much of the petrol that we consume are expected to exceed $134 billion this year. In fact, the chairman of Exxon Mobil, Lee Raymond, has an income of $200,000 per day and a retirement package of $400 million. When the price of petrol hit $US1.20 a litre in America, George Bush hit the panic button and demanded that the equivalent of the Australian Competition and Consumer Commission investigate price gouging and price profiteering. But what has happened in this country? Absolutely nothing, even though the government has the capacity to intervene under part 7A of the Trade Practices Act. The government has sat on its hands and done absolutely nothing, unlike George Bush. It is a disgrace and it is a betrayal of the families in my area. (Time expired)

The DEPUTY SPEAKER—Is the motion seconded?

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

Mr CAMERON THOMPSON (Blair) (1.22 pm)—It is a pleasure to speak on this motion today. Looking at the words put forward by the member for Holt, I see the point he is putting forward and the outcome he is seeking. He asks that:

... at the very least, the Treasurer take action to direct the Australian Competition and Consumer Commission to formally monitor fuel prices ...

If that is the least that he seeks, I wonder what could we do. If he had wanted the most that he could seek, perhaps it might have been to have an even bigger study and maybe to get a group of organisations to study fuel prices. Studying fuel prices is not going to deliver a better outcome for motorists. I would like to look at some of the different points associated with this issue. I would like to suggest something which members opposite might like to consider as an alternative and which, perhaps, could give motorists something positive to think about.

I would like to talk a bit about excise and that part of the taxes on fuel that goes to the states. The Commonwealth applies an excise rate of about 38c a litre on fuel. That is an interesting position, because the Commonwealth under the coalition has capped the excise rate at 38c a litre. It is interesting to note that, when the new tax system came in...
on 1 July 2000, under the imposition of the goods and services tax there were reductions in rates of excise at that time. Now that we have the GST in place and the capping imposed by the government, we have had real reductions in the cost of that part of fuel that is levied by the Commonwealth as part of excise. It is interesting to note in comparison that, during the time the Labor Party was in power, the rates of excise on petrol went from 30.75c a litre back in 1994—and that is as far back as I can go—to as high as 34.5c a litre, as at 1 August 1996. So, during its time in office, the party that the members opposite represent continually ramped up excise and sought to benefit from it.

I would like to raise the fact that, quite some time prior to the introduction of the new tax system, the Commonwealth had to take over the petrol franchise fees, which were being levied by the states on fuel as a way of covering up all the black holes they had in their budgets. They imposed petrol franchise fees in order to keep their budgets as healthy as they possibly could. Those petrol franchise fees have now been rolled into the GST. So an amount of about 8.3c litre in the GST component is the old petrol franchise fee. What I would like to put to the House is that each of the states is now receiving revenue returns from the GST far and above the amounts promised to them at the time we introduced the GST. The states are receiving a higher amount of money and they are above the amounts that were guaranteed to them.

Given that there are serious concerns in the community, as the member for Holt pointed out, I think we could look to recover the old petrol franchise fee. We could take it from state revenue, not from the GST money but from other grants that are applied to them by the Commonwealth, and we could recover up to 8.1c litre. If members opposite want to look at a way of addressing this issue they could get real and look at the petrol franchise fee money going to the states, which is being used to prop up their budgets and which does not provide a beneficial outcome for motorists. I think this is an option that should be pursued by members. We should look at reducing the amounts of grants to the states, particularly those states that have not been honouring their GST obligations, those states that have not been making all the tax cuts that they promised they would. This is a way to use a lever on those states to ensure a bit of justice for motorists. The petrol franchise fee is something that members opposite are not speaking about because it directly aids those Labor state governments. (Time expired)

Mr MARTIN FERGUSON (Batman)
(1.27 pm)—As my colleague the member for Holt has highlighted, Australian families are feeling the pinch of record high petrol prices. But I intend raising issues in this debate that I thought the member for Blair should have raised, given the fact that he comes from the state of Queensland.

Unlike the Howard government, the federal Labor Party believes there is plenty that can be done about petrol prices. The most important thing, and it is interesting that the member for Blair did not touch on it, is the capacity to do something about security of supply and the challenges that confront Australia in the 21st century. That means growing the ethanol and biofuels markets and doing more to develop Australia’s gas and coal to make liquid transport fuels. This is about producing more of our own transport fuels, like ethanol or diesel made out of natural gas or coal.

It will not lower prices at the pump but it will make all of us better off in many other ways. It will mean more jobs, higher exports, more tax revenue from resource development and more money available for income tax
relief, roads, better public transport, schools and hospitals. It is only through our domestic supply sources that we will be able to address fuel supply emergencies in the future if the Middle East supply is interrupted and scarcity induces price blow-outs that would threaten our industries, our way of life and our job and export opportunities. It is estimated that our current oil reserves will last only about 40 more years and, while Australia’s prospectivity is lower than that in many other countries, exploration in our remaining frontier areas should be a national priority of the Australian government.

But we need to look further than oil exploration for the total solution, because that is only one part of the challenge. For the best part of the last decade Australia consumed oil three times faster than it added to its reserves, so this is a huge national problem. Conversely, for the last 20 years, Australia has been finding gas faster than it is consuming and exporting it. I believe we could turn that natural gas into products like clean synthetic crude oil and diesel and jet fuel, which are all in demand in Australia. Australia’s competitors in the gas industry are way ahead of us in this area, particularly in the Middle East, where countries such as Qatar already have major gas-to-liquids projects, making ultra-clean diesel for the global market. Why can’t Australia do it?

The same applies to the coal industry. Labor’s climate change blueprint identified clean coal technology as a vital part of the climate change solution and, of course, coal-to-liquids technology is central to the economics and efficiency of a cleaner coal industry.

I point out to the House that it is now four years since CSIRO proposed a strategy for Australia’s transport future, a strategy that recognised gas to liquids and coal to liquids as the key to the future. Four years on, the Howard government yet again has done nothing about securing Australia’s future in the energy debate. It is about transport energy for a country which is dependent on the transport industry. For at least four years CSIRO has known that Australia needs to take action, but the Howard government has done nothing.

Further, it is five years since Senator Minchin, then minister for resources, appointed a task force to investigate the feasibility and benefits of establishing a gas-to-liquids industry in Australia. The task force highlighted the potential significance of a gas-to-liquids industry for Australia’s economy, saying it could underwrite offshore gas supply infrastructure to bring forward the possibility of major new domestic gas pipelines to connect the national market, increase domestic gas competition and energise gas exploration—all key components in Australia’s future—not to mention the most pressing of problems: our future transport fuel security. It is not about self-sufficiency; it is about security of supply. But, five years later, the government is still sitting on its hands hoping the petrol price problem will soon disappear.

I commend the member for Holt for bringing this motion forward for debate in the House. We are all concerned about high petrol prices, but the debate is bigger than the questions of excise and global demand. The debate is about our national government seizing opportunities and working out how we encourage industry by putting in place an investment regime which will force downstream processing in Australia. It is about gas to liquids, not just the export of LNG to China. It is about processing in Australia and creating further jobs. I say to the government: front up to the challenges and stop running away from your responsibilities. (Time expired)
Mr CAUSLEY (Page) (1.32 pm)—I rise to contribute to the debate on petrol prices. I had hoped to hear from the members who spoke before me some policy on how they are going to reduce the price of petrol. The inference in the motion is that there is somehow a magic way in which the government can reduce the price of fuel for the general public. At this stage, I have heard nothing from the member for Holt. We at least heard a bit of policy from the member for Batman, but we have heard nothing about the real issues. It is fairly clear to anyone who knows anything about this that it is all about supply and demand. At present, supply and demand is so tight that any disturbance on the world scene anywhere near an oil producing nation increases the fluctuations in price. Of course that hurts the travelling public and the budgets of Australians; there is no argument about that. But, if you are honest and have a look at prices around the world, you will see that Australia still has the fourth cheapest petrol in the world and the sixth cheapest diesel in the world. We are not up there with the extremely high price countries. If you lived in Argentina, for example, you might have something to complain about, because they certainly have a high price for fuel over there—and very low per capita income. Australia is certainly not up there.

The member for Batman seems to think the magic bullet is to suddenly jump into alternative fuels. Of course we are interested in alternative fuels. Because I represent a rural electorate, I am very interested in alternative fuels. But you cannot artificially create a market. I think the market is adapting. We are seeing more and more of these fuels being produced, more ethanol plants are being built around Australia and, as the market works, we will start to see alternative fuels come into play. I am sure that the oil producing nations of the world are quite concerned about this. One of the real issues is the refining capacity in the world at the present time, and efforts are being made to try and overcome the problems with refining capacity. The oil producing nations of this world are not stupid. They know that, if alternative fuels start to get into the marketplace, they will sell less oil. So they will be looking very closely at how they can keep balance in the price. They are well aware of the effect of the oil price on international markets and international economies. I am sure that, given a bit of time—and it might take a couple of years to do it—we will see extra refining capacity in the world, and I think we will probably see a bit more balance in oil prices.

Having said that, the opposition give the government no credit for what it has already done. I think it was in 1991 that fuel excise was capped. At present, fuel excise is 38.3c. If fuel excise had not been capped, with natural inflation it would now be somewhere around 60c a litre. That would have been a huge impost over and above the already high price of fuel. I have not heard any policy from members of the opposition as to what they might do to reduce the price of fuel. If they suggest that, in government, they are going to take off some of the excise, what government programs are they going to cut? Excise is collected by the government to pay for pensions, health and education, which are very important areas of government. What programs are they going to cut if they are going to cut the tax intake? It is very important to have a look at all these things. If you are going to raise this in a debate, you need to look closely at what the effects are going to be, one side or the other, and not just get up in a political stunt and talk about the price of fuel. You need to look very closely at the cause and effect—what is going to happen if you do these types of things. I do not think the opposition have really thought this through.
The government is well aware of the problems people are presently having in coping with the increased price of fuel. We have had 44 inquiries into fuel prices since 1983. I used to be in the New South Wales government and I can tell you that we had several inquiries there into the price of fuel. If the member for Holt is concerned about this, why doesn’t he write a letter to the ACCC? Why doesn’t he refer it to the ACCC to see whether they will investigate it? He does not have to wait for the Treasurer. Instead of coming in here with a political stunt, he can write to the ACCC and ask them to investigate whether the oil companies are engaged in price gouging and not handing on the true costs to the community. Let us do the hard work and see what we can do. (Time expired)

Ms BURKE (Chisholm) (1.37 pm)—I also support the motion on petrol prices before the House. I am pleased to see that the next government member speaking in the debate, the member for Deakin, almost comes from the south-eastern suburbs of Melbourne—at least someone in the ballpark of Melbourne will talk about petrol prices; his two colleagues who spoke earlier represent regional Queensland. It is quite nice that one Liberal Party member representing the burbs in the Melbourne will also speak about this issue.

The Howard government has failed to keep petrol prices on hold and, as a result, Melbourne families are struggling to make ends meet. Only yesterday the Melbourne Herald Sun headline screamed at us ‘How higher petrol prices hurt’. A snippet from that opinion piece, which touched on the problems of various motorists, was very interesting. It read:

A 25 per cent jump in the cost of running her car in the past year slugged pizza delivery driver Charlyn Winslow. ‘It used to cost about $28 to fill my car. Now it’s at least $35 and you get fewer trips. Overall, I’m earning less,’ she says. The Port Melbourne pizza shop owner for whom she drives has bumped his delivery charge to $1.50. Here a young person—a university student, I suspect, who is probably earning her way through uni by delivering pizzas—is copping the petrol price increase with no additional remuneration. The extreme industrial relations legislation that is now in effect, as the member for Holt mentioned, will probably impact her earning ability even more dramatically.

While regional and rural Australians are suffering because their car journeys are usually so lengthy, so too are Melbourne families, who rely heavily on the many short trips they have to make each day. Families are paying record petrol prices. Since the 2004 federal election, the extra cost of filling the tank each week has risen to $84 per month, which is a lot of money for families on fixed incomes to find. As our shadow Treasurer recently pointed out, petrol prices for the average Australian family have skyrocketed by over $400 over the last two years. On top of the recent interest rate rise, families are really feeling the pinch.

While some people are opting to use public transport or ride a bike, this is not feasible for a single working mother in Chadstone who has to drop her toddler off at child care, drop her children off at school, go to work and then pick them all up and shop for groceries at the end of the day—along with all the other chores she has to do on the way home. On average, Victorians drive 15,000 kilometres a year, using around 1,500 litres of petrol. The helpful RACV website clearly states:

Stop/start driving is much less efficient and more polluting than driving at a constant speed. In comparison, free flowing driving, such as uncongested country or freeway travel, uses the least amount of fuel. If possible, organise trips in advance to avoid congested areas and peak-hour traffic.
That would be lovely, but when you are live the suburbs of Melbourne it is virtually impossible. You are constantly stop-start driving. You are stopping and starting at traffic lights and in the traffic, but, more importantly, you are stopping and starting for the 500 different trips you have to do just to get through your day.

Not just families are feeling the pinch. Many small businesses are experiencing severe drops in sales—couriers, independent petrol station owners, delivery services and so on. Indeed, the highest number of people in history have been driving off without paying for their petrol. A lot of people are actually filling up and taking off without paying their petrol bill because they literally cannot afford to.

When Labor was last in government petrol prices were at 70c a litre. Today they have doubled. Those opposite are always citing what we did, but they have doubled petrol prices. The fact is that the Howard government has failed to keep petrol prices low and they are now out of control. The government has failed to address Australia’s dependence on foreign gas, it has failed to encourage our biofuels industry and it has failed to give the ACCC the power to formally monitor petrol prices. We are not talking about another inquiry; we are talking about the ACCC monitoring petrol prices.

While the President of the United States, George Bush, is holding an inquiry into the possible practice of petrol price gouging in the US, his good friend John Howard, our Prime Minister, who is normally more than happy to follow in the President’s footsteps, refuses to allow an ACCC inquiry into alleged price gouging in Australia. This is another broken promise from the Prime Minister. On 7 April, journalist Neil Mitchell asked the Prime Minister whether he would formally direct the ACCC to monitor fuel prices under part 7A of the Trade Practices Act. The Prime Minister responded:

Yes I will. I will ask them to have a look at it...

It must have been a ‘non-core’ promise because, within a week, he had reneged on his word. Not that his word has meant anything for some time.

Mr BARRESI (Deakin) (1.42 pm)—I am pleased to be able to speak on this motion on petrol prices as it gives me the opportunity to set some facts straight in this debate and to identify the long-term solutions available to us to better manage the cost of transport fuels, some of which were identified by the member for Batman in his contribution. There is no doubt that petrol prices are high and, as members of parliament, we are aware of the difficulty that petrol prices cause for home budgets and in the running of small businesses. If we are not aware, we should be getting out more often and engaging with our constituents or family members and friends, who are never backward in telling it as it is.

It does concern me to see petrol prices at their current high levels, with expectations that they will go even higher. In saying this, it is also important for us to understand the real cause of these increases, not simply respond to the political rhetoric of those who look to the short-term fix for every problem we confront. Implicit in the motion moved by the member for Holt is a belief that the Howard government is responsible for the high petrol prices facing Australian consumers. This is simply not the case. The real reason for the high cost of fuel facing Australian motorists has been clearly stated by the member for Holt’s Labor colleague the member for Rankin, who wrote in the *Canberra Times* last year:

Australia’s record petrol prices have one cause and one cause only—high world oil prices. The OPEC oil-producing countries are pumping oil...
out of the ground as fast as they can, but not as fast as the world wants to use it. China is burning oil products for its industrialisation as if there is no tomorrow.

Unfortunately, there are high petrol prices all around the world. The fact that we are ranked fourth lowest for petrol and sixth lowest for diesel among the OECD nations is no cause for celebration. However, it does place into perspective the fact that, as a government, we do not control that price; the price is determined by the cost of crude oil on the world market.

Australia is not self-sufficient in oil; we are now importing about two-thirds of our oil and we are at the mercy of world oil prices. In fact, the federal government is the only government in Australia that has taken action to reduce the cost of petrol at the bowser—we reduced the excise on petrol from 44c to 38c a litre and, furthermore, capped the excise at that level. Since that cap, the price of petrol has risen from 80c to $1.40 a litre. What is often not mentioned is that the 38c excise does not increase as prices increase. I acknowledge that the GST collected on behalf of the states also forms part of that cost, and that component does increase with petrol price rises. If criticism needs to be made, then let it be levelled at the state premiers.

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

STATMENTS BY MEMBERS

Mr Ron Byrnes

Ms BIRD (Cunningham) (1.45 pm)—I would like to take the opportunity today in the House to acknowledge the passing of Mr Ron Byrnes. Ron was a very important member of our community. He worked in the mines for many years and retired as a mine deputy. But he had a significant involvement in community organisations, particularly as a member of the RSL subbranch board and the Woonona-Bulli Memorial Club board, where he was returning officer. I would particularly like to acknowledge the work he did in his role as the welfare officer. He was also a board member of the WEA and involved in the Illawarra Lapidary Club.

I attended Ron’s funeral on Friday, which was attended by over 300 people, including members of his church, the ALP, his lapidary club and representatives of the RSL. Ron is survived by his wife, Pem; his daughter, Alison, and her partner, Paul; his son, Colin, and his wife, Sally; and his grand-daughter, Kimberley. On behalf of our community I would like to extend our sympathy to the family and express our great appreciation for the contribution that Ron made to his community in his working life and in his retirement.

Snowy Hydro Corporatisation

Mrs HULL (Riverina) (1.46 pm)—I give notice that at the next sitting I shall present a bill for an act to amend the Snowy Hydro Corporatisation Act 1997. For related purposes I would like to signal that the amendment will go along the following lines:

After section 7(3), insert:

(3A) In the event of the Snowy Hydro Company being listed on the Australian Stock Exchange, the following provisions shall be, or shall be taken to be, included in the company constitution:

No individual, corporation or other entity shall be entitled to hold more than 10% of the shares in the company;

The head office of Snowy Hydro Ltd must remain in Australia;

Snowy Hydro Ltd must maintain a substantial business and operational presence in Australia;
Two-thirds of the Directors of the Board of Snowy Hydro Ltd and the Chair of any meeting of the Board and shareholders must be Australian citizens; and,

Snowy Hydro Ltd must remain incorporated in Australia.

Notwithstanding anything in the Corporations Act 2001 or any other Act or law, these provisions of the constitution shall have effect and shall not be alterable except by Act of the Parliament.

I give notice of my bill and hope that I will be able to get some sort of support from the House.

Westralia Airports Corporation

Mr WILKIE (Swan) (1.48 pm)—I present to the House two petitions, one signed by 2,500 people from the City of Belmont in my electorate and one from the Belmont Council itself. Since January Westralia Airports Corporation, the leaseholder of Perth Airport, has refused to make its full rates-equivalent payments to the City of Belmont and has withheld over $400,000. The chair of Westralia Airports Corporation is David Crawford. Mr Crawford is also Acting President of the National Competition Council, which is responsible for ensuring competitive neutrality.

The citizens’ petition draws to the attention of the House that the Westralia Airports Corporation leases the Perth Airport from the Commonwealth government. The WAC must make “rates equivalent payments” to the City of Belmont under clause 24.2 of the lease. The reason for this is the federal government’s commitment to the principles of competitive neutrality, which in this instance ensure that the WAC does not have a competitive advantage over other commercial operators who must make annual rate payments.

In accordance with the lease, the city has issued a notice to the WAC for a rates equivalent payment in the 2005-06 budget of $2.1 million. However, the WAC has advised the council it will only pay $1.691 million. The underpayment of rates leaves the city with a substantial budget shortfall. The impact of this will be a significant decrease in works and services in the local community and may result in an increase in the amount of rates other ratepayers will have to pay.

The petition calls on the House to require the Minister for Transport and Regional Services, who is responsible for administering Westralia Airport Corporation’s lease, to enforce the lease and make the WAC pay, and continue to pay, full rates-equivalent payments to the City of Belmont. I commend both petitions and congratulate the signatories on their passion for their community.

The petitions read as follows—

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

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

• The Westralia Airports Corporation (“WAC”) leases the Perth Airport from the Commonwealth Government.
• The WAC must make “rates equivalent payments” to the City of Belmont under clause 24.2 of the lease. The reason for this is the Federal Government’s commitment to the principles of competitive neutrality, which in this instance ensure that the WAC does not have a competitive advantage over other commercial operators who must make annual rate payments.
• In accordance with the lease, the City has issued a notice to the WAC for a rates equivalent payment in the 2005/6 Financial Year of $2.1 million, however the WAC has advised the City that it will not pay the full amount of the rates equivalent payment and will only make a $1.691 million rates equivalent payment.
• The underpayment of rates by $409,000 leaves the City of Belmont with a substantial
budget shortfall. The impact of this will be a significant decrease of works and services in the local community and may result in an increase in the amount of rates that other ratepayers in the Belmont community will have to pay.

Your petitioners therefore request the House to require the Minister for Transport and Regional Services, who is responsible for administering the lease, to enforce the lease and make the WAC pay, and continue to pay, full rates equivalent payments to the City of Belmont.

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

• The petition of the City of Belmont ("the City") of 215 Wright Street, Cloverdale in the State of Western Australia draws the attention of the House to the following facts:

• The Westralia Airports Corporation ("WAC") leases the Perth Airport from the Commonwealth Government under a 50 year lease with an option to renew for a further 49 years.

• The WAC must make "rates equivalent payments" to the City under clause 24.2 of the lease. The reason for this is the Federal Government's commitment to the principles of competitive neutrality, which in this instance ensures that the WAC does not have a competitive advantage over other commercial operators who must make annual rate payments to their relevant local government authority.

• In accordance with the lease, the City issued a notice to the WAC for a rates equivalent payment in the 2005/6 Financial Year of $2.1 million. The WAC has advised the City that it will not pay the full amount of the rates equivalent payment and will only make a $1.691 million rates equivalent payment.

• The underpayment of rates by $409,000 leaves the City with a substantial budget shortfall. The impact of this will be a significant decrease of works and services in the local community and may result in an increase in the amount of rates that other ratepayers in the Belmont community will have to pay.

• The City is not in a position to negotiate down rate equivalent payments as this is unfair to all the other ratepayers in Belmont who promptly pay their rates on time. Any such negotiation is in breach of competitive neutrality principles and the City does not want to engage in anti-competitive behaviour by providing the WAC with an advantage over other commercial operators.

• If the Perth Airport was privately owned land then the WAC would be required to make full payments of rates. The lease already contains a number of exemptions that would not be available if the Perth Airport was privately owned. The WAC's ability to make further reductions exists only because the land is owned by the Commonwealth. The WAC is hiding behind the Crown to avoid paying rates.

• The Department of Transport and Regional Services ("DOTARS") is responsible for administering the Perth Airport lease. DOTARS has not obtained legal advice on the correct interpretation of the lease clause yet continues to advise the WAC that it can negotiate a lesser amount of rates payments with the City. DOTARS is refusing to enforce the lease against the WAC to the detriment of the City and the Belmont community.

• At the time of negotiating the lease, DOTARS' role may have been to implement Government policy but its role changed when the lease was signed and since then its responsibility has been to manage the terms of the lease.

• DOTARS has a conflict of interest between a responsibility to manage the lease and its apparent desire to advise the WAC how to reduce their rates or how other airports may have achieved a reduction. DOTARS' role should be ensuring that ALCs promptly pay, when notified, the amount of rates required under their lease.

• Any reduction in rates payments by the WAC will result in an increase in profits. These profits will be subject to Company Tax pay-
able to the Commonwealth Government. This is a form of tax shifting whereby a reduction in rates payments to the City results in an increase in tax income to the Commonwealth Government and imposes an additional burden upon local government to fund its operations.

Your petitioner therefore requests the House to require the Minister for Transport and Regional Services, who is responsible for administering the lease, to enforce the lease and ensure that the WAC pays, and continues to pay, full rates equivalent payments to the City of Belmont.

Signed under the City of Belmont’s Common Seal on this seventeenth day of May two thousand and six by authority of the Council in the presence of:

from 1 citizen. (Time expired)

Fuel Prices

Mr BARRESI (Deakin) (1.49 pm)—I challenge the member for Holt to ask his Labor colleague the Premier of Victoria to call for the GST component of petrol prices to be made an agenda item at the next COAG meeting. Will the Labor premiers be willing to forgo the GST take from the petrol bowser? With $5 billion at stake, I doubt it. We should be asking why the Premier of Victoria is not doing the same thing that the Premier of Queensland was able to do after serious pressure from the federal Treasurer. Mr Bracks understands the windfall that his government receives from high petrol prices, which is around $2.5 billion this year. The higher the price, the greater the sum of money he receives. There is the challenge. The member for Holt and the member for Batman are both members of the Labor Party in Victoria of some influence. They should be using that influence to direct the Premier of Victoria to hand back some of the GST component, or at least to put it on the COAG meeting agenda the next time it comes around.

High petrol prices are of concern to all in this House. We should acknowledge the pain that members of the public are going through at the moment as a result of the increases. The people of south-eastern Melbourne would be better served if the member for Holt were to join those on this side of the House in demanding that the GST revenue that the various Labor governments receive is put back in the pockets of the drivers, as currently happens in the state of Queensland. (Time expired)

Awaba Open-Cut Coalmine

Ms HOARE (Charlton) (1.51 pm)—I rise this afternoon to congratulate the residents of West Lake Macquarie in their win in opposing an open-cut coalmine that was proposed for Awaba by Centennial Coal in our region. There was a long and hard-fought community battle to oppose this coalmine. I am pleased to say that Centennial Coal has withdrawn its application for this open-cut coalmine. The open-cut coalmine would have had major detrimental environmental effects as well as having a huge impact on the health of students at local schools.

I congratulate the organisers of the two major committees that were formed—SCAM, South Lakes Communities Against Mine, and NOCMFA, No Open Cut Mine For Awaba. I also place on the record my congratulations to my good friend and state colleague Jeff Hunter, the member for Lake Macquarie, on the fight that he took, alongside the community, to the state government on this issue.

We have a long and proud tradition of coalmining in our area. We support underground coalmining and the workers in those coalmines and the families of those workers. But the proposal for an open-cut coalmine right on the edge of pristine Lake Macquarie would have been very damaging for the area, and it is fantastic news that Centennial Coal
has withdrawn its proposal. We continue to support them in being a good local citizen. (Time expired)

Macquarie Electorate: Blackheath-Mount Victoria RSL

Mr BARTLETT (Macquarie) (1.52 pm)—I rise to congratulate the Blackheath Mount Victoria subbranch of the RSL on their 85th anniversary. For 85 years this small but very active subbranch has played an important role in our community. The support and friendship that its members provide to local veterans are highly valued and its role in the broader community is appreciated by many. Equally important is the leadership it continues to provide for local commemorative activities, especially Anzac Day and Remembrance Day.

In a very real sense, its current members are representatives of so many who have served Australia in times of conflict over the past century. They are living reminders of the young men and women who sacrificed so much in the various theatres of war for the protection and security of Australia. As the President of the Blackheath Mount Victoria subbranch, Joe Tassanyi, so eloquently put it, they are custodians of the Anzac heritage. This is a role that members of the Blackheath Mount Victoria subbranch take very seriously and carry out with real dignity.

I greatly appreciate my association with this subbranch, and I am proud to be their patron. Congratulations to the Blackheath Mount Victoria subbranch for their 85 years of fine service.

Gellibrand Electorate: Turkish-Australian Community

Ms ROXON (Gellibrand) (1.53 pm)—I appreciate getting the call, because I have been urged strongly by members of the Turkish-Australian community living in Gellibrand to speak today. Unfortunately, I was not able to speak on Mr Cadman’s earlier motion on religious minorities. The terms of his motion before it was amended today were raised with me and were of great concern to the community. I think it was very wise that the House debated an amended motion, which was far more respectful of the differing views within the community.

Obviously, it is important that the House is able to debate any issue that concerns members of the House about the broader international community, but I would like to place on the record my great support of and encouragement to Australians of Turkish origin, particularly those who live in my community. They have been such strong contributors to and a very peaceful and moderate force within the community and have integrated well in our schools and workplaces. They have set up soccer clubs and community groups—in particular, Mr Speaker, you might be amused to know that the old Tottenham pub has now been reclaimed, seriously renovated and turned into both a community centre and a place of worship for the Turkish Muslim community.

This is an example of the positive influence that a community can have in turning facilities into places that can be used by a vast range of people who practise different religions to the mainstream Christian groups within our community. (Time expired).

Corangamite Electorate: Schools Funding

Mr McARTHUR (Corangamite) (1.55 pm)—I wish to acknowledge on behalf of the 18 local schools in Corangamite that they were allocated $1.75 million under the Commonwealth government’s Investing in Our Schools program. As members on this side would be aware, the allocation of this money has given a number of smaller primary and secondary schools in the electorate the ability to upgrade some of their equipment, fix up their classrooms and carpets and
other school facilities, and it has provided them with some new computers.

This brings to a total of $3 million which has been allocated to those schools in Corangamite. I am personally delighted on behalf of those schools and those parent groups who have made application for this federal funding. I acknowledge Alvie Consolidated School, Bannockburn Primary School, Bellalire Primary School, Colac Specialist School, Elliminyt Primary School, Ocean Grove Primary School, Point Lonsdale Primary School, Rokewood Primary School and Wallington Primary School and a number of others that will enjoy the extra funding which has been directly allocated to those parent groups and school communities.

I will be visiting those schools during the break, and I am sure they will be very pleased to see me because of the way in which the federal government has funded them directly. (Time expired)

Richmond Electorate: Whaling

Mrs ELLIOT (Richmond) (1.57 pm)—I seek leave to table a petition calling on the Howard government to take action on Japanese plans to kill whales in Australian territorial waters.

Leave granted.

Mrs ELLIOT—This is a major issue of concern within my electorate. Many people have signed this petition and have raised this issue with me on numerous occasions. The people of my electorate want the Prime Minister to know that whaling is unacceptable and that, as a nation, we cannot stand by and allow these precious and defenceless animals to be slaughtered.

Also of concern in relation to whaling is the effect that it will have upon whale watching season. Whale watching season is just about to start again this year. In my electorate, particularly around Tweed Heads and Byron Bay, it is a major tourism industry. Every year we see thousands of people come to the area to watch the whales pass by. The Japanese plan will have a huge impact on the number of whales passing by—and we have just seen those numbers build up.

This petition calls on the Howard government to take immediate steps to prosecute boats detected slaughtering whales within Australian territorial waters. It calls on the foreign minister to apply diplomatic pressure on Japan to stop expanding its whale killing activity. It also calls on the Howard government to take immediate action to ensure that Australia’s opposition to the proposed expansion of whale killing is clearly conveyed to all members of the International Whaling Commission and on the government to reaffirm its commitment to the establishment of a South Pacific whale sanctuary. (Time expired)

Cowper Electorate: Woolgoolga Surf Lifesaving Club

Mr HARTSUYKER (Cowper) (1.58 pm)—I recently had the honour of attending a function to celebrate the repair of the Woolgoolga Surf Lifesaving Club premises, which unfortunately had been damaged in a severe storm. The roof was ripped off and substantial damage was caused to the building and to many of its fixtures and fittings. Through the insurance premium and the hard work of volunteers, the building has been successfully repaired and the club is now back in full swing and able to render a very important service to the people of Woolgoolga and to the many tourists who visit there.

Surf lifesaving associations and their members right along the coast of New South Wales do a great job in keeping our beaches safe, ensuring that both locals and tourists have a safe and enjoyable time on our beaches.
Only recently in Coffs Harbour there was the tragic drowning of a well-known local identity, Mr Ray Babbage, in very heavy seas at Diggers Beach, south of Woolgoolga. It goes to show that, despite his being a very experienced surfer, our beaches can be very treacherous as well as providing great enjoyment. It brings into clear focus the great work that our surf lifesaving clubs do in keeping our beaches safe and in ensuring that people can enjoy them—

Mr HOWARD—The member for Bass will be aware that this afternoon there will be an opportunity for all of us to pay tribute to all of those involved in this remarkable event and also, of course, to temper that with our sadness at the loss of one of the miners, Larry Knight. More specifically, I can inform the House of a number of initiatives that the government will undertake in relation to the Beaconsfield community and also this particular event. The government proposes to contribute a sum of $8 million to a Beaconsfield community fund, the trustees of which will be representatives of the federal government and the local council. If, as I would expect to be the case, the Tasmanian government joins the federal government in making a contribution to this fund, there would also be a representative of the Tasmanian government. So there would, in that eventuality, be three trustees.

This structural adjustment fund has some precedence in relation to the response of the federal and state governments to the closure of the steelworks in Newcastle some years ago and also to the various iterations of closures or scaling down of activities by Mitsubishi in South Australia. I would hope that this fund would be drawn upon to provide some continuity of employment until the future of the mine is known. That, of course, is in addition to any other entitlements to which people affected by any prolonged closure of the mine may be entitled.

It is also the government’s intention to invest a sum of $1 million in a fund that will provide income of approximately, I am told, $70,000 a year to fund a Larry Knight memorial scholarship in mining engineering at the University of Tasmania. This proposal has been discussed with the family of the late Mr Knight and they have expressed their approval. We believe that this is a more practical and effective ongoing way of marking

Mr HOWARD—Order! It being 2 pm, in accordance with standing order 43, the time for members’ statements has concluded.

QUESTIONS WITHOUT NOTICE

Occupational Health and Safety

Mr BEAZLEY (2.00 pm)—My question is to the Prime Minister. Does mine safety training pertain to the employer-employee relationship or is mine safety training not part of the miner’s job and something which miners are only entitled to do in their own time?

Mr HOWARD—Mine safety training is something which ought to be not only allowable but a matter of course in this country. My understanding is that mine safety training and matters of mine safety are governed by state law. It is also my understanding that, under the present law, any accredited safety provider can provide that training. It is also my understanding that there have been agreements entered into under the new law which allow for the safety training of people including attending courses provided by unions who are accredited trainers.

Beaconsfield Mine

Mr MICHAEL FERGUSON (2.01 pm)—My question is addressed to the Prime Minister. Would the Prime Minister advise the House what initiatives the government will take following the Beaconsfield mine tragedy and rescue?
his life in mining and also the sad and tragic circumstances of his death.

Finally, the House will be aware that the Australian Workers Union has established a fund. I have indicated that, subject to the completion of the formalities, any contributions to that fund would enjoy tax deductibility. It is also the disposition of the government itself, after the details of the objects of the fund and so forth have been processed and made known to us, to make a contribution to the Australian Workers Union fund.

I believe that these three measures are an appropriate response to this situation. They do recognise the extraordinary dependence of the Beaconsfield community on this mine. They also recognise that the most practical way of remembering the late Larry Knight is to have a scholarship bearing his name in mining engineering at the University of Tasmania. There is also a recognition of the commitment of the Australian Workers Union to providing assistance to the Knight family not only by tax deductibility but by an appropriate contribution by the federal government.

**Occupational Health and Safety**

Mr STEPHEN SMITH (2.05 pm)—My question is also to the Prime Minister and it follows on from his answer to the Leader of the Opposition in which he said that mine safety training should be allowable as a matter of course. I refer the Prime Minister to a statement by the Minister for Employment and Workplace Relations on 20 March this year:

Matters that do not pertain to the employment relationship should not be part of agreements ...

And:

[Training] is something which people are entitled to do in their own time. It is not part of the job they are doing.

Given that, post Beaconsfield, the Prime Minister now disagrees with his minister, will the Prime Minister change the government’s extreme industrial relations legislation to allow leave for trade union occupational health and safety training to be part of workplace agreements?

Mr ANDREWS—In answer to the question from the member for Perth, it is quite clear in the Work Choices legislation. If he would like to go to section 16(3) of the Work Choices legislation, he will find out—if he has not already looked—that that quite clearly and explicitly preserves state and territory occupational health and safety laws and, as part of that, it quite explicitly preserves the right of union officials to have entry for occupational health and safety reasons.

Mr Beazley—My Speaker, on a point of order: the question was explicitly about leave for training under a trade union base training arrangement.

The SPEAKER—The minister is answering that question.

Mr ANDREWS—In addition to that, as the Prime Minister indicated in his answer to an earlier question, there have been agreements lodged with the Office of the Employment Advocate over the last seven or eight weeks since the introduction of Work Choices on 27 March which contain provisions relating to training for occupational health and safety. If you take the Tasmanian situation, nothing has changed in relation to the provision of occupational health and safety. Under the Tasmanian legislation, which provides obligations on the part of mine owners and others in Tasmania to provide training and instruction in health and safety, one of the authorised trainers is Unions Tasmania, and there are therefore provisions whereby workers in Tasmania can continue to receive that training.

It is not as if the opposition does not know this because, in the email from a constituent
of the member for Lilley, which had been previously referred to for advice from their workplace relations spokesman, Mr Smith, this was said: ‘An employer can send employees to union training. Yes, that is correct.’ This was in writing from the member for Lilley, having obtained advice from the member for Perth.

**East Timor**

Mr FAWCETT (2.09 pm)—My question is addressed to the Minister for Foreign Affairs. Would the minister update the House on the political situation in East Timor and Australia’s ongoing consular and humanitarian response?

Mr DOWNER—I thank the honourable member for Wakefield for his question and for his interest. As the House knows, Australian troops are re-establishing security and the rule of law in East Timor. As law and order returns, it is going to be vital for the East Timorese political leaders to establish a dialogue with each other to address the deep-seated problems that the country is facing and for that dialogue to occur within the constitution of East Timor. I understand that there are two key constitutional councils which are chaired by President Xanana Gusmao which are meeting today. I hope that those councils prove to be successful in at least beginning the process of addressing differences that exist. Quite clearly, the armed forces and the police must cease conflict between the two and within the two. There are signs that that has happened. Once calm is restored, fundamental issues relating to the broader question of governance will need to be addressed—including, very importantly, the rebuilding of East Timor’s police force, which has been reduced to being completely ineffective.

The United Nations is going to have to play an important part in the way forward for East Timor, just as it has done in the past since 1998 or early 1999. The Secretary General is due to report to the United Nations Security Council on 6 June, giving advice to the Security Council on the way forward for the United Nations in East Timor. That is going to be an important report, because the Security Council has to make a decision by 20 June on whether to renew the mandate for the current United Nations mission and if the mandate is to be renewed—and I think that is probably pretty much a given now—then the nature of that new mandate; what role the United Nations will play. The Australian government is giving a lot of thought to that at the moment. We will have discussions before too long with the East Timorese government about it and obviously, importantly, with the permanent members of the Security Council, other countries on the Security Council and the United Nations Secretariat. I think it is important that we do form a specific view on how the United Nations should go forward in East Timor, and we will be doing that.

With regard to the second part of the honourable member’s question, let me say that the government has responded quickly to the humanitarian dimension of the crisis. We initially pledged $1 million in immediate assistance to Australian non-government organisations in East Timor. We are now going to provide an additional $2 million, $1 million of which will be for urgently needed food, water, shelter and medical supplies from Australia to East Timor. We have also sent some medical supplies to East Timor over the weekend. We will also be making a further $1 million available to UNICEF and other international agencies to assist in efforts to provide for the thousands of displaced people in East Timor.

We have medically evacuated two seriously ill East Timorese police officers and they are now in a stable condition in the Royal Darwin Hospital. We have medivaced
a further seven injured patients. As of this morning, 422 people have been evacuated from East Timor on military flights, including 157 Australians. Citizens from over 30 other countries have also been evacuated. Of course, the government’s first priority is the safety of Australians. That there are Australians who have wanted to leave explains why we have given priority to evacuating those 157 Australians who wanted to leave. We will do what we can to help the people of East Timor achieve stability but also provide now the humanitarian assistance that is necessary.

DISTINGUISHED VISITORS

The SPEAKER (2.14 pm)—I inform the House that we have present in the gallery this afternoon members of the 10th delegation from the International Youth Cooperation Development Centre of Vietnam who are visiting Australia under the auspices of the Australian Political Exchange Council. On behalf of the House, I extend to our visitors a very warm welcome.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Occupational Health and Safety

Mr MELHAM (2.14 pm)—My question is to the Prime Minister. I refer to the government’s Occupational Health and Safety (Commonwealth Employment) and Safety, Rehabilitation and Compensation Amendment Bill. Is it not the case that this bill, together with the active encouragement of the government, will allow private companies which operate across different states to move from state jurisdictions to the Commonwealth jurisdiction for occupational health and safety matters? Won’t this have the effect that such multistate private employers will be subject to a less stringent enforcement mechanism for occupational health and safety than is currently the case? For example, in New South Wales alone in 2004-05, 203 Commonwealth workplace visits took place and 20,892 New South Wales workplace inspector visits. Prime Minister, post-Beaconsfield, how is this improving occupational health and safety in the workplace of the future?

Mr HOWARD—I thank the learned member for Banks—

Mr Martin Ferguson—Learned?

Mr HOWARD—The learned member for Banks for asking me such a learned and searching question, and I will endeavour to give it the learned and well researched response that it deserves. I always listen carefully to what the member for Banks says. He has insights into many things, not least the operations of his own party in his home state. I would be surprised—and I am not in a position, as the learned member knows, to give an opinion—if it had that effect, but I will take the honourable and learned gentleman’s question very seriously and give him a considered response.

Corporate Governance Framework

Mr CIOBO (2.16 pm)—My question is addressed to the Treasurer. Would the Treasurer update the House on threats to the corporate governance framework in Australia? Further, what action needs to be taken to address these threats?

Mr COSTELLO—I thank the honourable member for Moncrieff for his question. Australia’s system of corporations law rests on Commonwealth power from the Constitution, which is a part power, and referred powers from the states, which make up the difference. The states have referred to the Commonwealth their powers over corporations so that our system can be seamless under the one national regulator. Unfortunately that referral is due to end on 15 July of this year—less than eight weeks away. Only two states have renewed the referral. They are South Australia and Tasmania. I warned in
this House in March of this year that unless referrals were forthcoming from the remainder of the states then Australia’s system of corporations law would be subject to constitutional challenge and decisions made by the corporate regulator could be undone on constitutional grounds. In addition to that, this would affect investment and business costs, as the possibility would arise that some parts of the Corporations Law were deemed constitutional and others not.

I wrote to the remaining state governments—Western Australia, Queensland, New South Wales and Victoria—last week and requested that they extend the referral of their power over corporations from July 2006 and that they do it as a matter of urgency. I stress again that this is only eight weeks away. There has been a suggestion from some of the Labor states that they may not renew this referral because the government has relied upon the corporations power for its industrial relations legislation. I assure the House that the Commonwealth has not used the referred power to support its recent industrial relations legislation and has no intention of doing so. Extending the reference power relating to corporations has nothing to do with the use of the Commonwealth’s own constitutional power in relation to corporations as a basis for industrial relations reforms. This is something that is far too important for politics. It is something that should not be delayed. It should not have got to this stage. I call on the remaining states to immediately renew that referral of power so that Australia’s Corporations Law can continue seamlessly, immune from constitutional challenge, in the interests of the business community and the people of Australia.

Queensland: The Nationals

Mr BEAZLEY (2.20 pm)—My question is to the Deputy Prime Minister and Minister for Trade. I refer the Deputy Prime Minister to his response to news of a merger between the Queensland Nationals and Liberal Party, reported in the Australian today: I am just getting across the decisions made in Queensland today.

Mrs Bronwyn Bishop—Mr Speaker, I take a point of order. That question does not fall within the confines of the standing orders. The minister is being asked questions for which he is not ministerially responsible. It should be ruled out of order.

The SPEAKER—I thank the member for Mackellar for her point of order. I am listening closely to the question of the Leader of the Opposition. I would ask him to come to a question relating to the minister’s responsibilities.

Mr BEAZLEY—As you would be aware, Mr Speaker, I am quoting from a statement made by the Deputy Prime Minister today. This is the one forum we have to ask him those questions. Given that the Prime Minister has known about this merger for two weeks, why wasn’t the Deputy Prime Minister in the loop?

Mr VAILE—I half expected a question from the Leader of the Opposition on this issue today. If he had cared to read on, in other comments I made today I also reflected on and referred to the incredible strength of the coalition here in Canberra and the benefits that have been delivered to 20 million Australians over the 10 years we have been in office. All the Leader of the Opposition needs to worry about is whether the numbers on this side of the House are going to remain the same. They are greater than the numbers on that side of the House. The Liberal and National parties will maintain strong and stable government in Australia, as we have done over the last 10 years. I would respectfully suggest that the Leader of the Opposition cast a wary eye behind him at his fac-
tional warriors. They did not quite get the member for Hotham, but they got the member for Corio, they got the member for Maribyrnong, and now Bill Shorten has come in and they have the member for Lalor ready to go. So if I were the Leader of the Opposition I would not worry too much about the Liberal and National parties; I would be worried about the Australian Labor Party.

**East Timor**

**Mr Lindsay** (2.23 pm)—My question is addressed to the Minister for Defence. Would the minister update the House on the progress of operations in East Timor?

**Dr Nelson**—I thank the member for Herbert for his question. Two and a half weeks ago the Australian government, recognising the instability in East Timor, pre-positioned its Defence Force and, when the request formally came from the East Timorese government to provide military assistance to bring peace and stability to the country, we responded alongside Malaysia and also Portugal and New Zealand. At the moment there are 1,300 Australian Defence Force personnel directly on the ground in East Timor. There are 2,000 in the total region of East Timor supporting this deployment and another 1,000 supporting it from here in Australia.

At the moment the key areas of infrastructure have been secured, particularly the airport, the wharf, the United Nations compound and also the police headquarters. In the last 24 hours more than 200 weapons have been removed from people on the streets. These are predominantly young criminal thugs and people who are taking advantage of an environment of lawlessness.

In a military sense, it is important that Australians understand that the East Timorese army has returned willingly to its barracks. As we speak today, the East Timorese police members are returning to their academy and also to their headquarters. Brigadier Mick Slater has been in consultation over the last 24 hours with the East Timorese authorities, military police and political authorities with a view to developing and supporting an effective and appropriate policing strategy for East Timor.

It is also important that I advise the House that there has been some concern expressed by some aid organisations about their security in providing humanitarian and other support to the East Timorese. It is very important that Australians appreciate that the priorities for Australia’s Defence Force in East Timor should be determined by Brigadier Mick Slater, who commands our ADF personnel, in consultation with a higher command of Defence. Nonetheless, I have asked the Chief of the Defence Force to ensure that Brigadier Slater and his officers are aware of the needs of aid organisations, in particular that of World Vision and its chairman, Reverend Tim Costello, in discharging their responsibilities. In that regard, I encourage all Australians to support not only World Vision, Red Cross and Caritas but other important aid agencies providing assistance in East Timor.

**Queensland: The Nationals**

**Mr Beazley** (2.26 pm)—My question is to the Deputy Prime Minister and follows the answer he gave to my previous question. I refer the Deputy Prime Minister to his decision to abandon the member for Dawson and allow her to be removed from the ministry following the defection of Senator McGauran. Will the mass defection of the Queensland division of the National Party cause a further reorganisation of the ministry? If one National Party defection caused the loss of one seat at the ministerial table, how many Nationals ministers will now go—
Dr Southcott—Mr Speaker, I rise on a point of order. *House of Representatives Practice* shows that there is ample precedent for ruling out of order a question which relates to ministerial arrangements and coalition arrangements between parties, and former Speaker Snedden in fact did that in 1978.

The Speaker—The member for Boothby raises a valid point of order. The question is out of order.

Mr Beazley—Mr Speaker, I rise on a point of order. The simple fact of the matter is the ranging answer that the Deputy Prime Minister gave to the previous question invited precisely that sort of question. He feels free to range over all those issues both in public and in here and we are entitled to have an answer.

The Speaker—The Leader of the Opposition has raised his point of order. I think he appreciates the standing orders.

China-Australia Free Trade Agreement

Mr Forrest (2.27 pm)—My question is addressed to the Minister for Trade. To recognise the interests of my constituency in this question, would the minister update the House on progress in negotiations on a free trade agreement between Australia and China? How would a free trade agreement with China help keep Australia’s economy strong?

Mr Vaile—I thank the member for Mallee for his question. Of course, the member for Mallee takes a very keen interest in this important subject of improved access for produce from his electorate into the Chinese market. It is well known that, currently, China is the engine of global growth and that annual GDP growth of 9.5 per cent in China is expected to continue for quite a long time. China’s leaders in fact say that they expect nine per cent plus growth to continue through to 2020. China is already our second largest merchandise export market and trade has quadrupled in the last 10 years. Last week the fifth round of free trade agreement negotiations with China were held in Beijing and very useful progress was made. In those discussions China reaffirmed that the FTA will be comprehensive and that nothing will be agreed until everything is agreed—two very important principles that we have argued for in negotiating this FTA and others. China accepts that sensitive issues such as services, investment and agriculture will be in the free trade agreement negotiation.

Importantly, Australia tabled text of 15 chapters for this meeting and China has now agreed to negotiate, mostly on the basis of that text. China also agreed to include government procurement and investment. China’s government purchasing is growing and is going to be an enormous market in the future. We need to get access to that. Agriculture, manufacturing and resources negotiations will begin in September, and services and investment later in the year.

The recent DHL-Austrade Export Barometer shows more exporters than ever are looking to China for future orders. They are focusing on the growing market in China. Through the FTA negotiations, we are seeking to ensure that there are growing and increasing opportunities for Australia’s exporters in the Chinese market on a fair basis. Our policy of pursuing multilateral trade negotiations, as well as FTAs such as that which we are negotiating with China, is focused on strengthening the Australian economy, providing more opportunity for exporters to grow their export effort from Australia and generating jobs in Australia, keeping the Australian economy strong.

Share Trading

Mr Kelvin Thomson (2.31 pm)—My question is also to the Deputy Prime Minister, Minister for Trade and Leader of
the National Party. I refer the minister to an answer he gave in this place on 1 March this year, when he said:

This government has been totally transparent in offering up all the information to the Cole inquiry ...

Will the Deputy Prime Minister now direct the member for Gwydir, who is a member of the government, to be totally transparent and fully explain the circumstances surrounding the sale of his AWB shares? Will the Deputy Prime Minister give this direction before he ceases to be Deputy Prime Minister and before the National Party disappears altogether?

Mr VAILE—I do not have anything to add to the answer that I gave earlier this year. I think that the issue that is canvassed by the honourable member has been canvassed and responded to in the public arena—and, as far as the last comment he made is concerned, I am staying in this position and the National Party is staying where it is in this coalition government.

Indonesia

Mrs ELSON (2.32 pm)—My question is addressed to the Minister for Foreign Affairs. What is the government’s response to the recent earthquake that struck Indonesia?

Mr DOWNER—First, I thank the honourable member for Forde and I appreciate her interest in this. The Australian government expresses its sincere condolences to the families of the victims of the major earthquake that struck Jogjakarta on 27 May. This was an earthquake of 6.2 on the Richter scale and it occurred just off the coast of South Java, about 25 kilometres south of Jogjakarta. The social affairs minister of Indonesia estimates the death toll has now reached nearly 5,000. Injuries are estimated at over 20,000, although that number is continuing to climb. It is estimated that about 100,000 people have been displaced and are in need of shelter. Not surprisingly, the Indonesian President, President Yudhoyono, has declared a three-month state of emergency and he has even gone to the extent of establishing a temporary office in Jogjakarta.

We will provide some funding to Indonesia’s disaster management agency under the Australia-Indonesia Partnership for Reconstruction and Development, and that funding is improving the response capability of the Indonesians. Yesterday, as I think the House knows, the Prime Minister spoke to President Yudhoyono and offered Australia’s continuing assistance. Within hours of the earthquake, Australia announced $1 million for the Indonesian Red Cross to assess the damage, provide early medical assistance and set up kitchens to feed the victims of the earthquake. On Sunday, as the situation became clearer, the government tripled that figure. So $3 million now will be used to fund the Indonesian Red Cross and Red Crescent societies, the International Federation of the Red Cross, key UN agencies and of course Australian non-government organisations on the ground. The Indonesian President has requested medical assistance in particular, and a medical team, which is funded by AusAID, will be arriving during the course of today. Australia will also send an essential services team and an engineering team to examine the infrastructure needs and to see what specific additional assistance Australia might be able to undertake.

In terms of the consular response, within hours the Department of Foreign Affairs and Trade established a 24-hour emergency hotline to take calls from the public, and the embassy established an office in a hotel in Jogjakarta so that we could try to identify whether there were any Australian victims. We had a register of 86 Australians living and working in Jogjakarta, and I understand that all 86 have now been accounted for. We have no reports at all of Australian casualties.
as a result of the earthquake, but we will continue to monitor the situation.

Parliamentary Behaviour

Ms GILLARD (2.36 pm)—My question is to the Minister for Health and Ageing in his capacity as Leader of the House. Does the Leader of the House recall his comments on 19 June 2000, when he said in respect of members of parliament:

I think the best thing we could do would be to rededicate ourselves to being kinder and gentler to each other...

Given that last week the Leader of the House moved, and the House carried, a resolution which states:

That that snivelling grub over there be not further heard—

and that the motion is now enshrined in the Hansard, can the Leader of the House explain how he is being kinder and gentler?

Mr ABBOTT—I know that the member for Wills is on occasions an upright and honourable member, but I do not think he upheld his own best standards that day, and I think this baseless vendetta against an honourable man, the member for Gwydir, does the member for Wills no credit.

After-Hours Medical Services

Dr SOUTHCOTT (2.37 pm)—My question is addressed to the Minister for Health and Ageing. Would the minister advise the House how the government is providing better access to doctors after hours?

Mr ABBOTT—I thank the member for Boothby for his question. I acknowledge his former role as a public hospital doctor in Adelaide. I have to say, it is nice to get a health question. Isn’t it interesting that they only come from members on this side of the House? I am not so surprised, because this government is proud of our Medicare system, and that is why we are always trying to make a good system even better. To take a few examples, we provided incentives that mean that the bulk-billing rates for children and country people are at an all-time high, we have brought allied health professionals such as physiotherapists and psychologists into Medicare for the first time in history and the government will shortly be spending $1.9 billion on mental health because this area has been too long neglected.

In this instance, let me say that the government has certainly not neglected the need for after-hour GP services. This government supports fee for service, and that is why we have put a $10 loading onto after-hour GP consultations. So far $53 million has been spent on our round-the-clock Medicare loading. But sometimes additional incentives are needed both to start new after-hour clinics and to keep old ones going. Last week the government announced that there would be five new after-hour clinics, each to be funded to the tune of $200,000, and 37 existing after-hour clinics would receive $100,000 to stay open, including one at the Blackwood and District Community Hospital in the electorate of Boothby. These new commitments are part of meeting an important election commitment and they help to demonstrate that this government, not that opposition, is most definitely the best friend that Medicare has ever had.

Howard Government: Leadership

Ms BURKE (2.40 pm)—My question is to the Prime Minister. Does the Prime Minister agree with the member for Lindsay, who believes the Treasurer has no ideas about the issues affecting voters in Western Sydney? Will that advice from one of his favourite backbenchers influence his decision as to when he will retire, or was she just skating on thin ice?

The SPEAKER—Order! In calling the Prime Minister, the first part of that question was asking for an opinion.
Mr Howard—The first thing is that the current member for Lindsay is the best member that electorate has ever had, and the current Treasurer is the best Treasurer Australia has ever had. On that note, I ask that further questions be placed on the Notice Paper.

Sitting suspended from 2.40 pm to 5.15 pm

PETITIONS

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

Human Rights: Falun Gong
To the Honourable The Speaker and Members of the House of Representatives Assembled in Parliament:
The petition of certain citizens and residents of Australia draws to the attention of the House that:
Witnesses, including an investigative journalist and a veteran military doctor have revealed that Falun Gong practitioners are being held in at least 36 concentration camps in China where they are routinely subject to the forced removals of their organs which are then sold for transplants. The bodies are quickly cremated to destroy all evidence.

Your petitioners therefore request the House to initiate a resolution to:
I. Call for the Australian Government to fully support the International Coalition to Investigate the Persecution of Falun Gong (CIPFG), and demand that the Chinese Communist Party (CCP) immediately open the doors of all concentration camps, forced labour camps, hospitals, prisons and detention centres throughout the People’s Republic of China in order to allow independent teams to investigate the charges of illegal detention, torture and live organ removal for transplants.

II. Demand that the CCP regime release all detained Falun Gong practitioners immediately.

by Mr Andren (from 100 citizens),

Mr Fitzgibbon (from 343 citizens),
Ms Hall (from 168 citizens),
Mr Jull (from 57 citizens) and
Mr Somlyay (from 74 citizens)

Immigration: Asylum Seekers
To the Honourable the Speaker and the Members of the House of Representatives in Parliament assembled:
Whereas the 1998 Synod of the Anglican Diocese of Melbourne carried without dissent the following motion:
‘That this Synod regrets the Government’s adoption of procedures for certain people seeking political asylum in Australia which exclude them from all public income support while withholding permission to work, thereby creating a group of beggars dependent on the Churches and charities for food and the necessities of life;
and calls upon the Federal government to review such procedures immediately and remove all practices which are manifestly inhumane and in some cases in contravention of our national obligations as a signatory of the UN Covenant on Civil and Political Rights.’
We, therefore, the individual, undersigned attendees at St Paul’s Anglican Church, Ringwood VIC 3134, petition the House of Representatives in support of the above mentioned Motion.

AND we, as in duty bound will ever pray.

by Mr Barresi (from 4 citizens)

Immigration: Asylum Seekers
To the Honourable the Speaker and the Members of the House of Representatives in Parliament assembled:
Whereas the 1998 Synod of the Anglican Diocese of Melbourne carried without dissent the following motion:
‘That this Synod regrets the Government’s adoption of procedures for certain people seeking political asylum in Australia which exclude them from all public income support while withholding permission to work, thereby creating a group of beggars dependent on the Churches and charities for food and the necessities of life;
and calls upon the Federal government to review such procedures immediately and remove all practices which are manifestly inhumane and in some cases in contravention of our national obligations as a signatory of the UN Covenant on Civil and Political Rights.

We, therefore, the individual, undersigned attendees at the Uniting Church Gembrook 3783, petition the House of Representatives in support of the above mentioned Motion.

AND we, as in duty bound will ever pray.

by Mr Wood (from 6 citizens)

Human Rights: Falun Gong

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

The following details have been provided by a long-time reporter who worked for a Japanese non-governmental television news agency and specialised in news on China.

In Sujiatun District, Shenyang City, the CCP has established a secret concentration camp, where over 6,000 Falun Gong practitioners are detained. The concentration camp has a crematorium to dispose of bodies. There are also many doctors on site. No detainees have managed to leave the concentration camp alive. Before cremation, the internal organs are all removed from the bodies and sold.

The camp is said to hold over 6,000 Falun Gong adherents at any given time, and “nobody has yet to come out” from it alive. According to the source, it contains a crematorium, and an unusually large number of doctors work there—reflecting the camp’s practice of killing prisoners for their organs, which are then sold for profit.

Your petitioners therefore ask the House of Representatives to:

a) Request the Australian government to openly condemn the persecution of Falun Gong by the CCP regime, particularly the horrific practice of harvesting and selling organs of executed practitioners.

b) Note that the International Covenant on Civil and Political Rights and the Universal Declaration of Human Rights apply to all Falun Gong practitioners worldwide.

c) Note that Australia is one of the eight countries that drafted the Declaration of Human Rights, and the Australian government should therefore honour the principles in the Declaration and openly condemn the persecution of Falun Gong practitioners by the CCP regime.

by Mr Jull (from 233 citizens) and Mr Somlyay (from 23 citizens)

Human Rights: Mr Gao Zhisheng

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

The petition of certain citizens and residents of Australia draws to the attention of the House the persecution of renowned Chinese human rights lawyer Mr. Gao Zhisheng and the series of relay hunger strikes he has initiated to protest against the Chinese Communist Party’s authoritarian rule. Thousands of people in China and around the world have rallied to Mr. Gao’s cause but he is under tremendous pressure from the authorities and has received a death threat from a member of the security services.

Your petitioners therefore ask that the House urge China’s leadership to immediately:

(1) Stop the harassment of Mr Gao and allow his legal practice to resume operation immediately.

(2) Guarantee complete freedom of political and religious belief in accordance with the terms of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights (ICCPR), and China’s own constitution.

by Ms Burke (from 4,028 citizens)

Taiwan: World Health Organisation

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

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

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

that Taiwan, with a population of similar size to Australia, has been repeatedly denied participation in the World Health Organisation and World Health Assembly as a result of political pressure from China.

that without access the World Health Organisation’s network of services severely impairs the ability of Taiwanese health authorities to respond to and assist in disease outbreaks, thereby endangering the welfare of the people of Taiwan.

that infectious diseases such as avian flu can spread quickly by means such as international air travel, and it is the responsibility of all countries to work with the World Health Organisation to control and monitor these diseases, irrespectively of political differences.

that while China claims it represents the people of Taiwan, China does not and cannot represent the needs of the Taiwanese people in the World Health Organisation, World Health Assembly and the United Nations, as they are not the democratically elected government of Taiwan.

that, given Australia has repeatedly displayed to the world its determination to defend democracy (e.g. committing its troops to Iraq and leading the peace keeping mission in East Timor), our Government ought to recognise Taiwan’s democratic government and support Taiwan’s participation in the World Health Organisation at all levels.

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

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

by Ms Burke (from 20 citizens)

Mammograms

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

The petition of certain citizens of Australia draws to the attention of the House that free mammograms are not accessible by breast cancer survivors despite the increased risk of breast cancer. Access to free mammograms is also being denied to women over 70 years of age in some parts of Australia. Your petitioners therefore ask the House to ensure that mammograms are free to all women in Australia regardless of age or medical history.

by Ms Hall (from 451 citizens)

Whaling

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

Certain citizens of Australia draw to the attention of the House:

The Howard Government’s failure to protect the whale population in Australian waters despite laws passed by the Parliament in 1999 which gave it the power to do so.

Your petitioners therefore request the House to call on the Howard Government to:

(1) Take all necessary legal steps to enforce Australian laws creating an Australian Whale Sanctuary in the Southern Ocean and making
it an offence to kill or injure whales in Australian waters.

(2) Stop the slaughter of whales once and for all by taking Japan to the International Tribunal for the Law of the Sea.

by Ms Hall (from 305 citizens)

Roads: Calder Highway

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

This petition of certain citizens of Australia draws to the attention of the House the dangerous and congested condition of the Calder Highway between the intersections with Sunshine Avenue and Calder Park Drive. We call on the House to:

(1) Acknowledge that this section of the Calder Highway is in desperate need of upgrading;
(2) Guarantee funding for the construction of proposed interchanges at Kings Road, Calder Park Drive and Sunshine Avenue;
(3) Subsequently enable the intersection with Robertsons Road to be closed; and
(4) Support general improvements to the Calder Highway.

by Mr Brendan O’Connor (from 1,523 citizens)

Pensions

To the Honourable the speaker and the members of the house of representatives assembled in Parliament

The petition of citizens of Australia, draws to the attention of the house.

The difficulty we ______ on pension’s and other minimal allowances ______ have trying to make ends meet – with the fortnightly amount we are expected to manage with on the pension’s.

$494 being “the maximum” rate for the single disability pension, for example.

[taking into account – one has an empty bank account when first paid].

For age pensioners, ______ each ______ get $410.50 a fortnight. [that’s a married couple] Single age pensioner gets $490 a fortnight.

If you take in to account medical expenses, veterinary cost’s [if you have a pet], vehicle expenses—including fuel [referring to for example a 1984 Falcon], groceries, and other living expenses—including rent, [and those who own their homes of course have rates] - Telephone; gas, electricity, water, etc etc etc ______.

It is the same problem for Age pensioners AND Disability pensioners, ______ Single’s and Couple’s.

The fortnightly amount paid to pensioners is WAY below the minimum working wage, ______ which is currently $484.40 a WEEK [in W A] ______ and it is actually IMPOSSIBLE to keep up with the ever increasing costs.

AND SO we hereby urge the house to grant ALL pensioners an immediate increase. [somewhere closer to the weekly wage].

And we urge also that the twice yearly increases, are more in line with costs at the time of those increases. PLEASE NOTE ______ the last widely acclaimed “pensions increase” on television and newspaper coverage ______ Australia wide ______ of $5 [that’s $5 a fortnight] was immediately gobbled up with a notice that private health insurance premiums would be raised by $5.50.

by Mr Stephen Smith (from 194 citizens)

Petitions received.

PRIVATE MEMBERS’ BUSINESS

Baha’i Faith In Iran

Ms GEORGE (Throsby) (5.17 pm)—I 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 con-
cerns with our Embassy and with representa-
tives of the Iranian Government.

I submit the motion that appears before us
for debate following my meeting with repre-
sentatives of the Baha’i community in Wol-
longong, who came along and expressed at
that meeting their fears and concerns for the
safety of fellow Baha’i followers living in
Iran. The motion it places special emphasis
on the report by the United Nations Special
Rapporteur on Freedom of Religion or Belief
issued in March this year, which expressed
concern about the treatment of followers of
the Baha’i faith in Iran. It expresses grave
concern that instructions have been issued to
collect information and monitor the activities
of members of the Baha’i faith in Iran. It
regards such action as an unacceptable inter-
ference in the rights of members of religious
minorities and fears that such monitoring
could be used as the basis for persecution
and discrimination against members of the
Baha’i faith.

Following that meeting, I thought it was
important that the issue receive the due atten-
tion of the Australian parliament. It is in that
regard that I submit the motion on behalf of
all followers of the Baha’i faith. There are
13,000 living in Australia, many of whom
have ongoing relationships and relatives still
in Iran, and they are particularly concerned
about their plight. In March this year, as I
indicated in my motion, the UN special rap-
porteur revealed a confidential letter which
conveyed high-level instructions from senior
Iranian officials at the government level to
identify persons who adhere to the Baha’i
faith and to monitor their activities. The UN
special rapporteur expressed concern that the
information so gained would be used as a
basis for increased persecution and described
the potential monitoring of people as ‘an
impermissible and unacceptable interference
with the rights of members of religious mi-
norities’.

The latest reports come in the wake of
mounting attacks on the Baha’i followers
published in government sanctioned press,
radio and TV broadcasts in Iran. The delega-
tion pointed out to me that these latest devel-
opments are part of an ongoing systematic
program of persecution against Iran’s
300,000 Baha’i community, which is in fact
the country’s largest non-Muslim religious
minority. I was advised that the current cam-
paign of persecution began in 1979 with the
coming to power of the Islamic government
and that, in the late seventies and early eight-
ies, virtually the entire leadership of the Ira-
nian Baha’i community either was arrested
and executed or disappeared. Thousands of
Baha’i followers were then fired from their
jobs, deprived of pensions and excluded
from education. All manner of rights to reli-
gious freedom, worship and assembly were
abrogated.

Interestingly enough at the time, interna-
tional condemnation of such acts of oppres-
sion, including through resolutions of the
United Nations, saw changes and improve-
ments in the late 1990s which offered hope
to members of the Baha’i community. The
government, it appeared, from that time on-
wards did in fact refrain from the most egre-
gious human rights violations, even though
religious intolerance remained. I give as one
example the fact that, for more than 25 years,
members of the Baha’i community in Iran
have been refused entry to university and
colleges except in the case where they deny
allegiance to their faith, and very few are
prepared to do that. Such actions, in the view
of all here, would appear inconsistent with
long-held human rights and religious free-
dom commitments made by governments at
the international level.
As recently as 19 May we saw 55 Baha’i followers arrested in the city of Shiraz. They were teaching classes to underprivileged children as part of a UNICEF community service activity. So the acts of persecution continue. This motion, I know, is above party politics, and the member for Gilmore has asked that I add her name to the comments made today. I ask the government to act urgently on the motion before us. (Time expired)

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

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

Mr KEENAN (Stirling) (5.22 pm)—I congratulate the member for Throsby on bringing before the House this important motion relating to the Baha’i faith in Iran. It comes after reports that the Iranian regime, one that has an extremely poor human rights record, has stepped up its campaign of religious persecution against non-Muslims in that country. This issue was first raised with me by constituents who had fled the persecution of the Iranian regime and who hold grave fears for friends and family who are still in Iran.

I investigated the claims that they made to me, which were truly horrific. Sadly, those claims were backed up by substantial evidence from independent bodies, including the UNHCR and Amnesty International. In fact, on investigation, what I found exceeded the horror of the stories they had told me. The steps being taken currently by the Iranian government are truly frightening, and those with a good knowledge of history should be extraordinarily worried about the actions of that regime. Specifically, steps being taken to monitor and identify people of the Baha’i faith, combined with an increase in the ferocity of media propaganda vilifying them, are grave cause for concern.

The UN Special Rapporteur on Freedom of Religion or Belief highlighted some of these concerns on 20 May this year. She outlined to the world an official letter sent on 29 October 2005 by the Chairman of the Command Headquarters of Iran’s Armed Forces to several Iranian government agencies. This letter stated that Iran’s supreme leader, Ayatollah Khamenei, had instructed the command headquarters to identify and monitor, in a highly confidential manner, members of the Baha’i faith. She has since expressed her fear that the information gained through such monitoring will be used as a basis for increased persecution and discrimination against members of the Baha’i faith—in gross violation of all international standards. The UN has since issued more than 56 pronouncements condemning Iran’s execution and imprisonment of Baha’i followers solely because of their membership of the Baha’i community and criticising the overt discrimination of this religious community by Iran’s government.

Amnesty International supports these concerns. It has written to the head of Iran’s judiciary to express concern at continuing abuses committed against the country’s Baha’i community. It has urged him to ensure that no-one is imprisoned on account of their religious or cultural identity or because of their peaceful activities in support of their community. Amnesty International has criticised the increasing pattern of harassment of the Baha’i community, which has seen at least 66 Baha’i followers arrested since the beginning of 2005—apparently on account of their identity as Baha’i or because of their peaceful activities on behalf of the Baha’i community. Amnesty believes that in recent months members of Iran’s Baha’i community have been attacked repeatedly by unidentified assailants and Baha’i cemeteries and holy sites have been vandalised and de-
destroyed. Some Baha’i followers have had their homes confiscated by authorities.

Baha’is are generally subject to discriminatory laws and regulations that limit their access to employment and to benefits such as pensions. For many years young people belonging to the Baha’i community have been denied access to higher education by an official requirement that applicants state their allegiance to Islam or one of three other recognised religions. History tells us that identifying and then vilifying minorities in this way can be the beginning of increasing persecution.

Given the situation as it now stands, the Baha’i in Iran can only be living in fear about what these measures might mean in practice. I do not think this parliament or the world in general should keep quiet. We need to ensure that the principles of freedom, respect, dignity, equality and justice are upheld in Iran for the Baha’i minority. I would also congratulate the Australian government on making representations, on behalf of the Baha’i community, to the Iranian authorities. I conclude by commending again the member for Throsby for bringing this very important motion before the House. (Time expired)

Mr WILKIE (Swan) (5.27 pm)—I would associate myself strongly with the member for Throsby’s motion regarding the Baha’i faith in Iran. In doing so, I speak today on behalf of the Baha’i spiritual assemblies of Belmont, Canning, Victoria Park and South Perth in my electorate of Swan. I met with a delegation from the Baha’i spiritual assemblies in my electorate office a fortnight ago and I would sincerely thank Dianne Massoudi, Lai Loh, Houman Milani and Oscar Domingo for raising their concerns directly with me.

The United Nations statement of 20 March concerning the treatment of Baha’i followers in Iran is a disturbing document. Given some of the odious comments emanating recently from the Iranian leadership, it certainly enforces the view that Iran is continuing its slide into the practices of a totalitarian state. Freedom of religion and freedom to practise spiritual beliefs—indeed, freedom not to subscribe to a religion—remain some of the most inalienable rights of society and the individual. As we have heard, there are around 300,000 members of the Baha’i faith in Iran; however, they are not recognised as a religious minority and do not have the right to practise their religion. As the International Federation of Human Rights noted in 2003:

Since the establishment of the Islamic Republic in 1979, approximately 300,000 Baha’is in Iran are considered ‘unprotected infidels ... non-persons’ with ‘no legal rights or protection’. They have no right to receive pensions, be employed in the civil service, inscribe a name on the tombs of their dead, inherit, or gather for religious worship. Their holy sites and cemeteries have been destroyed. Many Baha’is have had their belongings confiscated. Employers are pressured to dismiss their Baha’i employees.

It was troubling to read last week that, as recently as 19 May, 54 Baha’is were arrested by Iranian officials in the city of Shiraz. Most of the arrested Baha’is were young teachers who were educating underprivileged children in a school, as part of a UNICEF community service activity. At the time of their arrest, they had a letter of permission to teach from the Islamic Council of Shiraz. These arrests come against the backdrop, as I said, of increasing concern and evidence that the Iranian government is escalating its harassment and victimisation of Baha’i followers.

The UN statement in March released news of a secret October 2005 letter from the Iranian military high command ordering police and revolutionary units to ‘identify’ and ‘monitor’ members of the Baha’i community. The letter states that Iran’s supreme leader,
Ayatollah Khamenei, had ordered this monitoring to take place. It is with some gall that the Iranian Embassy here in Canberra delivered a letter to members last week which included a copy of the rather bizarre correspondence from Iranian President Mahmood Ahmadinejad to US President George Bush. The letter states:

We increasingly see that people around the world are flocking towards a main focal point—that is the Almighty God. Undoubtedly through faith in God and the teachings of the prophets, the people will conquer their problems ...

It continues:

Whether we like it or not, the world is gravitating towards faith in the Almighty and justice and the will of God will prevail over all things.

The hypocrisy of this letter is quite staggering. The Iranian President dares to harangue the United States on religion, while Iranian authorities preside over the religious persecution of the Bahá’í. The Iranian President also lectures:

History tells us that repressive and cruel governments do not survive.

No, Mr President, they do not, but unfortunately they can survive long enough to commit or condone atrocious acts of victimisation, murder and genocide. I call again on the government to raise the concerns of the Bahá’í assemblies in my electorate with representatives of the Iranian government.

Mr BROADBENT (McMillan) (5.31 pm)—My local spiritual assembly of the Bahá’í of Cardinia Shire wrote to me on 29 March this year, seeking to inform me of the situation faced by the Bahá’í faith living in Iran. They feared that the Bahá’í people in Iran faced imminent danger and wanted to bring this to the attention of the Australian government and their local member. I want to particularly thank Hasan Sabet and Kris Bernard from the Cardinia assembly for raising this with me, as their local member and as a representative of the federal government. I also thank them for arranging a get-together with the representative group of Bahá’ís in Pakenham recently.

I share the member for Throsby’s deep concern over the Iranian government’s treatment of the Bahá’í people. In Australia we have prohibitions against a government controlling or mandating for a particular religion under section 116 of our Constitution. We are a signatory to international conventions that safeguard the behaviour of states towards human rights. We are a free and democratic society where the idea of a state owned and run newspaper deliberately inciting hatred and violence against a particular group of people based on their religious beliefs seems foreign to us. Following the 1979 Islamic revolution, the Bahá’ís say that hundreds of their faith have been executed and jailed by the Iranian government. Despite the Iranian government vehemently denying this, there have been documented cases by news services, governments and international human rights groups supporting these claims.

The Bahá’í people are a religious minority. Worldwide, it is estimated their followers number around five million. The largest population of Bahá’ís live in India and number around 2.2 million, and the next largest population live in Iran, where there are around 350,000 Bahá’í followers. The Britannica Book of the Year accounts that the Bahá’í faith is established in 247 countries throughout the world. Its members represent over 2,100 ethnic, racial and tribal groups, its scriptures have been translated into over 800 languages and the Bahá’ís are very proud of their multi-ethnic composition.

On 20 March this year, the United Nations Special Rapporteur on Freedom of Religion or Belief released a report into the persecution of the Bahá’í people. The report detailed a confidential letter sent on 29 October 2005
by the Chairman of the Command Headquarters of the Armed Forces in Iran to a number of government agencies that gave instructions to monitor the activities of the Baha’i people. The special rapporteur expressed her grave concerns in the report. The report refers to the special rapporteur as being ‘apprehensive about the initiative to monitor the activities of individuals merely because they adhere to a religion that differs from the state religion’. It says:

She considers that such monitoring constitutes an impermissible and unacceptable interference with the rights of members of religious minorities.

She also expresses concern that the information gained as a result of such monitoring will be used as a basis for the increased persecution of, and discrimination against, members of the Baha’i faith, in violation of international standards.

This is also evidenced by other documented cases that we do not have time to go into now.

Since the beginning of 2005, according to Reuters news service, there have been more than 125 arrests. The state owned and run newspaper, the Kayhan, and its role in the persecution of the Baha’is is also of major concern. Baha’i people have been arrested whilst partaking in study groups and barred from attending university, they have had their homes ransacked and they have been banned from taking government jobs. In fact one United States congress report states that, since 1979, Iranian government authorities have killed more than 200 Baha’i leaders and that more than 10,000 have been dismissed from government and university jobs.

Despite the disturbing state of current affairs, these incidents have not gone unnoticed in the international community. Amnesty International and the United Nations have been closely following the deteriorating situation facing the Baha’is in Iran. In December 2005, the UN General Assembly passed a resolution condemning Iran’s poor human rights record. I am proud to say that Australia was a co-sponsor of that motion. The Australian government has also been monitoring this and has taken some action. The Australian government has raised the issue with the Iranian Ambassador to Australia, and our embassy in Tehran has made representations to the Iranian government. In addition to this, in December 2005 Australia co-sponsored the proposition before the UN General Assembly that I have already raised.

There has also been a disturbing rise in the incidence of anti-Semitism in Iran. Of particular note is the increase in official government policy that singles out members of the Jewish community and defames them. I deplore strongly the persecution of anyone based simply on the foundation of that person expressing or practising their faith, particularly the Baha’is. In this motion today I particularly and wholeheartedly implore the Iranian government to stop persecuting the Baha’i people and to allow people of all persuasions to be able to practise their religion freely.

Mr Edwards (Cowan) (5.36 pm)—I was recently visited by members of the Baha’i community who came to my office to express concern over the persecution of members of their faith in Iran. Indeed, they expressed serious concerns for the safety of family members and loved ones living in Iran who are members of the Baha’i faith. I choose not to disclose their names. However, they sought my advice as to what action could be taken at a federal level to seek Australian government intervention in the persecution of members of the faith in Iran and to see if the federal government could use its influence to assist those being persecuted. I compliment Jennie George, the member for Throsby, for bringing this motion forward today.
and I am extremely pleased with the bipartisan support it has attracted.

I know that the Minister for Foreign Affairs has already tried to use his influence to put a strong case to the Iranian authorities to stop the persecution. I would simply encourage him, the government and the United Nations to persist in their representations to try to ensure that the Iranians live up to their human rights responsibilities. I also suggested to the Baha’i people who came to visit me that they should approach the Joint Standing Committee on Foreign Affairs, Defence and Trade and seek an opportunity for their spokespeople to visit the House and to put directly to the Human Rights Subcommittee their concerns and to put on the record the issues they wish to raise.

What are some of the things that the Baha’i people believe in? There are two or three things that I would like to quickly mention. They say this:
Religion should unite all hearts and cause wars and disputes to vanish from the face of the earth, give birth to spirituality, and bring life and light to each heart.
They also say this:
... religious, racial, national, and political prejudices, all are subversive of the foundation of human society, all lead to bloodshed, all heap ruin upon mankind. So long as these remain, the dread of war will continue.
The last one I want to quote is this:
All men have been created to carry forward an ever-advancing civilization ... To act like the beasts of the field is unworthy of man. Those virtues that befit his dignity are forbearance, mercy, compassion and loving-kindness towards all the peoples and kindreds of the earth.
In previous years when there has been this persecution of people of the Baha’i faith in Iran, the people of the world, the United Nations and governments like Australia’s have banded together and strongly pressured the Iranian authorities to leave the Baha’i people alone. This has worked to some varying degree in the past. It is of extreme concern that we now see the Iranian authorities escalating their persecution of the Baha’i people.

I know other members have referred to recent articles, including one that was on the Baha’i World News Service as recently as 24 May, that report that Iranian officials have arrested 54 Baha’is in the city of Shiraz. I downloaded that from the internet and on the first page of that news coverage was a beautiful photograph of three Baha’i youth who were arrested in Shiraz on 19 May. I understand that a number of the people who were arrested have been released. Unfortunately, these three young women are not among them. I offer my thoughts and hopes to them and to other people who are being persecuted by this authoritarian regime. I would simply hope that the beliefs and principles of the Baha’, which call for mercy, compassion and loving kindness, might be visited upon those people who were recently arrested.

Dr SOUTHCOTT (Boothby) (5.41 pm)—There are 300,000 to 350,000 followers of the Baha’i faith in Iran, and they face systematic discrimination from the government of the Islamic Republic of Iran. Members of the Baha’i faith are denied admission to colleges and universities, and they have been dismissed midstream from university. In 1998 college classes were raided and equipment was confiscated. Baha’i holy sites have been destroyed in Iran. Over 200 members of the Baha’i faith have been killed since the early 1980s and over 1,000 have been imprisoned. There have recently appeared in Kayhan, the official Tehran newspaper, defamatory and inflammatory articles about the Baha’i faith. What is particularly disturbing is that this was done before, in previous government campaigns of persecution in 1955 and 1979. Respected Middle East scholar and commentator Bernard Lewis has demonstrated that the persecution
of religious minorities was never a part of classical Islam—that in fact Christian communities and other religious minorities existed peacefully within the original caliphate of Islam in the seventh and eight centuries and so on.

Like the previous speaker, I was able to meet with members of the local Baha’i community in my electorate last month. They alerted me to the recent report by the UN Special Rapporteur on Freedom of Religion or Belief. That report of 20 March outlines that a confidential letter was sent on 29 October 2005 by the Chairman of the Command Headquarters of the Armed Forces of Iran to government agencies asking them to identify persons of the Baha’i faith and to monitor their activities. To take some excerpts from the statement issued by the special rapporteur, she said that she has:

... long been concerned by the systematic discrimination against members of the Baha’i community.

And that:

... the situation with regard to religious minorities is, in fact, deteriorating.

She calls on the government of Iran to refrain from categorising individuals according to their religion and to ensure that members of all religious minorities are free to hold and practise their religious beliefs. This recent report of the UN special rapporteur highlights some serious concerns that the registering and monitoring of members of the Baha’i faith could potentially be presaging some government campaign of persecution.

The Australian government has long been concerned about the human rights situation in Iran. On 2 November last year I was able to give a statement on human rights situations on behalf of Australia to the third committee of the United Nations. Along with concern about the human rights situation in Burma, North Korea and Zimbabwe, the statement said:

Australia remains concerned by the human rights situation in Iran, including ongoing suppression of freedom of expression, discrimination against women and minority groups (including the Baha’i community, Christians, Jews, and Kurds) and deficiencies in the administration of justice ... We urge Iran to engage further with the United Nations and the international community on human rights issues.

This was part of a United Nations General Assembly resolution on human rights. Since then, the Australian government has raised this issue with the Iranian Ambassador to Australia and our embassy in Tehran has made representations directly to the Iranian government.

President Ahmadinejad’s 2005 statement calling for Israel to be ‘wiped off the map’, Iran’s pursuit of uranium enrichment at Natanz and its persecution of religious minorities, including the Baha’i, are all deeply troubling and of great concern. Australia needs to continue to condemn all of these actions. We need to increase the international pressure on Iran to be a responsible international citizen. I commend the member for Throsby for moving this motion and having it debated in a bipartisan way. Motions like this are very important for raising international awareness of Iranian actions and, hopefully, curbing Iran’s human rights violations.

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

United Nations and Darfur

Mr BAIRD (Cook) (5.46 pm)—I 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 NGOs 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.

As the House would be aware, the humanitarian disaster occurring in the Darfur region of Sudan only continues to worsen. The plight of the people of this region should resonate with every member of the House, as it should with every member country of the United Nations. It is almost beyond belief that this wanton murder, this genocide, of innocent people by armed militias could occur in our time. From within Australia, it is hard to picture the terror these people suffer in their daily existence. It is hard to imagine the feeling of waiting for the next raid by Janjaweed militias, not knowing if you, your spouse or your children will be the next to be murdered in the name of sectarian violence.

It is more than $\frac{3}{2}$ years since the crisis began. The western region of Darfur is recognised as being a monumental humanitarian disaster. It is estimated that 300,000 people have been killed in this conflict and an additional 2.4 million people have been displaced over three years. On average, 60,000 people a year have been killed, which is far beyond the tolerance of most people. To put this in context, the number of people killed every day in the western region of Darfur is more than the total number of members of the House. Unfortunately, the situation continues to deteriorate. People are still dying in vast numbers from violence, malnutrition and disease. While humanitarian access has improved to a very moderate degree, we are not seeing a corresponding decrease in the mortality rates in this region.

The international community is failing to protect these people adequately. Pressure must be brought to bear on the government in Khartoum to disarm the Janjaweed and restore order and peace. I call on this House to make the strongest representations possible for the UN to act swiftly and strongly, for this is quite simply a matter of life and death. As the parliament of the Commonwealth of Australia, it is our moral duty to pressure the United Nations, of which Australia was a formation member, to markedly increase foreign aid and to ready a large international peacekeeping force to quell the violence. Some of the refugee camps are reputedly home to more than 100,000 people who are living in the most squalid and distressing conditions. This conflict has already claimed more than 300,000 innocent lives.

The international community stood back and watched the senseless destruction in Rwanda, which is still reeling and scarred from its experience. After Rwanda, the world promised that it would never again sit on its hands and watch a systemic genocide, yet the Sudan already closely resembles Rwanda. Without a huge international effort and a strong commitment to a peaceable solution, the situation will continue to worsen.

The Australian government has already committed strongly to resolving the problems in Darfur. Over the past two years Australia has spent more than $50 million to help displaced people in Sudan. Just last week the Minister for Foreign Affairs announced another $5 million in Australian support for Darfur and $2 million for southern Sudan. This money will be used to provide more emergency food through the World Food Program and UNICEF.

The international community has resolved on numerous occasions to call on the gov-
ernment of Sudan to allow full access to Darfur for peacekeepers and aid. The crisis in Darfur will be solved not by war, but rather by a properly negotiated political solution that addresses the underlying cause of the conflict.

Australia has strongly supported UN Security Council action on Sudan, including the establishment of the UN Mission in Sudan, UNMIS, and assisted the implementation of the comprehensive peace agreement, which was signed in January 2005. We have contributed 15 specialist ADF personnel and 10 Federal Police officers to the UN mission.

Now that the government of Sudan has signed a peace agreement with the main rebel group, there is no basis for it to delay and to place conditions on a transition. But it continues to stall. There is a need to work more closely with NGOs to find a political settlement to the problem. Doctors Without Borders, Amnesty International, World Vision, the Red Cross and a wide array of other organisations are working tirelessly in Sudan and it is vital that they receive the strongest possible support from the international community.

Already, the balance of Australia’s funding for Darfur is ceded to various international NGOs. The government also provides support to several Australian NGOs working in Sudan. However, some of these projects have recently been scaled back as staff have had to be withdrawn due to the ever-increasing threat of violence toward aid workers. A number of aid workers have been killed and injured over the last few months.

The situation in Darfur is so serious that we, as legislators—and Australians, as human beings with compassion—are beholden to do all we can to push toward a solution to this dreadful conflict. Genocide is not a domestic affair; it affects the whole world. I call upon the House to recognise the importance of the situation in Darfur and to call for the appropriate steps to be taken to restore peace and order in one of the world’s poorest and most vulnerable countries. I commend this motion to the House.

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

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

Ms ROXON (Gellibrand) (5.52 pm)—I strongly support this motion and congratulate the member for Cook for again bringing this matter on Darfur to national and international attention and to the attention of this parliament. I know many members across the parliament feel strongly about the need to take more action. Without continually raising this issue through motions such as this, we cannot apply sufficient pressure—and we must keep applying that pressure—on the Sudanese government and international bodies. Of course, we must also urge our own government to continue its action to see whether there is anything else we can do to stop the great hardship we see occurring.

The origins of this conflict, between government sponsored Arab militias and two rebel groups—the Justice and Equality Movement and the Sudanese Liberation Movement—are many. While the political conflict emerged after attacks by rebel groups on government targets, the recruitment of Arab militias by the Sudanese government to attack villages added a very ugly ethnic dimension to an already ugly dispute. Some commentators have also pointed to the competition for land and water resources between nomadic and sedentary tribes in the region as contributing to the conflict.

But, whilst the origins are complex—and we can go through them many times—there is no shortage of evidence that the conflict in Darfur continues to have an absolutely appalling humanitarian cost. Staggeringly, the
World Health Organisation estimates that up to 10,000 people die of disease and violence each month. I note the member for Cook cited some other figures. In any case, the figures are staggering. On top of this, currently 1.8 million displaced people cannot return to their homes and are living in fear.

In Australia we have a new and heightened investment to resolve this crisis, with the growing number of refugees arriving on our shores from the region. I have quite a large Sudanese population living in Gellibrand and I want to ensure that Australia plays its role in making Sudan safe for their extended families and in helping them to see an end to the conflict and crisis in their home country.

I want to speak about a particularly disturbing aspect of this conflict: the use of sexual and gender based violence against Darfurian women and girls. Not only have women been subjected to gross violence when being driven from their homes and villages but it seems they are also not safe in refugee camps, where there are reports of ongoing harassment and extreme violence against women. We must call on all sides of this conflict to end this shocking treatment. It makes you ask: where on earth has our humanity gone? The violence, the fear and the attacks on the most vulnerable must stop. These gross violations of human rights must be stopped, and this motion calls upon the international community to provide extra resolve and resources to do so.

I urge the United Nations to increase the level of aid to the region and ask the Sudanese government to commit to ensuring the safety of aid workers. I commend the African Union mission in Sudan and other groups who work in very strained circumstances. I acknowledge the work they have done in the face of limited resources and immense challenges.

Without a properly resourced peacekeeping force in the region, the conditions for administering aid are becoming just too dangerous. The UN’s most recent humanitarian profile of Darfur states that the accessibility of the population to UN aid workers has dropped dramatically. In January 2006 it had dropped to 72 per cent of the population, which is well below what was achieved in the middle of 2005 and leaves nearly a third of the population without much-needed assistance.

I add my voice to the call for the United Nations to provide peacekeeping forces to the region. This cannot be seen, as is sometimes suggested, as a statement of Western imperialism—more must be done to stem the tide of extensive human suffering caused by this conflict. I also urge the Sudanese government to accept the deployment of UN peacekeeping forces to stem this violence in Darfur.

Further, it is imperative that peace negotiations continue, to ensure that an inclusive peace agreement is reached. While I commend the signing of a peace accord in May this year, I remain concerned about its chances of success given that the smaller rebel groups remain outside the process. I fear that there can be no lasting peace in Darfur without an inclusive agreement. Through this issue coming to the attention of the House, I hope that this parliament, our government, the international community and the government of Sudan will all redouble their efforts to do whatever they can to stop this humanitarian crisis from growing to an even greater scale. I commend the motion to the House.
demonstrate that this is a bipartisan issue. From 2003 onwards, the conflict in Darfur has created an immense humanitarian challenge for the world. The military actions of the Sudanese government and the Janjaweed militias have seen vast outrages committed against the civilians of Darfur. At least 300,000 have died, millions have been displaced and more than 600 villages have been destroyed.

The United Nations holds the government and the Janjaweed forces responsible for war crimes and crimes against humanity, including murder, torture, forced displacement and rape. These waves of violence in Darfur require United Nations action to end the fighting and protect the vulnerable. Efforts thus far to end the violence have been unavailing. The force of fewer than 7,000 African Union peacekeepers currently deployed in Darfur lacks a mandate to prevent violence and finds it difficult to work in the volatile circumstances it faces. This was dramatically illustrated by the capture of 18 African Union personnel by rebels in October last year. The 2004 UN Geneva fundraising conference for the provision of aid raised $US126 million, well short of the stated target of $US236 million. Clearly, more needs to be done both through peacekeeping and through the level of aid.

There is an urgent need for the UN to commit peacekeeping troops to Darfur for the purpose of quelling violence and relieving human suffering. The UN Security Council has just this month unanimously called for the deployment of a UN peacekeeping force to take over progressively from the African Union peacekeepers. This is a welcome development, but obstacles do remain. It is estimated the UN peacekeepers could not be deployed before September, even if the Sudanese government agreed to cooperate, and UN member states have not yet committed the resources to the proposed force. Meanwhile, appalling crimes are still being committed against ordinary people in Darfur. If the UN is to be a relevant and effective body, member states have to commit the resources that are essential for the United Nations to implement the Security Council resolution.

The United Nations peacekeepers must be supported by United Nations efforts to ensure that maximum cooperation is given to peace negotiations by parties to the conflict. Previous attempts to engineer peace in the region have been unsuccessful. The Sudanese government explicitly excluded guerrillas from Darfur from negotiations that resulted in the January 2005 comprehensive peace agreement. Consequently, while civil war in the south of Sudan ended, conflict in Darfur continued. More recently, the 5 May 2006 peace accord between the Sudanese government and the major rebel force has not brought the killing to an end. In any event, it was rejected by other rebel groups. The UN should move the parties away from temporary tactical ceasefires and towards a long-term peace agreement.

Despite repeated appeals to donors in May, the World Food Program reported that, to date, it has received only $317.8 million, or 42.6 per cent, of the $746 million required to provide food assistance to 6.1 million people in Sudan this year, causing it to reduce rations by half. The World Food Program has been alerting donors, from as early as November 2005, of the urgent need for food assistance to the affected population at the right time and for pre-positioning purposes before the rainy season.

The UN cannot substantially provide the requisite level of aid unless member states provide the resources. I note the member for Cook’s recitation of the aid given to Darfur and the Sudan by the Australian government. I commend the efforts of United Nations
officials and non-government organisations in continuing to press national states, the media and the community at large to respond to the plight of the people in Darfur. I wish to make special mention of non-governmental agencies that have been involved in relieving the suffering in the Sudan for keeping the issue at the forefront of international knowledge. I commend the motion to the House.

(Time expired)

Mr DANBY (Melbourne Ports) (6.02 pm)—I find myself again congratulating the member for Cook for his initiative in bringing this motion before the House, which I remember we discussed in February 2005—the same issue, regretfully. Six million African Muslims live in the Darfur region of Sudan. It is a scandal that the genocide persists there and continues to disgrace the international community for our inaction. Estimates of deaths in Darfur range from 200,000 to 400,000. More than two million people have had to flee their homes, with up to half a million now languishing in refugee camps in Chad. More personal reflection on the destruction of the entire lifestyle in Darfur was brilliantly portrayed by Eric Reeves in The New Republic of 5 May this year, when he wrote:

The attacks were comprehensive and revealed a rich understanding of what was most likely to destroy the future ability of African groups to live in Darfur. Irrigation systems were destroyed. Water wells were poisoned with human and animal corpses. Pottery vessels were broken to make carrying water impossible. Food stocks were annihilated. Cattle were killed or looted. Fruit trees were cut down or burned. Agricultural tools were smashed. Mosques or Korans desecrated. Buildings torched. Of course, the people were displaced, raped and killed.

Estimates of how many have died are between 200,000 and 400,000. One of the most deplorable aspects of the Darfur situation is the slow and inadequate response of the international community. The African Union, the Arab League, the European Union, the UN and NATO have all at times considered interventions but, for various reasons, all have failed to make any decisive impact on the situation.

Primary responsibility should rest with the African Union and the Arab League. At least the African Union deserves credit for taking the lead in efforts to restore security to Darfur, but it is poorly resourced and too deeply committed to other trouble spots to enable it to deploy a large enough force. Human Rights Watch has called on the African Union to increase its deployment from 1,500 troops to 12,000 troops. The Arab League has decided to support the Khartoum regime rather than to do anything to help the black Muslim people of Darfur. Human Rights Watch commented recently on the Arab League’s role:

The Arab League has condemned attacks on civilians, but it has remained silent about Sudan’s atrocities in Darfur. Khartoum has used its diplomatic skills to pressure the League into overlooking Sudan’s abuses in Darfur. In 2004, the League dispatched to Darfur its own Commission of Inquiry, which condemned violations of human rights by the militias. But following protests by Sudan, the League downplayed the commission’s findings.

The motion moved by the honourable member for Cook calls on the United Nations to do a variety of things, including deploying peacekeeping forces to Darfur. I wish I could share the honourable member’s optimism that the UN can or will respond in the way it should. It is a sad fact of international affairs today that the unholy alliance of China, Russia and France nearly always stands in the way of any effective action against regimes which grossly abuse human rights. Whether it is in Iran, Belarus, North Korea or Burma, it always seems to be one or all of the three above that help to prop up oppressive re-
gimes and to prevent effective action against them.

In the case of UN Security Council inaction on Darfur, Amnesty International has reported that Russia, China and France are all heavy investors in developing the Sudanese oil industry and are selling arms to the Sudanese regime. The MiG fighter jets which were used to attack Darfur villages in 2003-04 were sold to Sudan by the Russians, who are also building an oil pipeline in Sudan. Amnesty also reports that the French have sold large quantities of military equipment to Sudan in recent years. The French corporation Total holds the rights to an oil concession in southern Sudan. Total is also heavily involved in Burma and has been frequently accused of propping up the Burmese regime for its own commercial interests. And what of China’s role in Darfur? I would like to quote a letter to the Washington Post from Roberta Cohen, a senior fellow at the Brookings Institute:

China is Sudan’s largest trading partner and the main foreign investor in Sudan’s oil industry. China National Petroleum Corp. has a 40 percent share in the international consortium extracting oil in Sudan, and it is building refineries and pipelines, enabling Sudan to benefit from oil export revenue since 1999.

Although most Western oil companies have withdrawn from Sudan under pressure from human rights organizations, Chinese companies have turned a blind eye to the brutal way in which Sudan forced 200,000 to 300,000 of its citizens from oil-rich lands without compensation. Nor have these companies shown concern that Sudan uses oil revenue to purchase arms for its wars against its black African population.

The prospective Chinese veto at the Security Council is the key factor that has prevented the UN from declaring what is happening in Darfur to be genocide. This policy failure is a poor reflection on that important international organisation.

Like the member for Kooyong, I want to commend a number of international organisations for assisting the oppressed people of Darfur such as Medecins sans Frontieres, Human Rights Watch and others. These organisations have played an important role in preventing the genocide in Darfur. (Time expired)

Mr CAMERON THOMPSON (Blair) (6.08 pm)—It is a pleasure to join in this motion on Darfur, but the subject matter is something that appals all members of the House. I congratulate the member for Cook for raising it. Although it is a small part to play in a debate such as this, I think it is important that members of the House continue to focus on the international crisis in Darfur. I congratulate the member for Melbourne Ports on having raised some of the inadequacies in the international community’s response. It is something that Australia, I am proud to say, is playing a very strong part in trying to correct. As members of this House, we need to focus on it and to continue raising our voices against the inadequate response we have seen so far from the world community.

In 2004 the United Nations termed this the world’s worst humanitarian crisis. Our effort in Sudan has been quite focused. The signing of a comprehensive peace agreement in January 2005 heralded a cessation in the 21-year-long, north-south civil war in southern Sudan. The civil war in Sudan concerns disputation between the mainly Muslim north and the non-Muslim south and has resulted in a huge death toll, which we have heard about from members.

As I said, Australia has played an important part in endeavouring to get involved by supporting the UN and other missions in Sudan. The current effort is the UN mission in Sudan, for which Australia is providing 15 specialist ADF personnel. With the peace
agreement between the government and the main rebel group in place, there is no basis for the government of Sudan to delay and place conditions on a transition. The Australian government has strongly supported two Security Council resolutions—1591 and 1593 of March 2005—which impose an arms embargo and establish a no-fly zone over Darfur. There has also been resolution 1672 of 25 April 2006, which imposes financial and travel sanctions on four individuals because of their activities in Darfur.

We have seen genocide in Darfur. We have seen an incredible tragedy unfolding there, and that is having an impact on the flow of refugees to Australia. We have seen that in my electorate, immediately to the west, in Toowoomba, with a growing Sudanese refugee population. I think it is timely to congratulate the local community on their efforts to accommodate these people and support them.

We have seen articles highlighting some of the problems in Sudan and their ramifications. A recent article in the *Bulletin* and *Newsweek* on 11 April this year highlighted the fact that 30,000 black African refugees have settled in Australia since 2000-01 and that the Sudanese have accounted for well over half of these people. The rest is made up of smaller numbers of people from Liberia, Somalia, Ethiopia, Sierra Leone, Congo and Eritrea. This is a challenge for local communities such as those around Toowoomba and Gatton in my electorate. It is a huge cultural jump for these people, and I pay credit to the Christian and other organisations that are putting such a big effort into supporting them and giving them a new start in our country.

I would like to finish by summing up what has been happening in Sudan. We have seen a divided government in Khartoum and long-term tension and hostilities in Darfur. We have seen uncertainty and unpredictability in the government’s negotiations with the rebels. We have seen political difficulties confronting efforts to influence the Sudanese government and the limited capabilities of anyone involved in the exercise to monitor the force there and to effectively mitigate what is an unfolding crisis. *(Time expired)*

**Mr LAURIE FERGUSON** (Reid) (6.13 pm)—Certainly members on both sides of the House are in screaming agreement with the sentiments expressed in the motion on Darfur. As others have recognised, the honourable member for Cook has raised this issue on many occasions.

The latest statements from the World Food Program, the UN authority dealing with the food crisis, are certainly alarming. Three million people in Darfur and three million others in south and east Sudan are currently having their rations reduced by half. James Morris, the executive director, described this order as ‘one of the hardest decisions’ of his life. It is a season in the year when rains would normally hit, but obviously no food is growing and crops are not available.

Many members have criticised the government of President Omar Hasan Ahmad al-Bashir. Even recently it tried to delay an assessment team from entering the region; it refused to respond to their requests. I represent an electorate with a historically very high Sudanese population. I have attended functions celebrating the overall national peace treaty as opposed to what is happening in the Darfur region. I have been very involved with members of my community who were very pleased that the forces of John Garang were able to come to an accommodation.

However, I was impressed by an article very recently in the *Guardian Weekly* by Jonathan Steele which said that, whilst we have all been very critical—including me—of the actions of the Janjaweed, a militia...
which has close connections with the Sudanese regime in essentially destroying villages, poisoning wells, raping, taking cattle et cetera, the situation has become somewhat more complex in the last year or so. Even Jack Straw, the former UK foreign minister, urged the rebel forces in Darfur to be more accommodating and reasonable in negotiations. It is interesting to note that, when the Security Council last put international travel bans on four people, two of them, I think for the first occasion, came from rebel forces. In his article, Jonathan Steele made the point:

One-sided international media treatment of the crisis may have emboldened the rebels to increase their demands. In many forgotten conflicts, the TV and commentary spotlights help to sound the alarm and bring pressure for action. In the Darfur case, they could be having a pernicious effect and be delaying the chance of ending the killing.

So, whilst historically there is no doubt about the guilt of the central authorities in Khartoum and their proxy militias, we have to be aware that, in some senses, in recent months there have been some indications of atrocities committed by the rebel forces. We have to try to ensure that there is a balance and a continuing pressure for negotiations. The Foreign Secretary, Jack Straw, said on 16 February in Abuja during negotiations that ‘an end to the haggling and posturing and a start to real action’ was necessary.

There are, of course, a number of issues here. There is the need to expedite the supply of food. The logistics sometimes require many months and transportation costs are incredible. At the moment, it would seem that the Western world has not been supportive enough. Because of a very strong pro-Darfur lobby in the United States, the US has been more proactive in providing foreign aid than they usually are, and that should be recognised. However, whilst we sit here and talk about the food crisis, I think we have to be also mindful of the need for the Western world to act with regard to armaments.

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

GRIEVANCE DEBATE

Question proposed:
That grievances be noted.

Area Consultative Committees

Mr JENKINS (Scullin) (6.17 pm)—Throughout my life in public office I have always been concerned about the delivery of government policies. One of the best ways, especially at the national level, is to have an overarching national policy about the way we go about our business but that we put in place processes that enable appropriate devices that would allow those policies to be implemented at the local level. One of the important things is to identify a regional unit that will allow that to happen.

Members of this chamber, predominantly National Party members, have laughed when I have talked about my region and said that I belong to a region within metropolitan Melbourne that is as important as any other rural or remote region. If we look at the way in which we operate, it is important that we seek a level of service and policy delivery that is appropriate. One of the clear examples of that has been the work of the area consultative committees. I think it is unfortunate that, as I rise tonight, there is under consideration by the government a proposal to amalgamate the five Melbourne metropolitan ACCs. The real risk here is that we throw out 11 years of success from these five ACCs.

Tonight I particularly want to talk about the work of the Northern Melbourne ACC, the NACC, because that is the one that I know the best. The point is that I cannot...
think of any stage where the business of any of the five ACCs has been questioned. They have gone about their business in what I would describe as a definite bipartisan way. When, for instance, surrounding the last election, the opposition had concerns about money administered under the Regional Partnerships program it was not about the work within these regions. These are examples where ACCs have been successful. I think that we greatly risk throwing out all the pluses in the structure in Melbourne by replacing them with one ACC.

I know, Mr Deputy Speaker Baressi, from the region of Melbourne that you represent, and the Minister for Small Business and Tourism at the table, who has an electorate that overlaps part of my region and that has other regions in it, that you both understand the importance of these ACCs and the way that they have operated in Melbourne. It is of concern that at a ministerial level the Minister for Transport and Regional Services, Mr Truss, has bypassed consultation with opposition members and we understand that, in consultation with government members, they have indicated their great concern at this proposal.

In referring to the work of the NACC, we are not talking about projects of the ilk of Tumbi Creek or the Beaudesert railway; we are talking about projects, endeavours and works that have had a definite impact. Minister Bailey was involved in the work the NACC undertook to make sure that the Melbourne wholesale market came to the site of Epping. Mr Deputy Speaker, you understand that this was a battle between the western region and the northern region of Melbourne. Distinctly, this is an example of important regional differences. This was not a wasted effort. People who see themselves as being from the west put a case for the market’s relocation to Werribee while those that were championing the north thought it should go to Epping. This proposal will have a great impact on the whole of the northern region. It was not about its going to Epping in the City of Whittlesea; the impact was felt by all the municipalities that now make up the northern ACC—Banyule, Darebin, Hume, Moreland, Nillumbik, Whittlesea and Yarra. There are some distinctly metropolitan municipalities and three of the outer urban fringe municipalities, but they are able to and can work together through the work of the NACC.

This government have to understand that, even though they trot out figures that indicate that they believe they can save operational costs by reducing the five ACCs to one, they are completely misunderstanding the way in which these ACCs have worked within metropolitan Melbourne and the multiplier effect that they have had not only in administering projects under a federal program like Regional Partnerships but also by involving themselves with other sources of funding, the private sector and the institutional sector. As the Northern ACC indicates, it sets out to make sure that business, training institutions and schools all have a place to come together to thrash out proposals that make sure that we have local solutions to local challenges and problems. For instance, there is a flow-on from not only the relocation of the Melbourne fresh produce markets to Epping but also the way in which there are logistics centres at the point where the Hume Highway meets metropolitan Melbourne and where the railway meets metropolitan Melbourne.

Freight and logistics are very important to elements of the northern metropolitan region. Recently, a proposal was funded under Regional Partnerships through the Northern Metropolitan ACC. It is called ‘Freight train: delivering for the transport and logistics industry’. Simply put, this is a distinct local solution to a local challenge. There now ex-
ists employment opportunities for people such as disadvantaged job seekers, young people and people that need retraining. If we look at the funding of this, we will see that the Regional Partnerships funding is $267,000 but the project cofunding amounts to $773,000. These are proposals that have come up characteristically through these metropolitan ACCs that have not required 100 per cent funding but have achieved a great multiplier effect because of the networks that have been created. I really believe—and this is my grievance tonight—that we will lose this great advantage because of some bean counter who has decided that there is some element of savings that can be made on operational costs without looking at outcomes.

The minister’s letter to the ACCs talks about operation costs as against the amount of money that has been allocated under Regional Partnerships. That is a very unfair comparison, given that Regional Partnerships is so skewed towards rural and remote regions. That is a decision of government; that is okay. It is for me, as a member from a metropolitan region, to fight for more funding. It is not a reason for scrapping a system that has over 11 years put the runs on the board. The fact is that an ACC represents something like 700,000 people. What chance do the people of Blackburn have in getting what they deserve against other regions? I hope the government will reconsider this decision and not go forward with it. (Time expired)

Cook Electorate: Kurnell Peninsula

Mr Baird (Cook) (6.27 pm)—My electorate of Cook is lucky enough to boast the site of first landfall of Captain James Cook and the crew of the Endeavour. It was at Kurnell that the Endeavour dropped anchor, it was there that Cook first stepped ashore and it was there that Indigenous and European cultures first met. It was from Cook’s landing and scientific surveys that the decision was made by the British government to establish the colony of New South Wales on the shore of Botany Bay. It was from Cook’s exploration of Australia that European settlement radiated out across the Australian continent—the place in which the shared history of black and white Australia began.

Kurnell has a central place in the history of New South Wales and Australia. Kurnell is of such unique and critical importance to the shire, to New South Wales and to the
Commonwealth that it was the very first place in New South Wales to be inscribed on the Australian government’s National Heritage List. Kurnell was protected before the Opera House, before the site of the Eureka Stockade, before Port Arthur and before Glenrowan. Given Kurnell’s importance, the House would be right to be surprised that the New South Wales Labor government has allowed Kurnell to be largely destroyed and that it is continuing to aid and abet this destruction to ensure that the entire area is ruined.

Just a few weeks ago, I invited the school captains of all of our local primary schools to join with Senator Ian Campbell, the Minister for the Environment and Heritage, and me at Kurnell to announce more than $1 million in funding for the protection and recognition of Kurnell’s importance. With the Endeavour riding at anchor a few hundred yards from the landing site, it provided a wonderful backdrop for this important announcement. This funding was provided to Kurnell on the basis that it is one of the very few sites in Australia of such unique value that is protected by its inscription on the National Heritage List. The funding will allow the Australian government to provide a more fitting replica to commemorate the landing of Captain James Cook, one of the world’s greatest explorers and navigators; it will allow the rehabilitation of the land behind the existing Banks memorial to reflect the native flora at the time of Cook’s arrival; and it will enable the launching of a national essay competition for primary and secondary students to better educate our young people on the shire’s unique place in Australia’s history.

For years, Kurnell has suffered under the excesses of government and industry alike. We have all seen the once impressive sandhills stripped and replaced with ponds and lakes. We have heavy industry alongside wetlands of international significance. We have large-scale industrial development just a stone’s throw from more than 90 per cent of the remaining salt marshes in the Sydney Basin and 50 per cent of the remaining mangrove communities. Of course, we also have the threat of a desalination plant that was proposed to be built by the New South Wales government in Kurnell. Residents only need to take a trip down Captain Cook Drive to see all of the development sites and subdivisions along the fragile neck of the peninsula.

Now after years of procrastination by the New South Wales Labor government, developers plan to build factories adjacent to Wanda Beach and Cronulla High School. The developer, Australand, has recently fenced off its 62-hectare site, which includes the heritage listed Cronulla sand dune, to prepare the site for construction. This means that sporting teams such as the Sharks and Dragons, local residents and visitors can no longer walk through the last remaining sections of the Cronulla dunes. It means that the beautiful walk from Wanda, which is used by many local residents, has been lost.

Residents have been fighting the plan for this site for years. The New South Wales Labor government had the developer’s proposal on their desk for some four years. Due to pressure from local residents, they were forced to reject it in 2004. Unfortunately, due to Labor’s lax and unashamedly pro-development planning controls over this precious area, the developers successfully sought permission to build factories from the New South Wales Land and Environment Court. While residents have known for years that there was a proposal in the abstract for the development of this site, it was made very real after workmen installed cyclone fencing, stopping the many users of this area from accessing the site. I understand that the developer, after the intervention of the Liberal Mayor of Sutherland, restored public access to the dunes and ponds late last week.
While I applaud the work of the mayor, my friend Councillor Kevin Schreiber, the simple fact is that, without swift action, a valuable and beautiful part of the shire will be lost forever.

Predictably, the local Labor aligned supposedly independent political party, the Shire Watch Independence Party, has tried to blame this latest outrage on me, the Prime Minister and the Commonwealth of Australia. As with every other outrage committed by New South Wales Labor at Kurnell, the Labor-Shire Watch coalition at Sutherland council respond by calling on the Australian government to buy out the land. While I and many others would welcome any such move, we are also very aware of the practicalities of spending hundreds of millions of dollars of taxpayers’ money to right the wrongs of the New South Wales Labor government.

The front page of the local newspaper, the St George and Sutherland Shire Leader, last week carried the story which was titled ‘Plea to John Howard: buy the Australand site to save Wanda sand hills’. This story was driven by Shire Watch and the photograph featured one of the Shire Watch’s most prominent organisers. What the members of the Shire Watch team have said about a Commonwealth buyout to restore public access is nothing more than mischief making.

I recently looked through the relevant records from the Land and Environment Court case which approved the current factory development site. What has stunned me is that the developer offered to give the balance of the site to the public, including the Cronulla dune and recreation areas, in the care and control of Sutherland council in perpetuity. On top of this, the developer also offered to establish a substantial trust fund to pay for the upkeep of the area. While Shire Watch and I agree that no development should go ahead on the site, for them now to clamour about the fencing of the area and the loss of dune and recreation areas is disingenuous. They twice rejected the offers of the developers to gain for free the majority of the site, to rehabilitate it, to fund its ongoing maintenance and to ensure the dunes are protected. This is the exact same area that they are now calling on the Commonwealth to buy for many tens of millions of dollars.

I wonder what the residents of Cronulla, the visitors, walkers and sports teams who use this site will think when they learn the reason they were locked out of this site was not that John Howard failed to buy it but rather that Shire Watch wanted to play politics over the site and ignore the best interests of local people. The Commonwealth has not had nor will it in future have any role in planning decisions. It did not sell the land, it has never owned the land and it certainly has no interest in the development companies concerned.

On the other hand, the Labor Party are the consent authority, the people who sat on the original application with a view to approving it, and they are the people who accepted nearly three-quarters of a million dollars from the very people who are about to build factories on Wanda Beach. I find it very hard to follow Shire Watch’s reasoning that the Commonwealth is at fault for the continued destruction of Kurnell. The constant moves by Shire Watch to blame every state government failing on the Commonwealth show either a political alliance to Labor or, at best, a willingness to help shift the blame from where it belongs, with New South Wales Labor, onto the Australian government.

Shire Watch are willingly acting as an extension of the Australian Labor Party in their dealings both on the council and through their repeated attempts to blame every state failure on the Australian government. At election time, Shire Watch portray them-
selves as being independent of party politics. Their voting record tells a very different story. In the last council term, as with now, Shire Watch were in coalition with Labor. They shared the mayorality, they shared the deputy mayorality, they voted the same way, as I understand from one source, on more than 90 per cent of the business before the council, yet they expect us to believe they are somehow separate and above party politics. Every time Labor fails the shire—and it happens often—they try to confuse the issue by talking about federal government buyouts and so on.

I point out to the Shire Watch councillors that the New South Wales government are the approval body for this and every activity at Kurnell. Labor assumed all planning powers over Kurnell. They were the ones who wrote the planning code for the area and it was Labor that accepted a staggering $647,593 in donations from this developer since 1998. I cannot help but feel that Shire Watch ought to start living up to the 'independent' tag that they have registered as a party name and start to question the motives of their Labor team-mates on Sutherland council.

Let us for a moment examine the New South Wales government’s shameful history on the protection of the Kurnell Peninsula. The Kurnell Peninsula has been mined for sand since the 1930s. Due to improvements in technology and extraction processes, the mining has escalated massively over the past 15 years. While it is difficult to obtain accurate information from the mining companies, it is estimated that more than 1.25 million tonnes of sand are stripped from Kurnell each and every year. Under New South Wales Labor, every week 25,000 tonnes of our history are carted away by the truck load, yet Shire Watch seeks to blame the Prime Minister and this government.

Under New South Wales Labor, the Kurnell Peninsula has ‘For Sale’ signs from Cronulla High School in the west to Caltex in the east. Does the Australian government retain planning and development consent over Kurnell? The answer is unequivocally no. Under New South Wales Labor, the Kurnell Peninsula has been slated as the site for a trial and, no doubt, after the next election will be slated for a full-scale desalination plant that threatens the environment, migratory whales and wetlands of international significance. I draw this to the attention of the House. (Time expired)

**Employment: People with Disabilities**

**Mr EDWARDS** (Cowan) (6.37 pm)—I have a long interest in disability issues and was recently approached by Sam Morton from Competitive Foods, an Australia-wide company, because he is having a few problems with the processes of employing people with disabilities. I listened to him intently, because his company received the 2005 Prime Minister’s Employer of the Year Award, which recognises excellence in the employment of people with a disability. The company won this award under the large business category in the Northern Territory. It is a good award and it shows the credentials that Mr Morton’s company have in employing people with disabilities. Mr Morton recently wrote to the Hon. Kevin Andrews, Minister for Employment and Workplace Relations, setting out a few problems. In his letter to the minister, he said:

There are two basic issues:
1. Changes in the training instructions Assessors are given when assessing the abilities of disabled people on the job.
2. The need for a “gateway” organisation to assist employers in employing persons with a disability.

Under the heading ‘Assessments’, he said:

In previous years the assessors used by the 16 different agencies in the Perth area were in-
structed to assess the person with a disability, against the job description of an able bodied peer. The person’s ability compared to that required by the job description was then expressed as a percentage, which was then used to calculate the person with a disability’s pay. (A percentage of the full time salary of the award covering the job description).

In recent years the assessors have received different training instructions. The person with a disability is only assessed on the duties they perform.

For example, if the job description was to drive a bus for eight hours and then clean the windows, with the current situation if the person with a disability could not drive a bus and only clean windows, if they cleaned the windows perfectly they would be paid 100% of the award rate.

Obviously this bizarre situation is very discouraging to an employer considering taking on a person with a disability.

Under the heading ‘Structure of the various agencies assisting people with a disability’, he states:

Prior to 1986, there was no coordinated support to assist people with a disability gain jobs in open employment. Nationally today, 220 specialist Disability Employment Services support 46,000 people with a disability in the workplace, with this figure set to increase significantly from July 2006 as new “Welfare to Work” measures are introduced for jobseekers with a disability.

Edge was the first Disability Open Employment Service in Perth opening in 1984 and Bizlink came on to the scene in 1992.

I know both of these organisations. Mr Morton goes on:

Back then they were funded by the Department of Family and Community Services and the focus at the time was about giving clients choice of service, hence the large number of services for a comparatively small group of clients ie some 2500 people with 16 services in Perth.

All are funded by the Department of Employment and Workplace Relations, some run programs other than employment and these may be state funded. Some of the Perth services are stand-alone specialist employment services like eg Bizlink, Edge, Interwork—others are a part of much larger organisations, eg Autism Association, Cerebral Palsy Association, Deaf Society … and may specialise with certain types of disabilities.

Because of the organic rather than structured development of these agencies, and their often parochial attitude towards each, trying to locate a suitable employee is a daunting and time consuming task. If the full potential for employment of people with a disability is to be realised, some of the agencies must be amalgamated, and a “gateway” agency created to coordinate employment opportunities.

I do not present this letter in any political way, but I do want to encourage the Minister for Employment and Workplace Relations and the Minister for Workforce Participation, Dr Stone, to look at this issue. When someone like Mr Morton raises an issue like this, I think it is important that a government listens. Mr Morton strikes me as a decent bloke. Certainly he is genuinely motivated to provide better opportunities for people with disabilities to find employment. We all know that it is hard enough for people with disabilities to find employment, let alone to hold on to it, in a competitive workplace. When these sorts of people who work in big companies such as the one that Mr Morton belongs to and which have a long history, going back more than two decades, of employing people with disabilities come forward with criticisms, we should listen to them.

I had a number of conversations with some of the agencies. One of them, in listening to what Mr Morton had to say, wrote to him and said:

It is great that an employer is taking such an interest and time to look into fixing the system to make it easier for employers who want to create opportunities for people with disabilities in their community.

Disability Open Employment Services … are funded by the Department of Employment and
Workplace Relations … Dr Sharman Stone is the Minister for Workforce Participation and … Kevin Andrews is the Minister for Employment and Workplace Relations.

This person went on:
… I have done a bit of web surfing and I can see why employers find it so difficult, the jobable web site has the list of agencies but does not detail the area they service nor the types of clients they assist …

DOES market their clients individually as the key to success is job matching. They tend to be in regions because of historical reasons and how the industry has evolved over 20 years. I can understand that the single point of contact would make the process simpler, and the Dpt is funding Disability Works Australia on the basis of this approach …

However, this agency goes on to say, ‘The success of this to date is arguable.’ It also says:
… as you too have noticed, much of our work is through relationship building. Gaining the trust and respect of employers who provide quality employment who will then come back to us for repeat business—as you have noticed, individual agencies cannot always supply the client with the skills that match the job—so even when you have established relationships you have not been able to meet your employment needs … it is a frustration … we would not send a client who did not have the skills or who did not have a desire to work at KFC—we do not want to set people up to fail … as an employer then the single point of contact makes sense and / or your suggestion of more collaboration amongst the agencies to refer on opportunities if they could not fill a vacancy. Unfortunately the system is developing into one of even greater competition through a Star Rating approach—so it is doubtful collaboration will be fostered in this environment where your star rating will determine if your service will win a tender … again perhaps the system is working against people with disabilities in some respects.

This agency goes on to conclude:
My sincere thanks to you for bringing these concerns to the table. I hope we can be of assistance.

At the end of the day we just want to see people with disabilities getting a fair go, with a fair days pay for a fair days work—the system really does seem to be working against that objective in a number of respects.

As I say, I bring this issue forward in a perfectly non-political way. I think there is a fair and legitimate criticism here. I ask both ministers mentioned in the letter to please have a look at this issue and work through it—work through it with the agencies; work through it with the employers—and see if, in the best interests of people with disabilities, they can adjust this process and the procedures to make sure that the winners at the end of the day are indeed people with disabilities looking to get into the workforce.

Roads: Ipswich Motorway

Mr CAMERON THOMPSON (Blair) (6.47 pm)—As is my wont, from time to time I rise in this place to bring to book the crazy attitude of the Queensland state government in relation to the development of the Ipswich Motorway and its continued insistence upon a less than ideal solution to meet the road transport needs of our district. By that I mean the district from Ipswich all the way west to Toowoomba: the region that is primarily reliant on the Ipswich Motorway.

The state minister responsible for all the planning and other practical parts of the process of developing an effective solution to the problems of massive traffic on the Ipswich Motorway is none other than the main roads minister, Paul Lucas. I would like to alert members to the fact that, immediately after the last election, on Saturday, 27 November 2004, Paul Lucas, the state Minister for Transport and Main Roads, made a joint press release with our own minister, the Minister for Local Government, Territories and Roads, Jim Lloyd. He made some comments that I want to draw to the attention of the House. To quote from the press release they put out:
Paul Lucas said Queensland welcomed the appointment of respected engineering firm Maunsell Australia to independently evaluate the proposed Ipswich northern bypass.

The northern bypass is another name for the Goodna bypass, which is the long-term solution to the problems of the Ipswich Motorway, planned and proposed by the Commonwealth. Mr Lucas went on:

The Queensland Government will do all in its power to cooperate with the Federal Government in delivering their roads priorities, including the northern bypass.

The simple fact is that the Australian Government is providing the money for the national highway and they decide how their money is spent.

... ... ...

If the feasibility study—that is, the Maunsell feasibility study—indicates the northern bypass is not a viable project, Queensland and the Commonwealth will need to look again at how we address traffic congestion on the Ipswich Motorway.

I bring that to the attention of the House because, of course, the Maunsell study did proceed. It was a feasibility study conducted by Maunsell; it was not a comparison between the bypass and the thing that Mr Lucas keeps hankering after—that is, the coordinated destruction and reconstruction of the existing Ipswich Motorway. That feasibility study of the Goodna bypass found that there were three feasible options, three potential ways the Commonwealth could build the proposed Goodna bypass, so of course it found that the northern bypass was feasible. In line with Mr Lucas’s comments in his press release, you would expect therefore that the state government would proceed to give the Commonwealth government the support that he spoke about and to expedite the further construction, planning and completion of the Goodna bypass.

That is not what happened. Unfortunately the state government has spent an awful lot of time after that trying to re-present its argument to tear down the existing road while motorists are trying to drive on it and to construct in its place a six-lane upgrade which would be deficient compared to the Goodna bypass in terms of its traffic-carrying capacity. In fact, Mr Lucas has been quite strident about this and he has got a bit ratty at times. In a letter he wrote to me, he wrote down the bottom in a kind of rambling rant:

Cameron, The problem for you—and this is in his handwriting—is that the joint state-federal study commissioned & undertaken by Maunsells shows the ½ northern bypass is not the best option. Yet you choose to ignore this. Stop playing politics ...

I was not the one who got on the back of a truck with Jim Lloyd and said that he was going to assist the federal government in ‘delivering their roads priorities, including the northern bypass’. Those were the words of Mr Lucas himself, yet he reneged on that and then had the hide to accuse me of playing politics!

For the record, I want to speak a little bit about what the Maunsell report did find. It did find that the northern option—or Goodna bypass, constructed to bypass the corridor of the Ipswich Motorway—would be ‘greatly beneficial to through traffic, relieving congestion on the existing motorway and enabling both routes to offer a reasonable level of service’. That was on page 39 of the Maunsell report. It also found:

A further potential safety benefit of constructing a road bypassing this section of Ipswich Motorway comes from the opportunities to divert traffic during major incidents blocking either road.

That was on page 55. It found that forecast speed on that northern option from 2012 right through to 2032 would be a high speed of between 93 and 97 kilometres an hour.
Forecast speeds on the existing motorway would deteriorate from 61 to 35 kilometres an hour—that is if nothing is done—but remain above 85 kilometres an hour if the northern option is built. That is on page 39 of the Maunsell report.

Further, it found the provision of the northern option ‘would have the effect of substantially reducing traffic flows on the existing motorway, improving the level of service and reducing the incidence of accidents’. That is on page 54. ‘Traffic on the existing motorway over the Dinmore to Gailes section would be reduced to about 40,000 vehicles a day in the year of commissioning the IMNO’—the northern option, that is—‘which would rise to about 58,000 vehicles a day in 2032’. That is on page 29.

So quite clearly the report found it to be eminently viable and found it to be a good project with very long-term consequences, being able to deal with the volume of traffic through our area through to 2032—something, unfortunately, the prescription of the state main roads minister just cannot do. Unfortunately, not only would the state proposal for a six-lane upgrade inconvenience everyone when the road is dug up while people try and drive on it for the next five or six years but, on top of that, once it was completed, it would certainly within two, three or maybe five years at the best be subject to the same levels of congestion that we currently experience. That is just a pathetic outcome for an organisation that is supposed to pride itself on planning main roads. Planning a road for maximum traffic disruption and then congestion is something that the Three Stooges might specialise in, but it certainly should not be the aspiration of the state main roads minister, and at the moment I am not sure if he is Larry, Curly or Moe.

On the other side of things, I thought I should report on what Maunsell had to say. They did a separate analysis of Larry, Curly and Moe’s efforts for the upgrade project. They found that the state main roads department had come up with an idea where they could do the whole upgrade in something like three years. Maunsell looked at this in a special report, which was only about eight pages long. On page 1 they said: ‘Amazing! The state government, in their plan to upgrade the Ipswich Motorway, has not allowed a single day for wet weather.’ In a three-year construction schedule, they did not allow a single day for wet weather, and it turns out that a normal type of allocation for a three-year construction period would be six months. That shows you the level of chicanery we are getting here from the state government. That is the first point.

Secondly, it found, as it says on page 8: Time allowances for bridge construction are considered generally to be extremely tight. Cop this: according to the state main roads department they can build an overpass—rail bridges passing over Warrego Highway, passing over the railway line—in one month. They can build a concrete overpass in one month. Currently they are down there working on the Granard Road overpass and they have been there for years and years. In fact, money for the Granard Road overpass was allocated in 2001 and they still have not completed it. This same mob reckon they can build an overpass in one month just for the sake of conning the motorists and the federal government into accepting their cockamamie scam where they say that they can produce this whole thing in three years. There are other overpasses they say they could build in four months. There is another one they said they can build in seven months and another one they could build in five months—all of which, Maunsell said, were extremely tight. I think they are being very careful in their wording not to overinflate it, but quite obviously it is bunkum. The whole plan is bun-
kum and it is typical of the kind of con we have had from Paul Lucas ever since he made that ridiculous statement that he was going to get behind the Commonwealth and do what he is actually required to do.

Other things that Maunsell found about his scheme was that basically it is a danger to the workers who would be required to work on it. They were proposing island worksites between live traffic. They found that the worksites would be ‘of a narrow width and a long linear length, making those multiple work fronts more difficult, and such aspects may result in significantly reduced productivity and progress within each stage than might normally be expected, leading to the need for longer construction program allowances’. We have had our leg pulled every day of the week by Paul Lucas in relation to the Ipswich Motorway. What the Ipswich people need is the Goodna bypass so we can build the road off-line, so we can build it on a greenfield site and so that traffic can continue on the Ipswich Motorway uninterrupted. *(Time expired)*

**Doctor Shortage**

Ms HALL (Shortland) (6.57 pm)—It never fails to amaze me that, every time I hear a Queensland member of the House of Representatives stand to speak in this House, they speak about state issues. They are afraid to talk about federal issues like the critical doctor shortage that exists in Australia today—federal issues that they should be putting their minds to. Tonight I would like to raise in this parliament the issue of the critical doctor shortage in the Shortland electorate. I have raised this issue on many occasions. I have written to the Minister for Health and Ageing. I have raised the matter in budget considerations in detail. I have raised the matter, as I just mentioned, in many speeches. I have worked with the Central Coast Division of General Practice and in Wyong Shire to try and attract more GPs to the coast.

I have literally telephoned doctors in other areas throughout Australia and actually in New Zealand to try and get them to relocate to the Shortland electorate. I have supported every application for overseas trained doctors that has been put to me by practices of GPs within the Shortland electorate. I have a motion on the *Notice Paper* for this parliament that I hope will be debated, and in that motion I condemn the federal government for failing to adequately address and find health care in Australia, its role in causing the current doctor and nurse shortage in Australia and failing to address this shortage.

Unfortunately, the situation has gone from bad to worse, and this is on the Howard government’s watch, particularly that of the Minister for Health and Ageing, Tony Abbott. It is important that I acknowledge at this point that there is a doctor shortage throughout Australia. It is not only in the electorate of Shortland, but as I represent the people of Shortland I want their voice to be heard on this matter. A Productivity Commission report that examined the medical workforce shortage in Australia identified it as a major problem. The government has belatedly attempted to address the shortage by bringing more doctors into Australia from overseas, which I think has some accompanying ethical issues. It has increased the number of medical training places at universities—too little done too late by a government that must take responsibility for this shortage. In 1996, the first act of the Howard government once it was elected was to reduce the number of medical training places at universities—too little done too late by a government that must take responsibility for this shortage. In 1996, the first act of the Howard government once it was elected was to reduce the number of medical training places at universities. We all know it takes 10 years of training for a student doctor to be able to practise in the community and here we are, 10 years down the track, faced with this chronic doctor shortage. The government also restricted provider numbers. The solu-
tions have been slow to arrive as the government has failed to adequately address this issue, which has had a greater impact on rural, regional and remote areas.

You might ask how this chronic doctor shortage is affecting the people in the electorate that I represent. As I mentioned at the start of my contribution, the situation has gone from bad to worse. In the Lake Macquarie part of my electorate, which has traditionally been a lot better serviced by GPs, a number of doctors have retired in recent times and now many people do not have a doctor at all. All the remaining doctors have closed their books and elderly people are sitting in their homes unable to have a doctor come and visit them. I must acknowledge that this is placing enormous pressure on doctors. It is leading to more doctors retiring because of their enormous workload and its related stress. It is leading to nursing home beds lying empty, not because no-one is there to fill them—there is actually a waiting list for all the nursing home and hostel beds—but because residents need to have a GP before they can accept one of these beds. I have had numerous phone calls from constituents in their 80s and 90s who do not have a GP and cannot access one in their local area because all the GPs in the area have closed their books. These are elderly people who cannot get out because of their disabilities and who were used to having GPs visit them at home. Now my office staff are actually going out, picking up people and taking them to see GPs outside their area. That is really not good enough.

We have had elderly people who have heart conditions ring our office because they cannot get in to see a doctor. Because they are fearful that they are going to run out of medication, they are taking half of their heart tablets at a time to make them last longer. I think this is a dreadful situation and I am sure members on both sides of the House would agree with me. Take sick people relying on emergency departments. We have had to organise an ambulance service to pick up an elderly resident every six months so she can have her medication checked at the local public hospital.

I feel that this government is really letting people down. House calls are a thing of the past and doctors comment to me that, because of the fact that many of the people that they see are elderly, they have very complex problems, that the amount of time that these patients need when they come to visit the doctor is much longer and that they are now concentrating on treating people with very acute illnesses that require enormous management. Doctors comment to me, and I am sure the House is interested in this, that it is an exercise in frustration and hand wringing, that they are overloaded and just cannot wave a wand, that there are management issues, that increasing nursing services to assist them to deal with the shortage is one thing that has helped them, that the training of new doctors is lagging and that they have a few problems with some of the decisions that the college of GPs has made. They also argue that not enough incentives are in place to encourage medical students to go into general practice, that there should be some more sweeteners to get students to consider becoming GPs as well as sweeteners to attract medical students to enter the specialties, and that younger graduates are job sharing.

I have had doctors ring my office and ask me why they have had patients go to their surgery and say, ‘Jill Hall said you have to see me.’ Why does this happen? It happens because these people are desperate. I have told no-one to go to their GP and say that. But the bottom line is that these people are sick and have no other option. They do not know who to turn to. Sydney GPs will not leave their area and come to areas such as Shortland. But it is a beautiful area, and if
there are any GPs listening to this speech I can tell them this: I do not think there is a nicer place in Australia in which to live. It is on the edge of a lake. We have wonderful surfing beaches and great schools. We are close to Sydney and we have a wonderful lifestyle. I encourage you to think about coming to live in Shortland.

Unfortunately, doctors generally prefer to stay in the inner city areas, so there is a genuine, chronic shortage in outer metropolitan areas like mine. The government’s outer metropolitan strategy has been responsible for three new doctors coming to the area, but six doctors have retired within the last 12 months. The strategy is not even anywhere near keeping pace. We need to look at some new solutions. Doctors would like to be able to employ more practice nurses. I think the government should support that. I think we should really look at the issue of nurse practitioners. We need greater flexibility in the area of GP training. We need programs that value the role and work of GPs. We need to train more doctors. Every doctor I speak to says that we need to train more doctors. In Shortland electorate we need to have the RAMA classification changed. It is time for action. The time for words and promises has gone. *(Time expired)*

**Flinders Electorate: Somerville Secondary College**

Mr HUNT (Flinders—Parliamentary Secretary to the Minister for the Environment and Heritage) *(7.07 pm)—* In rising in this grievance debate I wish to raise a lost opportunity within the electorate of Flinders. It is a considerable lost opportunity—that is, the neglect of the future of Somerville Secondary College. Members of this House may know that, over the last few years, along with members of the Victorian parliament I have been concerned about the potential for the creation of a wonderful school at Somerville, the Somerville Secondary College. After a long campaign by local residents, a wonderful group of people, that school came to pass this year, but it has come to pass without an oval. There was a chance for that oval to be created. We had the chance through the state government over this last week to establish a permanent set of playing fields for Somerville Secondary College, but it was chosen not to be of sufficient importance or of sufficient urgency to take the chance.

In essence, on Friday, 26 May, despite adequate warning, despite considerable pressure and, extraordinarily, despite an offer by the federal Minister for Education, Science and Training, Ms Julie Bishop, to pay for that land the Victorian government declined to purchase the 1.5 acres, or 6,000 square metres, that would have allowed the school to complete its playing facilities. Instead, that land has been auctioned off and will go to commercial purposes. The children and students who attend Somerville Secondary College, not just over the next five, 10 or 20 years but over the next to 100 years, will forever be denied the opportunity to have a full set of sports facilities. That is a real indictment and a real failure. It was not a difficult thing to complete, because we made the offer to them. We offered to reimburse Victoria if they would purchase this land. The Commonwealth education minister, Ms Julie Bishop, made that offer within 48 hours of having had the proposal put to her last week. The proposal was made on Monday, 22 May, and by the afternoon of Wednesday, 24 May she had made the offer to say, ‘Yes, we will reimburse the Victorian government. We will meet the costs of this land if they wish to complete the school.’ Their refusal to accept is reason for genuine grievance.

I would like to recount to the House the facts so that the people of Somerville and the members of the House may understand pre-
cisely how an opportunity which comes once in the life to a school has been so grievously lost. Three great wrongs have occurred here. Firstly, the Victorian government refused the offer of this 1.5 acres, or 6,000 square metres, of land adjacent to the existing Somerville Secondary College when it was first offered six months ago by the family who sold the original land to the school. It was done on a concessional basis because they wanted their parents’ will to be fulfilled. They offered this land at less than market rates to the Victorian government precisely for the purpose of completing the land at Somerville Secondary College. That offer was extraordinarily generous.

Having missed that first opportunity the second great wrong occurred when the state was given another chance. It again denied the school an oval. The problem here is that there was originally sufficient land for playing facilities, but Aboriginal artefacts were found on the site over quite a long period so the effective area available for use within the school was dramatically reduced. There was no account made of that fact. So the people who said, ‘You can’t build on this land’—that is, the Victorian government—because, and I do not dispute this, they had found Aboriginal artefacts, subsequently said, ‘We will count that land, though, as part of your school area and of course you have enough by our ratios.’ This is a classic catch-22 situation in which the school community, led by the principal, Roger Page, who does an outstanding job, was trapped by a sort of Austro-Hungarian bureaucracy from the late 19th century. So what is the second wrong? It is that the school is being denied an oval that will be of adequate size and with reasonable facilities as we go forward over the coming years—not five or 10 years but 20, 50, 100 years. This school will be forever penalised for the decisions made last week by the Victorian government, by the Victorian Minister for Education and Training, Ms Kosky, and by the utter failure of the sitting state member for Hastings, Ms Rosy Buchanan, to take up the case. This is when your character is tested: when you have to take on your own side.

This brings me to the third of the wrongs, which is that the Commonwealth offered to reimburse Victoria and that offer has been lost forever, not because the Commonwealth has taken it off the table but because the land has gone. That land, which could have contributed so much to the school and to the community, is gone forever because now it is likely to be commercially developed. And it is not as if there was no forewarning. I want to quote from a letter written on 22 May by a concerned parent—who has asked, for fear of repercussion, that their name not be identified—warning the Victorian government of the risk. It begins, ‘Dear Minister,’ and refers to the Somerville Secondary College. It notes that a property currently owned by Mrs Lesley Sinclair, who was the vendor representing the remnants of the original property from which the education department acquired over 13 hectares of land in the early 1990s for the purpose of primary and secondary schools, was available. But as the Victorian government was aware, a sizeable proportion of this land ‘can never be utilised due to restraints imposed due to Aboriginal issues’.

The letter goes on to say that the most significant omission in the construction of this school is that it does not possess an oval for recreational activities. Schools and ovals go together. This is a fundamental blight—an oval should be part and parcel of an ordinary development. The letter goes on to say it was always intended that an oval would be included as a school asset and, in fact, that the Mornington Peninsula Council was negotiating to assist in the construction of this oval due to a severe lack of recreational facilities
in the Somerville area. So it is a lost opportunity not just for the students and the school but also for the town of Somerville, which has been woefully and shamefully neglected.

The letter goes on to say that the construction of the oval stalled when certain areas adjacent to the oval were deemed to be of Aboriginal significance, thus restraining the size, placement and overall design of the oval. The letter said:

I implore you to reconsider this position, as the school has lost the use of a sizeable amount of land within the site. Should this land be purchased by the department, it would not only rectify land lost onsite but would allow a significantly larger and better positioned oval to be constructed, which would have benefits not only for the school population but for the general population of Somerville.

The letter ends there. But, throughout that week, extraordinary attempts were made to move the Victorian government to purchase this land. On 22 May, the same day I received this correspondence from a parent, I wrote to the federal education minister, Julie Bishop, and spoke to her office on a number of occasions. They worked assiduously over the next 48 hours to produce an offer to reimburse the Victorian government—to cover the costs and to make sure the Victorian government was not out of pocket—but that offer, which was made on 24 May, was allowed to pass. The result was simple: when the land went to auction on 26 May, there was no Victorian government bid. The land was passed in and the Victorian government was immediately notified that there was still a third opportunity to purchase this land. But there was utter inaction. By late afternoon the land was gone and the facilities were gone. Forever and a day, for as long as that school exists, the facilities will never be completed to the standard that the students, parents and teachers of Somerville Secondary College and the residents of Somerville deserve. This is a profound disappointment and I condemn the Victorian government’s inaction. (Time expired)

Skills Shortage

Mr HATTON (Blaxland) (7.17 pm)—I rise not only to make a grievance speech but also to make a speech of grieving. My grievance relates to the skills crisis in New South Wales, in my home town of Bankstown and, indeed, in the whole of Australia. Over the last 10 years, training in the traditional trades and in broader areas has fallen way behind what is needed by the community, by New South Wales and by Australia. This government has failed dramatically in this area and it has chosen the easy path. Instead of, first and foremost, training young Australians now, the government has chosen the easy way of simply importing skilled people from overseas. The government has recently gone even further, saying that it will import skilled tradesmen not just through the normal processes of the skilled migration program—or through family migration if the person happens to be a skilled tradesperson as well as having family members here. The government has said it will also use the four-year temporary entry program, as it has done these past 10 years, to bring in more than 255,000 skilled tradespeople from overseas to supply a deficit that exists within Australia. In that time, 300,000 young people from Australia have not been able to find places in our technical and further education system.

The average age of tradespeople in Australia is 54 years. That is a pretty high age. I know it is lower than the age of Australian farmers, but it is significant that professional plumbers, drainers, carpenters and automotive mechanics are in that age bracket, about 10 years from normal retirement. People with experience in running their own businesses, working for others or working for large companies have known for many years
that there are very few people beneath them to take their place. This mirrors the situation in our society at large—and the government has belatedly started to talk about the problem of the ageing of the population. Unless this tranche of skilled tradespeople choose to extend their working careers significantly—from their 60s, into their 70s and beyond—we will not be able to provide enough skilled tradespeople in Australia to keep the country running effectively.

The government has not invested in training our own people. It has chosen to bring people from overseas on a four-year TEP. And if, at the end of that four years, the people apply to stay in Australia, the government will give them discounted entry in order to supply the skills deficit. I do not think that is the right approach to take. I think it is extremely short-sighted. It is certainly an easier way to go than what this government has chosen to do, which is to concentrate on traineeships. Traineeships are greater in number than traditional apprenticeships, but they are discounted apprenticeships.

Traineeships are apprenticeships on the cheap. They are apprenticeships which can be completed faster and do not assist young people to develop the broad range of skills that they were once exposed to in the old apprenticeship training systems that the great institutions used to run. Now, because they are out of the game, those institutions do not train tradespeople in the significant numbers—indeed, the thousands—that Australia once had access to. I refer not just to workers in the public sector but to workers trained in the public sector who started their own businesses or moved into public or private companies either as independent contractors or as employees.

The State Rail Authority does not train people to the extent that it used to. Telstra certainly does not. It has fallen to the technical and further education system and, in part, to Australian schools to make up, in a patchwork way, for this deficit. But there is no driving force in the government—and there has not been for the past 10 years—to seek to solve the skills crisis that has grown inexorably over that period. They have instead sought to substitute by bringing in people to fill the temporary gap. This is extraordinarily shortsighted. As this has not been adequately addressed, Australia has significant problems due to the average age of its tradespeople. The people who make sure that the country ticks—those who fix our basic systems—are not there in significant numbers. The young people coming through have not experienced a broad enough approach to their training, in large part because the focus has been on employers seeking people with very narrow bands of experience. It has been neither extensive enough in time nor extensive enough in the kind of experience offered.

We face a particularly difficult problem in all of the building areas—indeed, across all of the trades. I am pleased that Labor, in its recent policy announcements, has not only recognised the depth of the skills crisis that faces us but pledged to create accounts to pay the fees of young people going to TAFE. Labor has also pledged to pay them a bonus on completion of their apprenticeships and will provide that people studying in areas of demand—in particular, the child-care area—get the same benefit. I think it is right to train young Australians first and to train them now, because that is an investment in our very future.

Recently I visited the Western Sydney Institute campus of TAFE at Chullora in Sydney’s south-west. I had a great experience of that institution in the past because the Chullora site was one of the great training institutes in Sydney when it was controlled by the State Rail Authority. Over the years its workshops produced skilled tradesmen in
their thousands. Although the existing facility was finally wound down—despite a number of years of fighting on my part and on the part of the employees—it has now been transformed into a campus of TAFE. The Bankstown building and sheet metal facilities have been centralised there. The programs in the sheet metal area are particularly interesting.

The depth of the skills crisis is indicated by the fact that, before the young people who undertake training in apprenticeships at Chullora reach the end of their first year, 80 per cent of them are offered apprenticeships. The reason the number is so great is that the depth of demand is so great. It is terrific for the apprentices who take up those offers, but it is also an indicator of just how deep this crisis is. Not as many apprentices are taken up from the adjoining domestic building skills area. The reason is that there has been a drop-off in building in New South Wales. Another significant factor is the demand in those areas—the take-up rate is in the order of 45 to 50 per cent, but that is still a significant proportion of the entire volume.

A new and significant addition to the domestic carpentry area is being built. That is a large building which will allow the Chullora campus to train people in high-rise construction. So there will be both commercial and domestic carpentry—indeed, the very epicentre of training in carpentry and building in Sydney will be at the Chullora campus.

The young people lucky enough to gain access to skills in trades can seek apprenticeships and build a career for themselves in these very important areas where there is such a great deficit. I think it is terrific that they have done so well, but we need thousands upon thousands more of those students to go through the same types of courses not just in traditional areas but in a wider range of skills. We need a federal government that is committed to technical and further education for Australia and committed to solving the skills crisis that has been upon us these many years but has been underscored particularly in the last 10 years. (Time expired)

Townsville City Council

Mr Lindsay (Herbert) (7.27 pm)—I think the grievance debate is the appropriate forum in which to raise this serious issue in the interest of the ratepayers of the Townsville City Council. We remember the Queensland ALP minister Gordon Nuttall. He had to step down as minister because he told lies to a committee of the parliament. This will not happen again—I do not mean the lies, just the stepping down, because the Queensland state government has introduced legislation into parliament to enable politicians to tell lies in the place. Queensland ALP government politicians are exempting themselves from the Criminal Code if they cut loose and tell a few porkies.

With the ALP condoning the telling of lies, I have been increasingly concerned about the increase in incidences where I know that the Mayor and the Townsville City Council have been plain untruthful to Townsville ratepayers. It is not a pleasant thing to say to the parliament, but the reality is that the mayor simply no longer has any compulsion to be anything more than loose with the truth.

Through the parliament tonight, let me give the people of Townsville some specific examples. Remember when the Townsville community became aware that the Australian Communications Authority had decided to sell a parcel of land at Pallarenda. The ACA met on two occasions with the mayor’s right-hand man in planning and no objection was raised to the sale. Clearly the Director of Planning would have discussed the council’s attitude with the mayor, as he does every other sensitive development. Yet when the
sale became public the mayor, with a straight face, told the people of Townsville he knew nothing about it. Remember too the mayor continues to tell Townsville ratepayers that he will keep rate rises to the consumer price index. This too has proved to be untruthful because recent history shows that rates have gone up above the CPI. The mayor apparently thinks that he is above public scrutiny and that he can tell the people one thing and then do the opposite.

I ask the mayor tonight about his promise to alleviate the drainage problems close to my electorate office in Cranbrook. At the last three elections, Mayor Tony Mooney has said that he will address the flooding in the suburb but, again, his promise was a lie. The drainage problems have not been addressed and, again, the mayor thinks he can tell the people one thing and do another.

Now I turn to the mayor’s record on the Jezzine Barracks issue. With a straight face he told the people of Townsville that he has been unable to negotiate with me. Another Mooney lie. In fact, the reverse is the case: Tony Mooney has gone out of his way not to work with me on this issue. He is in the paper all the time saying he will do this or that, but he never picks up the phone to talk to me. In fact, in order to force Tony Mooney to bring a delegation to Canberra, I had to fly home on a parliamentary sitting day to achieve that outcome.

On the Chalco refinery project, Tony Mooney has been telling the people of Townsville one thing yet supporting another. A week ago he circulated an expensive glossy brochure that gave ratepayers the clear understanding that the refinery would be built in the state development area at Stuart. But behind the scenes he has been having discussions about placing the refinery in the Woodstock area. I do not like that. But Tony Mooney is all about saving face, when he should really be all about properly informing ratepayers. The port access road is another example. Tony Mooney has taken every opportunity to be critical of the federal government for not providing funding for the road but all along he has known that the state Labor government withheld information from me that I could otherwise have used to back a case for funding. This is no way for the mayor of the city to work with the federal government. The ratepayers of the city must come to realise that their mayor politically works against their best interests.

A week ago the council was asked about parking provisions for Centrelink staff at the new office on Ross River Road. The council’s answer was that the federal government is not subject to town planning conditions and they wiped their hands of it. They misled the Townsville Bulletin reporter, who asked about the issue knowing full well that the building was not owned by the federal government and that the private owner was subject to council conditions. So it did not surprise me in the least when, in a later article, the council claimed that they had been told that there would be only 50 employees on the site. Again this was not true. Any council worth their salt would have known that Centrelink would not have 50 people in a building almost 5,000 square metres in size.

I have heard of many other examples where the mayor has said one thing to major investors in the city and then done something entirely different. Major investors no longer trust the mayor of the Townsville City Council. Unfortunately, I cannot reveal these examples, because the investors concerned would suffer a most vindictive fate. But what it is already public is the example of the Townsville Mall. Again Tony Mooney said one thing to the people of the city and then did another. Moreover, his mishandling of the truth in relation to his dealings of the mall with the Chamber of Commerce is
breathtaking. I understand that ratepayers may have very little interest in matters of a technical nature, but they do need to be alert that their mayor has no qualms in being loose with the truth. They should indeed be alarmed.

Many senior people who deal with both councils tell me that Townsville and Thuringowa are chalk and cheese. Thuringowa has an open, can-do attitude with staff and councillors, who are open and approachable at all times. Ratepayers can contact Mayor Les Tyrell at any time, and I certainly find that Les, his councillors and his staff are an example of excellence in local government. The same cannot be said about Townsville City Council. I feel for the senior staff at the Townsville City Council, who have to work in such a difficult atmosphere. Mayor Tony Mooney is very hard to contact. He runs the council as an autocrat. He does not accept criticism where criticism is due and now there is this increasing tendency just to lie to ratepayers. This is a disgrace and not worthy of Australia’s largest tropical city.

At almost every council meeting the mayor uses the time of the council to attack the federal government or opposition councillors. Thuringowa Council on the other hand always bring their ideas, problems or concerns directly to me and together we work for the best interests of the Thuringowa ratepayers. Townsville Council is freezing itself out for the sake of political point scoring and political witch hunts, and Townsville suffers because of it.

I think it is time that the business community stood up and blew the whistle on the mayor and his uncooperative council. I believe that it is time that the ratepayers recognised that all of the new projects are in Thuringowa and that nothing is happening in Townsville. I believe that it is time that Tony Mooney must behave much more honourably in the interests of our city.

The DEPUTY SPEAKER (Hon. BK Bishop)—Order! The time for the grievance debate has expired. I put the question:

That grievances be noted.

Question agreed to.

COMMITTEES

Public Accounts and Audit Committee

Membership

The DEPUTY SPEAKER (Hon. BK Bishop)—I have received advice from the Government Whip that he has nominated Dr Jensen to be a member of the Joint Committee of Public Accounts and Audit in place of Mr Ticehurst.

Mr TURNBULL (Wentworth—Parliamentary Secretary to the Prime Minister) (7.35 pm)—by leave—I move:

That Mr Ticehurst be discharged from the Joint Committee of Public Accounts and Audit and that, in his place, Dr Jensen be appointed a member of the committee.

Question agreed to.

MAIN COMMITTEE

Mr BARTLETT (Macquarie) (7.36 pm)—by leave—I move:

That, unless otherwise ordered, for the Main Committee meeting tomorrow the first item of business shall be Members’ three minute statements continuing for a period of 30 minutes, irrespective of suspensions for divisions in the House.

Question agreed to.

SUPERANNUATION LEGISLATION AMENDMENT (TRUSTEE BOARD AND OTHER MEASURES) BILL 2006

Debate resumed from 11 May.

Second Reading

Mr NAIRN (Eden-Monaro—Special Minister of State) (7.37 pm)—I present the
explanatory memorandum to this bill and move:

That this bill be now read a second time.

The Superannuation Legislation Amendment (Trustee Board and Other Measures) Bill 2006 will consolidate and revise the governance arrangements for the Commonwealth Superannuation Scheme, the CSS, the Public Sector Superannuation Scheme, the PSS, and the Public Sector Superannuation Accumulation Plan, the PSSap, with effect from 1 July 2006.

To make these changes the bill will amend the Superannuation Act 1976, the Superannuation Act 1990, the Superannuation Act 2005 and the Superannuation Legislation Amendment (Superannuation Safety and Other Measures) Act 2006.

The consolidation of the governance arrangements for the Australian government’s civilian employees’ superannuation schemes under a single board is being undertaken consistent with the governance principles of the Review of the corporate governance of statutory authorities and office holders, which is known as the Uhrig report.

Following the release of the Uhrig report, an assessment in relation to the CSS board, which is the trustee of the CSS fund and responsible for the administration of the CSS, and the PSS board, which is the trustee for the PSS and the PSSap and the administration of those schemes, recommended changes to those governance arrangements.

The assessment recommended that the membership of the PSS board be increased from five to seven, which is consistent with the Uhrig report’s best practice principles that boards have from six to nine members. The assessment also recommended that consideration be given to the establishment of a single board for the CSS, the PSS and the PSSap.

The bill therefore transfers the powers and functions of the CSS board to the PSS board, which is renamed as the Australian Reward Investment Alliance, and abolishes the CSS board. The Australian Reward Investment Alliance is to comprise seven members, giving it the same membership as the CSS board and two more than the current PSS board. This reflects the recommendations of the Uhrig assessment and the board’s broadened role as the trustee of the three superannuation schemes.

As a transitional measure, the two members of the CSS board who are not members of the PSS board will fill the two additional positions on the Australian Reward Investment Alliance. The bill includes consequential and transitional provisions to ensure that any references to the CSS board and the PSS board in any act, delegated legislation or relevant documents, for example insurance contracts, can be read as referring to the Australian Reward Investment Alliance. The seamless transfer of the assets and liabilities of the CSS board to the Australian Reward Investment Alliance is also provided for in the bill.

The consolidation of the governance arrangements for the CSS, the PSS and the PSSap under one board will provide significant opportunities for efficiencies in the management of the CSS, the PSS and the PSSap.

It will also offer an opportunity for the board to adopt one investment mechanism for the ongoing management and investment of the three funds, which would assist in its management of the CSS. This is particularly significant for the CSS because it is a closed scheme with a decreasing contribution base where net benefit payments exceed contributions received.

The bill will modify the application of the Income Tax Assessment Act 1997 to provide
for the effective deferral of any capital gains tax liability that would otherwise result from the pooling of assets of the CSS fund with those of the PSS and the PSSap funds already pooled in the PSS Investments Trust. The provision of the capital gains tax roll-over reflects the essentially involuntary nature of the transaction.

I commend the bill to the House.

Mr FITZGIBBON (Hunter) (7.42 pm)—I move:

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

Whilst not declining to give the bill a second reading, this House notes the Howard Government’s failures in superannuation policy.

The superannuation system that Paul Keating created for this country remains unique. It was a world’s first and it is world’s best practice. Whenever we consider changes to that system, we should remember a number of things. The first is that Australia’s superannuation savings are now approaching some $A1 trillion. In addition to guaranteeing Australians are more comfortable living in their retirement, it is taking pressure off our current account by providing a pool of savings available for those seeking to invest in Australia’s productive capacity.

Imagine where our current account might be now—already hovering at around 6.5 per cent of GDP—if we were borrowing from overseas pools of savings and paying additional interest on those borrowings to fund the investments that are currently being made. These investments are partly off the back of that superannuation pool of savings of $1 trillion that Paul Keating created when he created the superannuation scheme we live under today.

The other thing we need to remember constantly is that pressure is being taken off the Commonwealth budget as a result of the many people who will now be living off their superannuation savings rather than their being partly or completely dependent on the age pension—an enormous burden which the Commonwealth budget has been relieved of. So it is a big thing, and it is appropriate for us to think about that every time the government introduces changes to that scheme.

History will not treat the Howard government’s superannuation record kindly. I am not so convinced that, in the long term, history will treat the government kindly even on the changes proposed in the very recent budget. People will look back at the incredible shortsightedness and the missed opportunities. It is a problem that permeates this government, and it is little wonder that people viewed the recent budget more as a plan for an election than as a plan for the future.

Labor has always been ahead of the game in addressing the ageing of the population and we will continue to provide that leadership. The reason is simple: we believe in a better future for Australians. We believe that the nation’s super plan should be a plan for the future. When Labor introduced the superannuation guarantee we put in place a long-term mechanism for reform. We understood then, as we understand now, that the challenge of the ageing of the population would simply not fix itself. The superannuation guarantee has been the fairest measure in our community since Labor introduced Medicare. It has shown how good economic policy and good social policy can go together. To their great shame, the coalition voted against the super guarantee and have tried to undermine it ever since. Even though they had their own generous superannuation, they did not want to spread it to the whole workforce.

That is the point I did not make in my introduction. Keating’s super plan extended, for the first time, superannuation to all Australians. I made the point in an applied sense,
but it is worth remembering that prior to Keating’s plan it was something exclusively for politicians, senior public servants and a few who could afford to make their own investment. In addition to offering a broader and fairer superannuation tax cut, Labor has led the debate on superannuation simplification and safety. We have said recently that we will simplify superannuation by (1) automatically consolidating superannuation accounts, (2) ensuring a standard reporting format for all funds and (3) offering investment choice to all fund members. Labor will also make the superannuation system safer by (1) fully compensating for losses in the event of theft, fraud and business failure, (2) establishing clear, simple and comparable disclosure of all fees, charges and commissions and (3) regulating some fees and commissions by (a) entry and exit fees prohibited, (b) commissions banned and/or restricted on super guarantee contributions and (c) a system of flat fees for advice.

Protecting Australians against theft and fraud, excessive fees, charges and commissions and misleading financial advice provides confidence in superannuation as an institution of economic ownership. People are entitled to a secure retirement. The way to provide it is to ensure that our simple and fair system remains safe, secure and adequate. In recent weeks, there has been a lot of interest in Labor’s fiscal policy framework. We have argued the case for an active approach to meeting the nation’s long-term savings and investment needs. As I have discussed, Labor introduced the biggest intergenerational policy of them all—compulsory superannuation. The principle of superannuation is simple: put a little bit away today so that we can maintain a decent standard of living in the future. We need to recommit to this principle constantly.

Superannuation for individuals will only be part of the solution to the ageing population. We know that it will not cover all of the costs and that it will not be the full answer for everyone. We will still need a social safety net, a universal public health system, affordable aged care services and an aged care pension for people to fall back on. Other nations do more than report on the intergenerational challenge; they respond to it. Nations such as New Zealand, Norway and Ireland put aside funds today so that they can meet the costs they know they will face tomorrow.

I had the great honour and privilege to visit Norway recently and to speak to the people who control what used to be called their petroleum fund but is now called their pension fund. It is interesting to note that the not too subtle title change was made in an attempt to quell growing public support for more expenditure to come from the pension fund than is now currently the case. In other words, by changing the name, the government sought to remind people that the then petroleum fund was there to cater for tomorrow’s liabilities and was not necessarily in large measure available for spending on certain recurrent costs of today.

I also noted while I was talking to the Norwegians that they have a fascinating ethical standard attached to their pension fund which ensures that those who control the fund are not able to invest in companies involved in industries which would not ordinarily enjoy the support of the local community, the most obvious example being the manufacturers of landmines. I note with great interest that our infant duplication here in Australia—the thing we now call the Future Fund—has no such ethical framework attached to it. I look forward to that debate panning out over the next little while, as I am sure it will and it should.

Just as Labor introduced compulsory superannuation for all Australian workers—a
savings fund which can only be drawn upon to meet defined future needs of our people—we should consider this principle at the national level. We should put aside funds to deal with clearly defined future fiscal pressures—superannuation for the nation. For too long the budget balance sheet has been driven by short-term concerns such as the Treasurer’s obsession to sell Telstra and to kill the bond market. Labor will refocus the budget towards making provisions for our long-term intergenerational needs, including a transparent approach to dealing with unfunded superannuation liabilities.

The most basic of intergenerational tests is our willingness to provide for and invest in the future. At present, this is a test we are failing on both counts. Given its record on superannuation, I am surprised that the government wants to debate intergenerational issues at all. What is the Howard-Costello alternative to meeting future pressures through savings and investment? It is to pare back the social safety net—paring back Medicare and the public health system and pursuing an Americanised health system, refusing to ever face up to the long-term pressures confronting our aged care system, leaving it as a political football for every election, threatening the financial security of pensioners through the Treasurer’s latest big idea that there will be no such thing as full-time retirement, that people should have to work until they drop.

Labor is offering a different way. With a bit of foresight and a bit of planning, we can help achieve the future security and prosperity of all Australians. A civilised society should be able to meet basic needs of health, aged care and pensions into the future without forcing people to pay more and more. That will require action today for the sake of tomorrow. As with superannuation, only Labor is prepared to meet the challenge.

I want to return to a very important point I made earlier, and that is the way in which superannuation savings are being directed into investment for the productive capacity of the nation. People listening at home or in the gallery might say, ‘What does all that mean? What are we talking about when we talk about this new pool of savings?’ If people want to invest in Australia, they have to borrow the money from somewhere. We assume that if they need to borrow money they have to get the money from somewhere. They can get it offshore—of course, we pay interest on that money—or they can delve down into the savings of Australians. From that investment comes enormous benefits to the Australian community.

For example, in my electorate we have what is known as the Hunter Economic Zone. I cannot say that the Hunter Economic Zone would not have taken place if it were not for the assistance of superannuation funds or, to put it another way, if it were not for the capacity of the principals of the initiative to seek investment from superannuation funds, but there is no doubt that when you look at the Hunter employment zone or Hunter Economic Zone—the terms are used interchangeably—you will see there is some doubt as to whether we would have that initiative if it were not for the opportunity to draw on superannuation savings. Let me tell you what that project means for the Hunter region. This makes it tangible for people listening to this debate. This is what Keating’s $1 trillion bucket of money means for local regions. Nearly 14,500 people will be directly employed by businesses located in the Hunter employment zone. That is equivalent to 6.6 per cent of employment in the Hunter today. It is a huge increase. The current workforce of the Cessnock local government area, which I represent, is about 15,000 people. Through spending by state tenants and their employees, the business estate will also

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Monday, 29 May 2006

HOUSE OF REPRESENTATIVES

CHAMBER
indirectly contribute over 12,000 jobs to the Hunter.

HEZ is expected to contribute about $1.1 billion directly and $3 million indirectly to value add to the Hunter economy each year for a total contribution of $1.4 billion annually—an increase of 9.6 per cent on today’s figures. Combining the direct contributions and indirect contributions—they are $2.8 billion and $5 billion respectively—to Hunter turnover, HEZ’s business estate is modelled to contribute about $3.3 billion to annual Hunter turnover. That is an increase of 11.4 per cent on today’s figures. There is expected to be a direct and indirect contribution of about $1.1 billion to annual wages and salaries in the Hunter economy.

There is talk of a gas pipeline being built from south-east Queensland right through the Hunter and onto Sydney. That will of course not only introduce greater competition in the gas market at every point down that pipeline, including in the Hunter, but also introduce additional competition in the gas market in Sydney, Australia’s biggest market, and no doubt as a result will drive gas prices down in the private sector for both residents and industry operating in Sydney. The gas pipeline would not be a viable proposition if it did not have the Hunter Economic Zone as a base customer. Superannuation savings, a pool of money, taking pressure of pensions, taking pressure off the current account and making savings available for investment in Australian projects like the Hunter Economic Zone all flow into delivering super benefits to regions such as the Hunter.

This brings us to the question of the most recent talk about superannuation—the government plans as announced in the budget. Some on the other side of the House have dared to criticise Labor for not articulating a fixed and firm view on these super changes. That astounds me, given that they are not in the budget and there is no real proposal. The Treasurer says he was out there consulting for 12 months to deal with the very many unanswered questions about that scheme, the least not being the transitional arrangements for many people, but the government wants us to have a firm position. That in itself is a ridiculous proposition and we certainly will not be drawn into it.

It is interesting to see the member for Wentworth at the table because he, like me, sat for a long time on the Standing Committee on Economics, Finance and Public Administration, putting a lot of energy into an inquiry into the adequacy of superannuation for under-40s in this country. I cannot say too much about that inquiry because the report is yet to be tabled. Indeed, I think it is still in draft form and that would be a question of privilege. I do not think anyone would be surprised to learn that members of that committee were surprised to see the measures in the budget. I do not think it would be giving too much away, or running the gauntlet on privilege, to say that it has obviously been a surprise to them and has caused them some difficulty, because these changes were out of left field. While they will no doubt prove to be politically popular, the question arises whether they are both good politics and good policy. I think there is a lot of debate to be had in this country before those matters are finally determined.

The good thing about the government’s super changes is that they present simplicity. There is no doubt that consumers and financial advisers alike have been seeking greater simplicity for a long time. The other good thing—I suppose you might call it a good thing—is that it retains the core of Keating’s super plan, the employer super contributions et cetera. So the savings net will continue. It is hard to argue that this legislation does anything about adequacy. I have not seen any great evidence that it will address in any way
the number one issue, and that is adequacy. I do not see how it is going to add significantly to super savings for many people in many demographics.

There are a couple of big concerns with this legislation. One is that it would appear that the changes proposed—I underscore the word ‘proposed’ because in many senses we have not even seen the changes yet with no real costings—will undermine the progressivity of Keating’s scheme; in other words, make it more regressive, with most of the benefits coming to those on higher incomes who are most able to take advantage of the changes. What really surprised me about those changes—in fact, it shocked me and many in the community—was the removal of the incentive to take one’s super as a pension type payment; that is, as an annuity or an allocated pension, some other means of spreading the super over the balance of one’s life. This was a key element of Keating’s package.

What is the alternative? Give people an equal choice not affected by tax of taking an annuity, an allocated pension or a lump sum. Human nature is a fairly predictable thing. When some people who have never seen in one lump sum more than $50,000 in their life see a bucket of money worth anything up to $200,000, $300,000 or $400,000, I know what they will do: they will take the lump sum. Unfortunately, in some cases—it might be the minority of cases—they will also blow it. Some will do it almost deliberately—buy some fancy things, go around the world a few times or buy a new, gold wristwatch. Others do it inadvertently. Unfortunately, they will get caught up in a bad financial decision and lose the money. But, whatever the mechanism, whatever the process, one thing is certain: when the money is gone there is only one place to turn, and that is back to the age pension. This is not a clever move. It might be superficially attractive to some, but it is not a good thing for the nation. This is the debate we need to have.

Let me say this about the scrapping of the end benefit tax at age 60. The considerable majority of Australians do not pay this tax because it cuts in above $129,000 indexed for post 1983 superannuation savings. Even those that do pay it have it rebated back if they place the lump sum in a complying pension or annuity. That is the current system—again, an incentive to take the super as a long-term payment rather than a lump sum.

Turning to superannuation benefits, there is to be no income tax on a lump sum or pension at age 60. This is a significant change in benefit to those who have more than $129,751 in super savings at age 60. A person at age 60 will also be able to draw on their super even if they are still working full time or part time. They will no longer have to cease doing so at age 65; they can contribute to their super until age 75. This tax-free status will apply to new and existing retirees in a pension/annuity scheme but not to retired public servants in a defined benefit fund. It appears those in defined benefit pensions will receive a 10 per cent rebate instead. This, of course, is the politicians’ tax cut, the principle being that you cannot deliver in the budget a big tax break for those in a taxed fund because that would upset the relativities between those in a taxed fund and those in an untaxed fund. So to fix this problem, the principle is that you have to provide equity. The only way to provide equity is to give a 10 per cent rebate to those in an untaxed fund. This will affect not only politicians but also in greater volume public servants in these defined funds. That might be a principle worthy of supporting—it is a shame that politicians were in there muddying the waters—but it raises real questions about the government’s approach. These are the things we need to be debating.
Turning to self-employed contributions, the self-employed are to be covered by the co-contribution scheme and the same new general tax stream limitations as employees. Currently, a self-employed person can claim a 100 per cent tax deduction for the first $5,000 of contribution and a 75 per cent tax deduction for anything above this amount up to the age based limit, and the self-employed are not entitled to payment from the government’s co-contribution scheme. This is the only new measure that will directly encourage higher contributions to the system.

The number one issue is adequacy. Out of the government’s whole super package—I am not going to put a dollar value because they effectively have not but it is billions of dollars—only self-employed contributions are likely to add to adequacy. Again, these are matters we need to debate over the coming period in which the Treasurer has allowed us to consider the proposal. We will not be drawn in to coming to conclusions on them now.

With respect to contribution limits, there will be a new $50,000 yearly cap on all contributions for persons under age 49. This will replace the retirement benefit limit of approximately $1.3 million indexed and the existing age based yearly limits, which are less than age 35, maximum of some $14,000; from age 35 to 49, maximum of $40,000-odd; and, from age 50 to 69, maximum of $100,000. This is of benefit to those aged 49 or less as it allows them to contribute more to their super each year if they wish—if they can find the money to do so. It is negative for those aged 50 to 69 as it effectively halves the amount they can contribute to super. As the main group affected by this would be the high-income earners, the government has already flagged a transitional arrangement to help those persons over 50 who are disadvantaged—and so it should.

This is the big call. I know that financial advisers around the country are scurrying to tell their clients to get that money into that fund while they can. They are typically self-employed, they earn good money, they are looking for an opportunity to divest themselves of some of that capital into super, and the government is about to change the rules on them.

With respect to asset tests for the age pension, there is a reduction in the pension asset test taper rate from $3 to $1.50 per fortnight for every $1,000 of assessable assets. Currently, the limits are a single home owner can accrue $165,000 in assets and a couple, $275,000 in assets, before it affects their pension. Currently, for every $1,000 of assets a person exceeds this limit, it reduces their pension by $3. The budget proposal will help age pensioners by a $1.50 reduction for every $1,000 over the asset limit. Superannuation will still be included as part of the income assets test in determining a person’s eligibility for receiving an age pension. There is nothing wrong with that. The opposition does not have a particular difficulty with that proposition but, again, where is the measure for adequacy?

I will briefly say something about the detail of the bill before the House, the Superannuation Legislation Amendment (Trustee Board and Other Measures) Bill 2006. I do not want to dwell on it. It is unusual for me to immediately follow the minister presenting the bill but, as he indicated, the bill consolidates and revises the government’s arrangements of the Commonwealth Superannuation Scheme, commonly known as the CSS, the Public Sector Superannuation Scheme, the PSS, and the Public Sector Superannuation Accumulation Plan, commonly known as the PSSAP, and gives effect to them from 1 July 2006. I love all those acronyms.
The bill’s introduction is in response to the Review of the Corporate Governance of Statutory Authorities and Office Holders, commonly known as the Uhrig review, which reported in mid-2002. So you can see the government has not rushed in. The Uhrig review was appointed to review the governance practices of statutory authorities and office holders. Of particular interest to the review were those agencies which impact on the business community. The objective of the review was to identify issues in relation to existing governance arrangements and to provide policy options for government to gain the best from statutory authorities and office holders and their accountability framework.

The review found that the Financial Management and Accountability Act 1997 should be applied to statutory authorities and recommended that these organisations be governed by a CEO. The review also found the Commonwealth Authorities and Companies Act 1997 should be applied to statutory authorities and these organisations should be governed by a board. In general, agencies which exclusively manage Commonwealth appropriations should be represented and governed by a CEO, and a board structure is favoured if there is a strong commercial focus to the organisation or if the agency is intergovernmental.

The main recommendation of the Uhrig review was on the optimal size of a statutory authority board. The review recommended a public sector board size of between six and nine members. Currently, the boards overseeing the Commonwealth superannuation schemes are of different sizes: the CSS board has seven members, the PSS board has five members, and the PSS board is responsible for the operation of the PSSAP.

Following the release of the Uhrig report, the Department of Finance and Administration recommended that the PSS board be increased from five to seven members and that consideration be given to the establishment of a single board for the CSS, the PSS and the PSSAP. So the proposed merger of the CSS and the PSS boards has several advantages, including reducing complexity, simplifying administration and bringing the Commonwealth superannuation investments into line with best practice principles identified in the Uhrig review. Labor’s view is that this bill has no financial implications. It is true to the Uhrig report and on that basis we will be supporting the changes articulated in the bill.

The DEPUTY SPEAKER (Hon. BK Bishop)—Is the amendment seconded?

Dr Emerson (Rankin) (8.12 pm)—I second the amendment. Labor supports the Superannuation Legislation Amendment (Trustee Board and Other Measures) Bill 2006 because it involves a modest amount of streamlining and simplification and that of itself is a worthy objective. It involves no cost to the revenue; therefore, on that basis it makes sense to establish a single board overseeing the various superannuation acts governing public servants. That is why Labor supports it. I also support very strongly the second reading amendment moved by my colleague the member for Hunter, and I want to dwell on the content of that amendment in my remarks tonight.

The entire modern superannuation system of Australia was developed by former Treasurer Paul Keating—a tribute to him and his farsightedness in ensuring that there were reasonable retirement income prospects for working Australians. Up until that time superannuation had been the province of wealthy Australians, whereas working Australians on lower incomes did not look forward to the prospect of a reasonable retirement income. Mr Keating, as the Treasurer,
set the ball rolling by introducing a compulsory superannuation scheme through the superannuation guarantee arrangements.

He had the foresight to understand what was confirmed in 2002 by the present Treasurer in the Intergenerational report—that is, we do have a problem with the ageing population. In the true Labor spirit of encouraging self-reliance and self-provision, former Treasurer Paul Keating knew that something needed to be done and that is why he created superannuation for working Australians. In so doing, he created a world-leading retirement incomes policy, where there would be a combination of superannuation and, for all those who did not have adequate retirement incomes, a part or full age pension.

This was a far-reaching reform that has put Australia in a very good position. If it had not occurred then the alarm bells that were ringing in 2002 in the Intergenerational report would have been positively deafening because, even with Paul Keating’s far-sighted reforms, there are genuine financial problems associated with the ageing population and there are problems with the budget. Indeed, the Intergenerational report projects that, on the assumption that tax rates are unchanged, there will be an increase in the fiscal deficit equal to five per cent of GDP. That is a very large amount of money, something in the order of $60 billion—something about which all Australians should be concerned and something about which we as parliamentarians need to anticipate and to put in measures to ensure that that very bad scenario does not unfold in Australia.

When Treasurer Keating introduced these reforms you would have thought and hoped that a coalition in opposition that paraded itself as the champion of self-reliance and individual liberties would have supported the spreading of superannuation through the workforce but, sadly, it opposed those superannuation measures with extreme vigour. It did everything it possibly could to ensure that working Australians did not enjoy the benefits of the superannuation guarantee.

This brings me to the often heard assertion in this parliament that, when in opposition, the coalition supported the reform program of the Hawke and Keating governments. At best, that is a massive overstatement. It is well known now—and confirmed by the Productivity Commission, the OECD, the International Monetary Fund, the Secretary of the Department of the Treasury—that much of the prosperity that Australia enjoys now was a consequence of the reform program of the Hawke and Keating governments. That reform program was not, contrary to assertions by the Prime Minister, widely supported by the coalition, then in opposition.

Central to that reform program was the introduction of an assets test on the age pension in 1984. Mr Peacock was the Leader of the Opposition at that time, but the coalition ran a very strong campaign against the assets testing of the pension. I note in the discussion paper released on budget night that there is a proposal to further ease the assets test on the pension. Access Economics has in the media today estimated that most of the $6.2 billion cost of the changes over the next four years in retirement incomes is in fact attributable to the easing of the assets test on pensions. So the coalition has been pretty consistent on this and obviously believes that the pension should be universally available—yet this is a political party that parades itself as the champion of self-reliance and self-provision.

The coalition’s opposition to Labor’s reform program did not stop there. The coalition opposed many of the measures introduced by the incoming Labor government to close down the notorious bottom of the har-
bour schemes. It also opposed the major tax reform program of 1985, which included a fringe benefits tax, a capital gains tax and the nondeductibility of entertainment expenses—all of which in fact were used to broaden the income tax base and to lower the marginal rates. I notice the member for Wentworth is at the table today—certainly a strong advocate of broadening the income tax base to lower the marginal rates of tax—but, while the coalition talks the talk of tax reform, it was Labor in government that walked the walk on tax reform and effected the biggest cuts in marginal rates of income tax in the postwar period. If you look at the history of the reforms to the tax system, Madam Deputy Speaker, you will find that the cuts in the marginal rates of income tax were actually made by Labor governments. Ironically, the party that says it is the party of tax reform has increased marginal rates of income tax, eroded the income tax base along the way and jiggled the thresholds ever so slightly.

It was not only the fringe benefits tax, capital gains tax and non-deductibility of entertainment expenses that the coalition opposed but also the petroleum resource rent tax, a tax that will be the subject of debate later this week. Thank goodness we have a petroleum resource rent tax: we have a resources boom and the PRRT, which I was able to assist in designing, collects for the community a reasonable share of the benefits of that resources boom as it applies to the petroleum industry. But, true to form, the coalition government opposed that.

Where am I leading with this? I am leading to this point: one of the next great reforms that the coalition opposed was the provision of superannuation and a reasonable retirement income to working Australians. The coalition was, as I said earlier, vigorous in its opposition. Of course, the coalition knew that this was an important reform and thought, for political opportunism, it should nevertheless oppose it. I have a document titled Super for all—security and flexibility in retirement: the federal coalition’s superannuation and retirement income policy, dated 19 February 1996. It was one of these rolled gold ironclad promises—a core promise, I am sure—because here it is in black and white on page 6:

A Coalition Government:
will provide in full the funds earmarked in the 1995-96 Budget to match compulsory employee contributions according to the proposed schedule;
will deliver this Government contribution into superannuation or like savings;
reserves the right to vary the mechanism for delivering this contribution so as to provide the most effective and equitable delivery of the funds.

The coalition took government in 1996 and then in the 1997 budget it cancelled the extra contribution which would have flowed into the accounts of working Australians and which would thereby have increased the provision for retirement incomes to 12 per cent from nine per cent. It did not preserve those funds. It did not do that at all. Instead it introduced the infamous savings rebate that lasted all of six weeks. When the Prime Minister was asked in the parliament whether he would take the savings bonus, he declared he would not and the whole thing went down
the tube within six weeks—and with that came the breaking of the promise that was made in 1996 and the assurance that retirement savings of working Australians would be an adequate 12 per cent of incomes.

Fast forward to 2006. We have another major change in the superannuation arrangements. It is a complex document and detail is still missing. I want to spend some time now making some observations about the discussion paper that was released on budget night. The Treasurer certainly gave the impression on budget night that this was a set of policies. It is not. It is a discussion paper. But, when you stop to think for a moment it means this: that anyone over the age of 60 in the future need not pay income tax. The reason I say that is that anyone over the age of 60 will be able to take superannuation benefits as a lump sum or put it into a savings vehicle, and the earnings on that savings vehicle will be tax exempt. So they can take the lump sum tax free or they can put that money into this vehicle and any earnings on that will be tax exempt. Add to that the senior Australian tax offset, which is around $20,000 for an individual and $40,000 for a couple, and you would be a mug to be paying income tax if you are over the age of 60.

When we assess the merits of this proposal, let us apply the standard tests. The first test in assessing the merits of a change in taxation arrangements is simplicity. It passes that. It certainly is simple, and therefore, on that basis, the proposal has merit. But I have a way of simplifying the income tax system dramatically. Up until recent changes, the income tax act ran to 9,600 pages. There is a way of simplifying that: abolish income tax. This is effectively what the government has done in respect of superannuation for anyone over the age of 60. So abolishing a tax certainly passes the test of simplicity and gets a tick on that basis.

The second criterion would be revenue-raising capacity. We have taxes to raise revenue. As a result of the effective abolition of income tax for people over the age of 60, as appears to be the case outlined in this discussion paper, there will be a very substantial hole in the revenue. Taxation statistics have just been released for the year 2003-04 and they reveal that income tax collected from people over the age of 60 amounted then to almost $10 billion. So I pose this question: do these changes put a $10 billion hole in the income tax base? On the face of it, that appears to be the case.

If you put a $10 billion hole in the income tax base then we must ask the question: how will the hole be plugged? There are three ways. The first way to plug a $10 billion hole in the income tax base is to increase the income tax for those who still pay it—that is, working people up to the age of 60. I have done a simple calculation. For a taxpayer on $55,000 per annum, the average tax rate would have to rise from 25.2 per cent to 28.1 per cent. That is an increase of 2.9 percentage points and it equates to an increase in tax paid of—wait for it—11.5 per cent. What does that work out as in dollars per week? More than $30 a week. So, if you do poke a $10 billion hole in the income tax base and you say to the other people, who do pay tax, ‘You’ve got to pick up the bill,’ the bill for someone on $55,000 a year is more than $30 a week.

There are two other ways of plugging the hole. The second way is to withdraw services for people over the age of 60—or indeed for people under the age of 60. People over the age of 60 have become accustomed to having their aged care supported financially by the government of the day. They have been accustomed to receiving an age pension if their incomes are not so high as to preclude them from receiving the pension, and there is also health care. One or more of those would
have to be curtailed in order to fund the $10 billion hole.

There is a third way. The third way is the GST. This is the orphan tax. The government of Australia, the Howard government, denies that it ever gave birth to this tax. It says it is not a Commonwealth tax. It is a Commonwealth tax. Ask the Statistician and ask the Auditor-General but do not ask the Howard government because it will deny that the GST is a Commonwealth tax. The third way of plugging a $10 billion hole is to increase the rate of GST or remove the food exemption—that would do the trick. We on the Labor side of politics would strongly oppose these sorts of measures: increasing the GST rate or removing the food exemption, withdrawing the age pension or services from people over the age of 60 who have retired and are on low incomes or increasing the income tax burden on working Australians. It is incumbent on the government, when it releases its final position paper on these superannuation changes, to inform the Australian people honestly as to which of those three options it favours in order to fund the big hole that it has poked in the income tax base.

The Intergenerational report was an important report and if we have a $10 billion hole now just imagine what that hole will look like as more and more wealthy baby boomers move into retirement. The first of those baby boomers, born in 1946, will reach the age of 60 this year, but we know that there is a huge surge of retiring baby boomers coming through the system and that is what is causing the ageing of the population. I advise the House that at present around 18 per cent of Australians are over the age of 60 and that by 2041 that will have increased to more than 31 per cent, so the $10 billion hole must get bigger and the chickens must come home to roost. It is all very well for this government to release a policy which sounds terrific and simple but will it lead to those chickens coming home to roost and to a future government withdrawing services from or increasing tax rates on the poor? That is what the government has to answer, and it has to answer it soon. (Time expired)

Mr RIPOLL (Oxley) (8.32 pm)—I rise to speak tonight on the Superannuation Legislation Amendment (Trustee Board and Other Measures) Bill 2006. It is interesting to be speaking on this bill not only because the bill does a variety of things but also because it gives me and other members in this place some opportunity to venture wide while still remaining within the confines of discussing superannuation within the context of superannuation changes, particularly those relating to the budget. Superannuation is a very important area, and we have just heard the member for Rankin talking about the Intergenerational report and the impact that report will have on the future decision- and policy-making direction of governments and how we deal with people’s retirement incomes, particularly those of the baby boomers when their turn to retire comes, many of whom will retire soon. So there are many very important decisions, issues and policies to be considered not only by this government today but by future governments in this area whose importance I think is sometimes well and truly overlooked in terms of long-term planning and what needs to be done. I cast my mind back to not too long ago when Treasurer Costello was lording the greatness of the Intergenerational report. We heard from him at that time that this was the biggest thing, the biggest challenge, the biggest policy area for the next 40 years—this was going to be bigger than anything else that had ever taken place.

Mr Murphy—What has he said lately on it?
Mr RIPOLL—Exactly! The member for Lowe throws me a good line when he asks, ‘What has he said lately on it?’ Unfortunately, the Treasurer has said nothing, and it would be a real tragedy if he is not being true to his word. Not so long ago, when the *Intergenerational report* came out, he was using it almost like his personal manifesto. He talked about this great challenge for the next 40 years—visionary words but we are yet to see visionary policy or action. I have to say that I am concerned about what that means for the future, particularly if you look at the latest budget: the huge spend by government, the opening up of the coffers and the throwing out of money, sprinkling it over Australia and hoping that it hits the political mark with our seeing nothing such as some serious work on the direction given by the *Intergenerational report*, which is very much supported and understood by the Labor Party.

Labor were the builders of superannuation. It was the Labor Party that saw well into the future and had a grand vision, a great vision, of ordinary working people being independent in their retirement and having good, solid retirements—people who would normally not have the capacity to access the income or funds that would provide for them in their retirement years. So Labor have always been the builders and have always had the visionary policy to deal with these issues, and I do not think anything has changed today. Labor are still committed to superannuation and we believe it should be much better than it currently is. The nine per cent is certainly a good position and a good start, but we certainly need to move forward from that.

I, as a Labor member, the Labor Party itself, the people who have supported us and ordinary people should be very proud of the work that Paul Keating did that very much led the super debate. He worked hard to try to get people to understand how important it is to save for your retirement, to put something away to make sure that you are not left to your last resort, the pension. Thank God the pension is there, but living on it is a meagre existence and a difficult position for most. People lucky enough to have paid off and own their home, to have their own vehicle and to have no other debts to speak of can get by on the pension, but we know it is very difficult to do so. All of the members of this House, whether they are on this side or on the government side, fully appreciate the difficulty that people on the pension generally have in trying to still lead a normal, decent life while being on the bare minimum. So I think it is opportune that this bill has come up tonight.

The bill has a number of purposes. One is that it revises and consolidates the governance arrangements for the Commonwealth Superannuation Scheme, the CSS, the Public Sector Superannuation Scheme, the PSS, and the Public Sector Superannuation Accumulation Plan, the PSSAP, and that will take effect from 1 July this year. The bill enters the House in response to the *Review of the corporate governance of statutory authorities and office holders*. This is part of the Uhrig review, which reported in mid-2003. The Uhrig review was appointed to look at the governance practices of statutory authorities and office holders. Of particular interest to the review were those agencies which impact particularly on the business community.

While it was not a completely wide-sweeping review, it was still an important one that identified a number of very important aspects and discrepancies in the accountability, management and operation of those super funds that I have mentioned. In particular the objective of the review was to identify issues in relation to existing governance arrangements and to provide policy options for government to gain the absolute best from their statutory authorities and office holders in those authorities and to deal...
with the accountability frameworks and how they operate within those particular funds.

The review found that the Financial Management and Accountability Act 1997 should be applied to statutory authorities, and it recommended that these organisations be governed by a chief executive officer. The review also found that the Commonwealth Authorities and Companies Act 1997 should be applied to statutory authorities and that these organisations should be governed by a board. These are sensible recommendations and I do not think anyone would question them, and certainly we support them. The review also found in general terms that agencies that exclusively manage Commonwealth appropriations should be represented and governed by a CEO and board structure. That was favoured in terms of a strong commercial focus towards an organisation or if the agency happened to be an intergovernmental agency.

The main recommendation of the Uhrig review was in relation to the optimal size of statutory authority boards. The review recommended that a public sector board size should be between six and nine members. Currently the boards overseeing the Commonwealth’s superannuation schemes are all different. There is no consistency in how they operate and there are a number of inconsistencies in the sizes of the boards. For example, the Commonwealth Superannuation Scheme board has seven members and the Public Sector Superannuation Scheme board has only five members, and the PSS board is responsible for the operation of the PSSAP as well. Following the release of the Uhrig review, the Department of Finance and Administration recommended that the Public Sector Superannuation Scheme board be increased from five to seven members and that consideration be given to the establishment of a single board for the CSS, the PSS and the PSSAP. Again, these are good, sensible proposals.

The proposed merger of the CSS and the PSS boards has several advantages. A number of things that will be of benefit will be the reduced complexity and the dilution to a simpler and much more accountable board with a better format and a much more transparent and accessible style of operation and administration. The simplified administration is very important.

If you made a comparison with industry super funds, you would see that they are certainly run well. I do not think there are any particular issues in terms of their practices, but certainly inconsistencies and a number of management and administrative issues could always be improved. If you have a look at the performance of industry super funds, and there are quite a number of them, you can see that they are exceptionally well managed, particularly some of those that are run by unions. They are excellent funds and are models within the superannuation schemes and funds industry. I think there are some good lessons to be taken from the way that unions run their schemes and how effective and profitable they are for their membership in the services they provide. There are lessons in the way they are administered and the way in which their boards are run. It always gives me great confidence to know that these funds are managed in the way they are.

Another area of importance relates to conformity and pulling Commonwealth superannuation investments into line with the best practice principles identified in the Uhrig report. That link between what happens in industry funds and what happens in Commonwealth superannuation investments needs to be strong in terms of how they are administered and their performance. The Uhrig review dealt with those issues.

Concerns were raised in relation to assets of the three schemes that would be joined together and managed as one trust. The gov-
The government has given assurances that this will not happen. So the government has looked at this issue and we are confident that that will be the case. It is also important that the investments of the three schemes are separately managed as the age profiles and the rates at which members of the various schemes retire are different. There are different needs in the different schemes. The schemes really are unique in their provision of services, and I think it is important that this unique provision of services be dealt with separately. They should have their own management and their own boards, and they should be accountable in that fashion so that there can be no question on the transparency, the complexity or the issues that arise because of differences in the way they are administered.

Consultation on this bill has been conducted and an agreement reached that satisfies all members of both the current boards. The bill has no financial implications for the Commonwealth, which I am sure the Commonwealth is very happy about. Labor supports the bill, which I said earlier and other speakers have also said, and it does provide us with the opportunity to look at superannuation more generally.

Quite interestingly, in relation to the budget, with which I started, there are sweeping superannuation changes from the government, in particular to the 15 per cent exit tax. It is thrown at us every day that this is a great change from the government. It is certainly applauded and it is a good change, but I think there could have been a better change. More interesting than that, though, is the number of people that it will affect. That is certainly a key point here.

The impression I got on the day was that this was a massive change that affected everybody—that it had a 100 per cent impact. On closer examination, if you dig just below the surface, you will find that most Australians are not affected at all by the 15 per cent exit tax. I will be very generous and say that we were slightly misled; certainly, we were not led in the proper direction on this. The truth of the matter is that around 85 per cent of people never pay the exit tax—and it is important that we note that. Most people do not have enough superannuation to meet the cut-off limit of $129,750. So, even though they might have been rubbing their hands together on budget night and thinking it was all solved and done, they are not affected by it. It is not just the complexity of the Australian superannuation system that is a problem. The day after the budget speech, the Treasurer, Mr Costello, said:

… you don’t need a financial adviser to get into superannuation … can I say to you one of the reasons why people have been going to financial advisers is the end rules have been so complex. Once we sweep those away then I don’t think you will need a financial adviser at the end of the superannuation chain either because you will know this one thing; that your superannuation will come out of the fund tax free.

Mr Murphy—You can’t trust him.

Mr RIPOLL—I think you are right. You cannot trust him on this. However, as my colleague Senator Sherry quite rightly pointed out, the new rules for contribution limits—that is, $50,000 a year for those under 50—create new uncertainty and increase the need to seek financial planning advice. So I do not think this is going to make things simpler or easier for anyone else. Then, of course, there was the outrageous 15 per cent surcharge, which was introduced back in 1996.

Mr Murphy interjecting—

Mr RIPOLL—The government promised at that time that there would be no new taxes, but, two months later, we saw a new tax—and we have seen a whole heap since then. So it is not always as it seems on the surface.
The government are so confused about their own superannuation changes that they cannot even get it right among themselves. We have been hearing it in question time in the House of Reps. The government have been saying, ‘Will you back our super changes?’ We have been saying, ‘We’d love to if we knew what they were. You don’t.’ Although they have made an announcement, the government do not have policies yet. It is quite usual, in terms of a budget, to make an announcement and put an aggregate costing on it—I think the figure is about $6.2 billion—and not break it down so that we can see where the money is being spent. Again, a bit of she-nanigans is going on there.

Just six days after the Treasurer, Mr Costello, proclaimed that you do not need to get a financial adviser, Chris Pearce, the Parliamentary Secretary to the Treasurer, said, ‘I would have thought it would have been quite the opposite.’ So I think the Treasurer and his parliamentary secretary will have to have a bit of a talk and see who is right on this issue. It is certainly an area of concern.

This bill is not controversial. This bill has Labor’s support. Labor have always supported proper and correct moves to enhance Australia’s superannuation regime. We will continue to do that not only because we built the system but also because we are supporters of superannuation. We think superannuation is a very important part of a person’s retirement and that it should be supported.

There are a number of other things which are important to note when discussing these matters. The government said that about 100,000 people are expected to retire next year, implying that this is how many people would save a massive amount of money on the 15 per cent exit tax. But, if you break that down, it is quite misleading, because that is just the number of retirements. It does not go into the detail of who will benefit from it. If you are a CEO retiring on millions of dollars there will be a huge windfall—not that you would need it. But for an ordinary person who is retiring—

**Mr Murphy**—David Murray is going to do well.

**Mr RIPOLL**—David Murray will do very well. There is no question about that at all. Another change in the budget which is a good idea and supported by Labor is that self-employed contributions—those covered by the co-contribution scheme—will now be given the same general tax treatment and limitations as employees. I think this is a good move and a worthwhile change. But, if you break it down and take out the 15 per cent, this is the only new measure, in terms of self-employed contributions, that directly encourages higher contributions to the system. I think that is key. What we should be doing is directly encouraging higher contributions—if the government had the gumption. Senator Minchin said a number of times in interviews that the real kicker, the real bonus, would have been on the way in. Anyone who has done basic maths 101 would understand that, if you save the 15 per cent on the way in, the accumulation over a lifetime to retirement gives you a much bigger outcome. That can easily be demonstrated by anyone who sits down and does some simple arithmetic on this. Of course, the cheaper option, the easier option, is to do it on the way out. I think that is what the Treasurer was talking about when he said this is less complex. Yes, it is less complex for government, but it is not necessarily less complex for those who are about to retire.

So there are a range of issues. The government has finally taken some notice on superannuation. The greatest tragedy is that, with the size of this budget, the government, in raining down dollars wherever it could, missed the mark. The government missed the
opportunity to make visionary changes where they were needed the most. For me and a lot of people I have talked to, that is the real miss in the budget and the super changes. People were pretty excited up front, and I think this is why the government missed the point on this. They thought they would get a great week or two out of their budget, but it only lasted a few hours because people worked out very quickly that there were more politics than good measures in what the government had done. Labor support this bill, but we think the government has a lot more work to do. (Time expired).

Mr GEORGANAS (Hindmarsh) (8.52 pm)—I too rise to speak on the Superannuation Legislation Amendment (Trustee Board and Other Measures) Bill 2006. The purpose of this bill is to consolidate and revise the governance arrangements for the Commonwealth Superannuation Scheme, or CSS, the Public Sector Superannuation Scheme, or PSS, and the Public Sector Superannuation Accumulation Plan, or PSSap, with effect from 1 July 2006. Before I speak on the substance of this bill I would like to place on the record my views of the government’s superannuation changes announced in the budget—particularly, the Treasurer’s contemptuous attitude to every Australian saving for retirement.

The budget announced that the 15 per cent exit tax on superannuation payments would be abolished. The first point I would like to make is that this does not help many Australians. Why? For the simple reason that it only applies to those with savings over $129,751 and the majority of Australians do not have this kind of money when they retire.

I see many people in my electorate of Hindmarsh, where 25 per cent of the population are 65 or over, and, believe me, many of those people are retiring on very little super or none at all.

The second point I would like to make is how ridiculous—in fact, reckless—was the Treasurer’s statement that there is no need to get financial advice on superannuation anymore. The Treasurer said on 10 May:

... you don’t need a financial adviser to get into superannuation ... Can I say to you one of the reasons why people have been going to financial advisers is the end rules have been so complex. Once we sweep those away then I don’t think you will need a financial adviser at the end of the superannuation chain either because you will know this one thing, that your superannuation will come out of the fund tax free.

This is clearly nonsense. In the very same budget there are changes which make the superannuation system even more complex. Take the planned new rules on contribution limits. The limit of $50,000 a year for those under 50 creates new complexity. Some of the rules are backdated and are not finalised due to the need for transitional provisions. In fact, the Treasurer’s own assistant, the Parliamentary Secretary to the Treasurer, Mr Pearce, stated last week: ‘I would have thought it would have been the opposite.’ This superannuation system is so confusing that the Treasurer and his assistant cannot agree—or maybe it is just that they do not talk to each other. I have to agree with the Treasurer’s assistant on this occasion: the changes in the superannuation system make it more complicated, not less.

The bill enters the House as a result of the Review of the corporate governance of statutory authorities and office holders, which reported in mid-2003. In November 2002, the government appointed Mr John Uhrig to conduct a review of the corporate governance of Commonwealth statutory authorities and office holders. The objective of the review was to identify issues in relation to existing governance arrangements and to provide policy options for government to gain
the best from statutory authorities and office holders and their accountability frameworks.

The Uhrig review recommended two templates for government statutory authorities to ensure good governance: agencies should be managed either by a chief executive officer or by a board structure. The review states:

Two templates have been developed incorporating these governance principles. A ‘Board Template’ is proposed where government takes the decision to delegate full powers to act to a board, or where the Commonwealth itself does not fully own the assets or equity of a statutory authority (that is, there are multiple accountabilities). The ‘Executive Management Template’ is proposed in other cases.

The review found the following: firstly, that the Financial Management and Accountability Act 1997 should be applied to the statutory authorities and that these organisations should be governed by a CEO and, secondly, that the Commonwealth Authorities and Companies Act 1997 should be applied to the statutory authority and that these organisations should be governed by a board. The opposition supports this bill.

Mr NAIRN (Eden-Monaro—Special Minister of State) (8.57 pm)—In summing up, I thank members opposite for their contributions on the Superannuation Legislation Amendment (Trustee Board and Other Measures) Bill 2006. The amendment moved by the member for Hunter was obviously a nonsense amendment that was simply designed to allow a number of members to talk on superannuation but had nothing to do with the bill itself. The member for Rankin spoke on the bill for about 30 seconds and then proceeded to talk on other matters. I think it came as such a surprise to members of the opposition that the superannuation measures in the budget were so good that they felt they had to grab every opportunity to try and regain some ground on superannuation as a result—and, unfortunately, they have used this bill to do so.

The bill is straightforward. It brings together three schemes under one board. As I said in my second reading speech, it is a sensible bill and follows recommendations made in the Uhrig report. The consolidation of the governance arrangements for the three schemes under one board will provide significant opportunities for efficiencies in the management of the schemes. It will also offer an opportunity for the new board to adopt one investment mechanism for the ongoing management and investment of the three funds. This is particularly significant for the Commonwealth Superannuation Scheme, which has been closed to new members since 1990 and has a decreasing contribution base. I commend the bill to the House.

Mr Murphy—Mr Speaker, I just want to put on record that I think the member for Rankin made an invaluable and lasting contribution to the superannuation debate.

The SPEAKER—The original question was that this bill be now read a second time. To this the honourable member for Hunter has moved as an amendment that all words after ‘That’ be omitted with a view to substituting other words. The question is now that the words proposed to be omitted stand part of the question.

Question agreed to.
Original question agreed to.
Bill read a second time.

Third Reading

Mr NAIRN (Eden-Monaro—Special Minister of State) (8.59 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.
Bill read a third time.
East Timor

Mr Snowdon (Lingiari) (9.00 pm)—This afternoon and this evening in Dili, in Timor Leste, a council of state has been meeting. A council of state includes the President of Timor Leste, Xanana Gusmao; the Prime Minister, Mari Alkatiri; and the foreign minister, Jose Ramos Horta. I am sure that we all hope that they can come to some conclusions and to an agreement about the way ahead for the governance of Timor Leste in this time of some crisis.

It is worth recalling Australia’s involvement in East Timor since 1999—indeed, our ongoing historical association with the people of Timor Leste primarily as a result of their protecting, harbouring and working with Australian troops in World War II. We should also be mindful that, in May 2004, when the United Nations took a decision to downgrade the number of military and civilian personnel wearing the blue berets, from 3,000 to 700, it took a conscious decision about the future of Timor Leste and the progress of that community. It also took the decision knowing that it had representations from that government to extend the length of the stay for the United Nations and to increase and maintain a higher level of military and police presence.

That was not to be, so the United Nations took a conscious decision to change the way things were. Last Sunday the UN High Commissioner for Human Rights, Louise Arbour, said in Guatemala that post conflict countries like East Timor needed more support to avoid descending again into chaos. She said:

Countries emerging from warfare have to receive more support if they are going to cope. The current situation in East Timor signals the need for the recently constituted UN peace building commission.

I say, ‘Hear, hear’ to that. I also want to commend the Australian government for its response to the call from the government of Timor Leste for support. They are our friends, and we should be proud to maintain the strength of our relationship by showing them the support they greatly need. But I think it is too early to talk about failed states. There are many commentators who have written off Timor Leste in the last 36 to 48 hours. Some, who are most notable Australian foreign correspondents, have made quite outrageous assertions about the nature of the Timor Leste government. They ought to sit back and allow the council of state to work with the United Nations, and their friends—Australia and the other nations who are providing forces, Malaysia and New Zealand in the first instance—to come to some reasonable agreement and arrangement as to how to progress things from now on.

We should also recognise that, within a fairly short space of time, there are to be elections in Timor Leste. If, as has been asserted by many, principally from outside the country, there is a lack of confidence in the government, at that election—if, as in Australia, people express their will for a free and democratic process—they will have that opportunity to pass judgment. No doubt, if the judgment that has been asserted by many is determined, we will have a new government in Timor Leste. But what we do need to do is to sit back a bit, take a deep breath and stop the external commentary that has been taking place—including, sadly, from our own Prime Minister. We need to work with these people.

We need to make sure that the government of Timor Leste are a viable government by showing them the support they richly deserve by working with them. By all means, make sure they are accountable, but we
should not see, as we have seen in the last little while, a consistent undermining of the government’s attempts to try to maintain some sense of order—a sense of order which we all require and which will be assisted greatly by the presence of Australian troops who, once again, are doing a magnificent job.

**Australian Labor Party**

Mr TICEHURST (Dobell) (9.05 pm)—I rise tonight to express my disgust at just how far the Leader of the Opposition, the Labor Party and union officials have gone to attempt to increase their profile in my electorate of Dobell. They blew into Terrigal last Saturday like the dark cloud of a thunderstorm—plenty of noise and lots of hot air—but it ended as a fizzer. The Leader of the Opposition was there to address a forum on Work Choices, along with Senator Hutchins, John Della Bosca and Health Services Union National Secretary, Craig Thomson. The forum ran from 11.30 to 12.30. Thomson, as president of a new group to represent locals, invited me and others to the launch of the so-called independent Coastal Voice Community Group. He promoted free fun for the whole family to meet the patrons, the mariners and other local politicians. They were going to have a sausage sizzle, face painting and jugglers. Conveniently, it was to start at 12.30, right across the road from the forum at which he had a starring role.

He did not mention that none other than the Leader of the Opposition would do the launch. The hotel at Terrigal has a long history for the Labor Party, but Thomson would not know that—he was a blow-in from Victoria a few months ago. When Bob Hawke was Prime Minister, he held a national conference at Terrigal. There was a famous swim in the pool with certain ladies, as I recall. Then the Terrigal faction was formed. In those days the ‘Florida’—which was the name of the pub—was more in keeping with the local pub, not the five-star top class status for headlining comrades as it is now as the Crowne Plaza.

In addressing the House tonight, I must say that I am hesitant to give the ALP ploy any oxygen; however, I feel it is right for the Central Coast community to know how they have been hoodwinked. This so-called community group, Coastal Voice, purports to represent Central Coast residents. Specifically, it purports to do this through lobbying for more government attention and funding across issues such as transport, health, crime and youth and by ensuring accountability from the elected representatives of the Central Coast. This group is not the genuine apolitical community group that it pretends to be. It is in fact an Australian Labor Party front, with most, if not all, committee members affiliated with the Labor Party, including former Labor councillor Bill Thompson and former Labor candidate for the last council election, Kerry Stratford.

Its recently distributed glossy brochure includes four ‘concerned residents’ who outline their reasons for joining. These concerned residents are all ALP members. National Secretary of the Health Services Union, Craig Thomson, is president of this ALP front. I am shocked to say that Craig Thomson sees nothing wrong with blatantly misleading local residents. To add insult to injury to the people of the Central Coast, this group deceived our local soccer team, the Central Coast Mariners, with regard to their intentions. They convinced them to become patrons of their so-called community group. Thankfully, the group’s true identity was exposed, and I understand the mighty Mariners have withdrawn their support.

One of my constituents struck up a conversation with one of the group’s members at the barbecue launch on Saturday and was
told: ‘Our plan is to hide behind other groups to get our policies out there.’ This is Labor in action. I am proud to be a member of the Liberal Party and people know where I stand. To be so blatant in trying to deceive people by hiding this group’s political affiliation is not the way things are done on the Central Coast. We say what we stand for; we are up front.

The union representative who blew in from Melbourne a few months ago cannot pretend to understand the issues of the Central Coast, much less the way things are done locally. I have been on the Central Coast since 1977. I have watched and been active in the growth and protection of this beautiful part of Australia. Never in my 29 years on the Central Coast have I witnessed such a manipulative scheme to fool local residents. Graham Richardson’s ‘Whatever it takes’ is not the way to gain trust. Abraham Lincoln said, ‘You can fool all the people some of the time, and some of the people all the time, but you cannot fool all the people all the time.’

Mr Thomson, my challenge to you is: come clean, stop scamming the people of the Central Coast and disband this ALP farce. Some residents have already discovered the true colour of the group. One resident, who emailed me last week, said:

I noticed with interest the flyer (the third so far) that has come through my letterbox unauthorised featuring Mr Craig Thompson. Who is this man? I am a swinging voter, but smelt a rat, and set about finding out.

He goes on to say:

My problem is, how dare he now call himself the voice of the Central Coast? He is not from the Central Coast, and has only moved here to further his political ambitions. What would he know about the Coast and its people, and what they want?

He continues:

At least if you are going to run a political lobby group, be ethical about saying who you are.

(Time expired)

**Glenelg Surf Life Saving Club**

**Year of the Surf Lifesaver**

Mr **GEORGANAS** (Hindmarsh) (9.10 pm)—On Saturday, 27 May, I was honoured to be invited to the annual awards of the Glenelg Surf Life Saving Club at their new premises on the Glenelg foreshore. I was very thankful for their kind invitation to attend the awards last Saturday evening. It was very special for me to be involved, even if only in a small way, in the activities of the Glenelg Surf Life Saving Club and to present some of the awards on the night, together with the Mayor of Holdfast Bay, Mr Ken Rolland, and the state member for Morphett, Mr Duncan McFetridge.

It was a very special and important night as it was the first award dinner in the club’s brand new premises—a magnificent building with great facilities and overlooking the Glenelg beach on the former site of Magic Mountain. Members from South Australia would all be familiar with Magic Mountain. The Glenelg Surf Life Saving Club clearly deserves this great new building, these fantastic premises, for the magnificent work it has provided to the community and for the number of lives it has saved over the years at Glenelg beach.

The club is currently growing, with over 400 members, and plays a significant role in our beachside suburbs. Glenelg is one of South Australia’s busiest beaches, attracting beach-goers from all over the state. The importance of the Glenelg Surf Life Saving Club cannot be overemphasised. In fact, the efforts of surf-lifesaving clubs Australia-wide in rescuing people have been first class, as has been their provision of first aid assistance to thousands of people over the years.

The Glenelg Surf Life Saving Club has created a sense of belonging for people in the area. It gives them an opportunity to connect
with and to care about each other. Clubs like the Glenelg Surf Life Saving Club get young people involved, out of their homes and active in the community and, in doing so, create a sense of community. This is what gives an area like Glenelg its identity and makes the people in the area proud to be part of the Glenelg Surf Life Saving Club. At the same time, the club is doing great work for the South Australian community at large by saving many lives. I take this opportunity to congratulate the president of the Glenelg club, Mr Shane Daw, and all its committee members on their fantastic work and contribution to the community.

I also take this opportunity to note with concern and sadness the large number of drowning deaths on beaches around Australia over the years. No doubt the number of drowning deaths would have been much greater if not for surf-lifesaving clubs around Australia, like that of Glenelg, and their members. Nevertheless, it is imperative that we all redouble our efforts to reduce this unnecessary and entirely preventable loss of life.

I am pleased to see that next year we will be celebrating the Year of the Surf Lifesaver to promote the excellent work that surf-lifesaving clubs do and have been doing for the Australian public for many years. I look forward to assisting all the surf-lifesaving clubs by getting involved in my electorate in the promotion of this event. I would encourage all other honourable members who have a coast as a boundary to their electorates to also get involved in any way that they can in assisting the promotion of next year’s Year of the Surf Lifesaver. I will certainly be involved in some way with four major surf-lifesaving clubs in the electorate of Hindmarsh. Somerton, Glenelg, West Beach, Henley Beach, Grange and Semaphore are all within my electorate. I would like to encourage even those members whose electorates are landlocked to get involved with the Year of the Surf Lifesaver next year, as they too will have constituents who visit beaches and who may need the assistance of surf lifesavers one day.

Today I had the honour and pleasure to meet with Mr Paul Bruce, the National Project Manager for the Year of the Surf Lifesaver. Mr Bruce briefed me on what is being proposed for next year’s Year of the Surf Lifesaver. Some of the events sound very exciting, such as gala dinners to be held in every capital city, a national history book to be launched by the Governor-General, an Australia Day presence of surf lifesavers across the country and many more events on Australia’s coasts. Once again, I congratulate the Glenelg Surf Life Saving Club and all surf-lifesaving clubs around Australia on their tremendous work and contribution to our nation.

Bonner Electorate: Community Water Grants

Mr VASTA (Bonner) (9.15 pm)—It is with a sense of pride that I rise this evening and confirm that, as a result of eight local community water projects, approximately 9,250,000 litres of water will be saved each year from now on in the electorate of Bonner. The Community Water Grants program has delivered thousands of dollars in funding to each of these eight local projects and I wish to acknowledge the local community groups and schools that have demonstrated their enthusiasm and commitment to saving our precious water resource. The proposals that will now be implemented are practical and community orientated and, most importantly, they will prove that a real measurable difference can be made when we, as a community, are conscious of every drop of water used.

Bulimba Creek Catchment Coordinating Committee, Clairvaux Mackillop College,
First Contact Aboriginal Corporation for Youth, Manly West State School, Marshall Road State School, Manly Lota Scout Group, Villanova College and Wynnum West State School all designed outstanding projects that will not only improve water efficiency but also enlist local community participation and communicate the benefits of wise water use. In particular, I would like to make special mention today of two community water grant recipients: Marshall Road State School and First Contact Aboriginal Corporation for Youth. The Marshall Road State School rainwater irrigation project will receive $42,945 to replace the school’s current irrigation system with a more efficient underground automatic system that will save water by allowing night watering and thereby reducing evaporation loss.

In addition, the school will also save water by linking the irrigation system to a rainwater tank ensuring that 1,370,000 litres of water are saved each year. The project has been led by the school’s deputy principal, Mr Geoff Howatson, who deserves congratulations for the way in which he has involved the students, their families and the teachers in understanding just how important our water resource is. The way in which the school has embraced the Community Water Grants program is admirable and, as always, the school has led the local community by example. Students are enthusiastic about doing all that they can to preserve our vital resources, and the environmental awareness that Mr Howatson has fostered amongst students and their families is outstanding.

On World Water Day I had the great pleasure of experiencing first-hand the positive effect that community water grants have also had on community groups. First Contact Aboriginal Corporation for Youth is an organisation from the south side of the Bonner electorate, and on Wednesday, 22 March, business, government and community representatives from throughout south-east Brisbane gathered on Mount Gravatt Mountain to acknowledge the funding of $48,445 that has been awarded to First Contact for the Echidna Magic Kiosk and Cafe project. Mount Gravatt Mountain is of special significance to both the local Indigenous community and the wider southside community.

First Contact works tirelessly for the Aboriginal youth in and around the area and for too long the organisation’s plans to establish an environmentally friendly community kiosk and cafe facility on the mountain have had to remain untouched due to the lack of funding and resources. The Community Water Grants program, however, offered the perfect opportunity for First Contact to incorporate an effective water-wise management program within the Mount Gravatt project. Organisation chairperson, Mr Robbie Williams, recognised the opportunity and he deserves congratulations for subsequently securing a community water grant of nearly $50,000 to implement the first stage of the project. A water efficient kiosk and cafe will be established and a tank installed to collect rainwater to irrigate a native plant revegetation. It is expected that through the project 1,400,000 litres of water will be saved each year. Just as importantly, the grant has rejuvenated the First Contact Corporation and its members and the community will be working together to ensure that an environmentally friendly and water wise facility is provided for the community by the community. (Time expired)

Sri Lanka

Mr MURPHY (Lowe) (9.20 pm)—Tonight I again raise my deep concerns regarding the rising violence in Sri Lanka, particularly the killing of civilians, including the most vulnerable of victims—children. In what could be a result of the international community’s neglect, apathy or willingness
to turn a blind eye, Sri Lanka has been marred in needlessly wasteful interethnic tensions since the late 1950s. It has not been uncommon for the civilian Tamil population to be the target of tragic extrajudicial killings, rape, torture and arbitrary arrest.

Whilst the 2002 cease-fire agreement between the government of Sri Lanka and the Liberation Tigers of Tamil Eelam brought hopes of peace for all parties involved in this intractable dispute, it appears the island of Sri Lanka is yet again engulfed in the sort of ferocity that once brought the needless death and displacement of hundreds of thousands of people. It is a situation that all Australians hoped would be at an end following the 2002 cease-fire. Such was the optimism that many, me included, were looking forward to tangible steps being taken towards the resettlement and rehabilitation of Tamils in the war-torn north-east of Sri Lanka, as well as Tamil self-determination. Sadly, these commendable goals now seem further away than ever. This is not a surprise, given that the antecedents to peace are being systematically destroyed.

A Reuters report dated 11 May 2006 notes that Sri Lankan troops have been involved in the killing of ethnic Tamil civilians in the island’s north. Whilst the Sri Lankan government has denied such reports, this is contrary to advice from 60 unarmed monitors from Denmark, Sweden, Finland, Norway and Iceland. Of concern is a report on 16 May 2006 from Amnesty International that states, inter alia, that there has been:

... a disturbing pattern of incomplete or ineffective investigations by the government, with the result that perpetrators of such violence generally operate with impunity.

If ever proof were needed that the cease-fire now only exists on paper, that is it.

This afternoon I attended a peaceful demonstration, organised by the Australian Federation of Tamil Associations, on the lawns of Parliament House and restated my support for a negotiated peace with the Tamil people. I also had the opportunity today to speak to local Tamils from my electorate of Lowe. Many have been paralysed by the recent turn of events in their homeland. There must be an end to this unnecessary bloodshed. There can be no doubt that all reasonable people in Sri Lanka—be they Tamil, Sinhalese or Muslim—demand a peaceful solution from their government. Following the deaths of over 60,000 people over more than two ferocious decades, the people of Sri Lanka surely deserve peace. No political, cultural or religious dispute can be worth so many wasted lives.

On 1 June 1999 I stood in this House and called on the Australian government to take urgent action to press the Sri Lankan government to (1) withdraw its security forces from the occupied Tamil homeland, (2) lift the embargo on essential food and medicine, (3) seek a political solution to the conflict with the Tamil people that would enable them to choose their own political and national status and (4) recognise the Tamil right to self-determination as stipulated in article 1 of the International Covenant on Social, Economic and Cultural Rights. I reiterate that call again tonight. I also make reference to the International Covenant on Civil and Political Rights, which states:

All people have the right of self-determination. By virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development.

This must apply equally to the Tamil people as it does the Sinhalese. However, it is a truism that the building blocks of self-determination may only be laid upon a foundation that comprises a cease-fire which is fully adhered to by all parties. It is with this in mind that I again call on the Australian government to make a concerted diplomatic
effort to persuade the Sri Lankan government to implement the cease-fire agreement in full, with particular reference to the disarming of the paramilitary forces as agreed to in Geneva.

The previous inertia shown by the Howard government to the bloodbath in Sri Lanka lies in stark contrast to the untiring efforts of the Norwegian government to facilitate peace. The Howard government must seize the opportunity, albeit belatedly, to play a leading role in bringing the Sinhalese and Tamil communities together. Of course, apathy towards the situation in Sri Lanka may remain an option for the government. However, such a course would ensure that Australia is implicitly participating in the destabilising influence of Sri Lanka yet again, melting down into further decades of protracted civil war. Such a civil war can only destabilise our immediate region. The Howard government has an obligation to the thousands of Tamils in Australia, and the million Tamils worldwide, to help bring about a peaceful coexistence that is vital for peace and prosperity in Sri Lanka—as well as our immediate region. Australia can start by lobbying the Sri Lankan government to fully implement the 2002 Norwegian cease-fire agreement.

Share Trading

Mr ANDERSON (Gwydir) (9.25 pm)—The member for Wills last week in this place again effectively claimed that I had engaged in insider trading when my wife and I sold AWB shares last year. I again categorically deny any such impropriety. His clear intent is to imply that I must have had inside information about the contents of the Volcker report. He is wrong; I did not. Mr Thomson makes several claims in an attempt to justify his position. For example, he says I have given contradictory reasons for my wife and I determining to sell our shares. This is patent nonsense. I have consistently indicated that I formed the view a couple of years ago following a conversation with my accountant that my wife and I should diversify, and we further formed the view that we would let the shares go if they reached or exceeded $5. The fact that I did not immediately sell them the first time they hit $5 reflects a couple of simple realities. The first is that I did not feel comfortable about diversifying through the purchase of new shares while I was a cabinet minister. The second is that I neither employed a share broker, who might have alerted me to the movements in the value of the shares on a regular basis, nor spent time as a minister poring over share registers on the internet or anywhere else.

It was in fact only after I left the ministry that I began to turn my mind to the issue of succession planning—there are a couple of people from farm families in this place and they will know how important that is for farm families—and resolved to act. On checking the price in early October last year, my wife and I decided that the time had come to enact the in-principle decision that we had made long before, and so I placed an order with e-trade to sell my B-class shares. Indeed, the market—it is very important to note this; it is an interesting point—was not at all concerned by the contents of the Volcker report. The AWB shares rose consistently through the months building up to the first Cole hearings. So if I had had an inside tip it certainly was not a very good one. Mr Thomson further claims—

The SPEAKER—Order! The member will refer to other members by their seat.

Mr ANDERSON—The member for Wills further claims that there is something untoward about the fact that I have not listed any new investments in my statement of pecuniary interests. In fact, my wife has over recent days begun to purchase some new shares, as
I have advised the Clerk today. Further on the matter of Julia’s shareholdings, I accept that during one interview on the Insiders program I must have temporarily overlooked two small parcels of shares that Julia held while I was Deputy Prime Minister. These were recorded in my pecuniary interest statements, which is of course how the member for Wills knows about them. In my early years as a cabinet minister, following a fuss in the Senate, Julia determined selflessly to sell off her portfolio at considerable disadvantage, even though she had owned them since before we were married. I do not believe that my mistake in this instance has any material bearing whatsoever on the substance of this matter.

It should be noted again that although, as I have acknowledged, I was late in recording the sale of AWB shares—and I am embarrassed about that—it was in fact I who told the Australian newspaper that I had done so. I was not asked, nor was I in any way forced to confess as a result of some discovery by others. I volunteered the information. The two brief meetings with the Prime Minister and other colleagues that I have referred to in the past and that the member for Wills seeks to misinterpret in no way alter the simple reality that I had no inside information on the report. My wife and I sold the shares for the reasons that I have consistently outlined.

The member for Wills also refers to a claimed meeting with the Chairman of the AWB to discuss Volcker that was widely reported in the media some weeks ago. As he would be well aware, I made it plain that my diary did not refer to any such meeting, that I did not believe it had happened and the Chairman of the AWB confirmed my recollection in evidence to the Cole commission of inquiry the day after that news hit the headlines. As I have said outside this place, if I had been warned that there was serious trouble coming, some impropriety in the wings, I would have felt obligated to retain the shareholding.

I make the point, and I make it quite emphatically, that should the member for Wills entertain any serious belief that I am guilty of insider trading he must exercise his responsibility to refer the matter immediately to the appropriate regulator, which happens to be ASIC. That is what he should do. Needless to say, ASIC would enjoy my full cooperation. A failure by him to do so will confirm that he does not believe his own imputations and has been using them for purely political purposes, in which case he, frankly, clearly owes me and my family an apology.

House adjourned at 9.30 pm

NOTICES

The following notice was given:

Mrs Hull to present a bill for an act to amend the Snowy Hydro Corporatisation Act 1997. (Snowy Hydro Corporatisation Amendment Bill 2006).
Monday, 29 May 2006

The DEPUTY SPEAKER (Hon. IR Causley) took the chair at 5.15 pm.

COMMITTEES
Publications Committee
Report

Debate resumed.

Mr HAYES (Werriwa) (5.15 pm)—The terms of reference for this inquiry by the Joint Committee on Publications was to inquire and report on the distribution of the parliamentary papers series. The committee was to specifically look into the potential impact of changes to the distribution of the PPS made by the Presiding Officers, namely the tightening of eligibility guidelines; the provision of the PPS in a digital format, either as an alternative or in conjunction with the hard copy series; the feasibility of a subscription service, either in digital or hard copy form; and the possibility of partial or full cost recovery for the series.

By way of some background, the parliamentary papers series has been ongoing since 1901. Documents of a substantial nature that are presented to the parliament are included in the series, normally by a resolution of either house of parliament. On average, as I understand it, 430 documents out of about 800 are presented to the parliament in this way. The documents that are not referred by resolution are considered by the Publications Committee of both houses, which meets on a regular basis. The committee then decides whether to recommend the inclusion of those documents in the parliamentary papers series.

As it stands, the series is available in a loose-leaf pamphlet form. At the end of each financial year, these pamphlet copies are effectively collated and produced in a blister pack, as it is called. That is made available to eligible recipients. These blister packs are often delayed. The delays are due to various reasons but, primarily, they are due to the failure of various agencies to ensure that there are adequate stocks of their particular document with the printers in order for them to be distributed. Unfortunately, these delays have sometimes been in the magnitude of 30 months, which is quite unacceptable and is something this inquiry committee sought to do something about.

Before I go to the actual details of the report, I would like to say that it has been a pleasure working on this committee with my colleague Mr Johnson. The member for Makin held this committee together well. Quite frankly, the work of this committee is quite laborious—going through these papers and making the recommendations as required—and the way the member for Makin has chaired this committee is a credit to her. I have enjoyed working with her and my fellow members on the committee. I would also like to pay regard to the secretariat, Jason Sherd and Vicki Bradley, who have made a sterling contribution to this committee.

Changes to the eligibility have occurred. There was an exclusion of Commonwealth departmental libraries, various foreign embassies, political parties and municipal libraries. However, we understand from the evidence from municipal libraries that two of the three involved would still want to be on our free distribution list. The PPS service provides vital information to these organisations about government and activities in the parliament, including the review of past policies and programs. Therefore the committee recommends that the Commonwealth
departmental libraries should be reincluded in those eligibility guidelines. That is included in recommendation 1.

Mr Deputy Speaker, you will recall that I mentioned the composition of these blister packs that occurs at the end of each financial year, but the presiding officer decided that from 1 January of this year those blister packs would cease to be provided. As I explained earlier, the reason is somewhat twofold. Firstly, there are the delays. As I indicated, some delays were for up to 30 months and therefore the documents were hopelessly out of date by the time they were disseminated. Secondly, there was an issue of cost in storing, processing and distributing these materials. In relation to the delays that have been experienced, we as a committee do not believe that the abolition of the blister packs will do anything to address the problem with agencies that are not complying at the moment. The committee has recommended that we should put in effect a procedure monitored by the Government Information Management Office to ensure that agencies are complying, and not abolish blister packs simply because they are not here and available when they are required.

There is a cost factor here and it has been estimated that around $30,000 a year would be saved by the abolition of these compiled blister packs. But, having regard to the evidence that this committee has received, we think that that $30,000 would be something of an exercise in cost-shifting. Those libraries’ evidence to this committee indicates that if they had to go through the process of sourcing the information, collating it and putting it together in its proper order to ensure completeness then the financial and administrative burden placed upon them would be more than offset by the savings that we would seek to make by abolishing this service. Therefore we think that it is not an argument simply on cost to abandon the blister pack process. Therefore this committee has recommended that blister packs be continued. We do so in the full knowledge that that is an effective reversal of the presiding officers’ decision in this regard.

There are issues about duplication and efficiency that we can address. We have sought to task the Australian Government Information Management Office with investigating the prospect of reducing the duplication of a number of reports from various committees and agencies and to report back to our committee within six months, with any recommendations to be implemented in a further six months. We think that is a constructive exercise in trying to address cost and trying to ensure that efficiencies work properly and adequately in our system. Other areas where the committee found the capacity for cost savings include the production of various agencies’ reports. You probably see many yourself; many are in full colour and go to great lengths to advertise their particular positions. However, agencies participating in that style of publication are doing so in excess of the publication guidelines as they are currently dictated. The committee is concerned that if we are going to get value for money we should be encouraging all agencies to adhere to those guidelines. The committee is intending to monitor compliance and will report to the parliament in that regard.

If I had more time I would have spoken about the electoral distribution of parliamentary papers. One issue that is of concern is that at present the National Library of Australia estimates that only 10 per cent of agencies are currently meeting their obligations to publish online. These obligations were spelt out by the government online strategy in 2000, and that has not yet been adhered to. (Time expired)
Mr JOHNSON (Ryan) (5.25 pm)—I am pleased to join my colleague the member for Werriwa in speaking on the report of the inquiry by the Joint Committee on Publications into the distribution of the parliamentary papers series. I am a new member of this committee and it has fallen to me to represent government members in making a presentation to parliament on this subject. The parliamentary papers series has been in existence since 1901, when the Commonwealth of Australia was founded. Documents presented to the parliament of a substantial nature are included in the series by a resolution of either house of parliament, usually on the recommendation of the Publications Committee. On average, some 430 documents out of 800 presented to the parliament are selected in the series. We know that recipients of the series include national, state and parliamentary libraries, as well as university libraries throughout the country.

On 12 May 2005 the Presiding Officers wrote to the committee, informing them of changes to the distribution of the parliamentary papers series to take effect from 1 January of this year and seeking advice on further and more extensive changes to the series. The committee received 20 submissions, and public hearings were held in Canberra from 31 October through to 28 November last year. In February this year members of the joint committee also conducted inspections and received briefings from the National Library of Australia on the PANDORA web archive project and from CanPrint Communications, the parliament’s distributor of the series, regarding the processing of the documents which comprise the series.

The committee considered changes made by the Presiding Officers to take effect from 1 January 2006. I would like to draw to the attention of the parliament two recommendations in particular. Firstly, the committee recommended that the Commonwealth departmental libraries be reincluded in the eligibility guidelines for the series. The Presiding Officers had, in their wisdom, made changes to the series which excluded these libraries. The committee received evidence that departmental libraries considered the series essential in supporting their agencies in the development and delivery of government services. The PPS is a vital source of information on the activities of government and the parliament, including, of course, the reviews of previous policies and programs. Secondly, the committee recommended that the collated set of parliamentary papers, which are commonly known as blister packs, continue to be available as the extra cost for libraries in sourcing, collecting and collating their own sets would turn out to be greater than the savings of $30,000 realised by the chamber departments.

I want to refer to other recommendations in the context of eligibility guidelines. Recommendation 6 contains the amended guidelines for eligibility for the free distribution of the parliamentary papers series. This recommendation takes into account the changes proposed in recommendation 1, 2, 4 and 5. These include limiting the number of free sets of the series to one and instigating regular surveying of recipients to check that they still wish to continue receiving the series. There can be a delay of up to 30 months—somewhat astonishingly—in the supply of the collated blister packs of the parliamentary papers series to recipients. This is caused by agencies not supplying their documents in a timely manner or supplying the incorrect number of copies. The committee made several recommendations to address this non-compliance by agencies with their obligations in respect of not only the parliamentary papers series but other distribution schemes. The recommendation relevant here was to stipulate that the chamber departments notify the committee of any agencies not complying with the re-
requirement of the series; the committee would then report these agencies to parliament, asking
the Presiding Officers to seek an explanation from the relevant minister.

In the context of production standards for reports, the committee has identified potential
savings across the whole of government in the cost of production of reports presented to par-
liament. Many reports presented are in full colour, which is contrary to the guidelines set
down by this committee. These guidelines encourage restraint in the presentation and quality
of documents and state that colour should only be used if necessary to make information more
distinctive or clearer, for example with graphs. In most cases, single colour text should suf-
fice. The committee is concerned that agencies get value for money in the production of their
reports, recommends that printing standards be adhered to, intends to monitor compliance and
will regularly report to the parliament those agencies that fail to adhere to the required stan-
dards.

An important aspect is the electronic distribution of the parliamentary papers series. The
committee considered the wider issue of electronic availability of all government publica-
tions, before turning to the issue of an electronic version of the parliamentary papers series.
The recommendations made by the committee attempt to address this issue—of agencies not
making their publications available online permanently, or at all—and suggests a method for
making a digital version of the parliamentary papers series a reality. Due to the issues sur-
rounding long-term availability of online documents and the uncertainties surrounding digital
storage formats such as CD-ROMs, the committee recommends very warmly that any digital
version of the series augments the hard-copy series.

The committee recommends that the Australian National Audit Office regularly monitor the
online availability of government documents, especially those presented to parliament as part
of its regular audit program. We all know that the Australian National Audit Office has great
respect throughout the Australian community. The committee also recommends that the Aus-
tralian Government Information Management Office continue to work with agencies to ensure
that all government publications are made available online, in the first instance, followed by
being online permanently.

I want to comment on the National Library of Australia and its very generous offer to store
a digital version of the series through its PANDORA web archive. The benefits of this are that
the National Library of Australia would already have the necessary knowledge and the archi-
tecture, but would require additional funding to expand the archive. It would require some
$200,000.

The committee has no objection to the National Library hosting a digital repository for the
PPS, but this should be done in consultation with the chamber departments. An alternative is,
of course, to set up a new repository, or an interim measure could be to utilise the Department
of the Senate’s digital imaging project. The project will capture digital images of all docu-
ments tabled in the Senate and then place them online. The only parliamentary papers not in-
cluded in this project are the reports of the House committees tabled only in the House of
Representatives and the Department of the House of Representatives’ annual reports. The
committee recommends that the Department of the House of Representatives investigate mak-
ing available online the digital images of the House committee reports and departmental an-
nual reports to complement the Senate’s collection of digital images of reports. This could be
used as an alternative to a stand-alone repository.
Finally, I want to touch on the issue of copyright. To aid the National Library in its work with the PANDORA web archive, the committee very strongly recommends that the legal deposit provisions of the Copyright Act 1968 be widened to include electronic copies of documents. This will go a very long way to improving the ability of the National Library to collect and provide access to the publications they store on the PANDORA web archive.

Costs borne by the chamber departments in administering the series are approximately $115,000 to $130,000 per year. The costs of printing the documents for the series are met by author agencies. The committee accepts that cost recovery for the series is feasible. However, it opposes full cost recovery and recommends that any cost recovery measures partially recover the administrative costs of the chamber departments.

I am delighted, on behalf of the government members of the committee, to make comments on the distribution of the parliamentary papers series. As I said, I am a new member of the committee, replacing one of my colleagues. I look forward to making a contribution as a member of that committee.

Debate (on motion by Mr Neville) adjourned.

Intelligence and Security Committee

Report

Debate resumed from 22 May, on motion by Mr Jull:

That the House take note of the report.

Mr KERR (Denison) (5.35 pm)—In late April federal parliament’s Joint Committee on Intelligence and Security, formerly known as the Joint Committee on ASIO, ASIS and DSD, tabled a report that has far-reaching significance and implications for the civil rights of thousands of Australians. The report was a review of the government’s December 2005 decision to list the Kurdistan Workers Party, the PKK, as a terrorist organisation. The Criminal Code Act 1995 makes membership or support of any organisation listed as such a criminal offence and imposes severe penalties.

The majority of the committee members supported the listing of the PKK as a proscribed organisation, though its concern in relation to this matter is reflected in its further recommendations that the government keep the matter under review and that the government consider the number of Australians who support the PKK’s broad aims without endorsing any terrorist activity and whether it might be sufficient to ban only the PKK’s military wing, the Kurdistan Freedom Brigade. It also asked the government to take into account the fluid moves towards ceasefires between the PKK and the government of Turkey.

There are about 5,000 Australians of Kurdish origin. Notwithstanding the committee’s careful qualifications, the ban on the PKK potentially exposes many of those thousands of Kurdish background to imprisonment because belonging to the PKK now carries with it a 10-year jail term. Just associating with the PKK in terms defined by the code carries a three-year jail term. Many of those affected could be people who have lived perfectly ordinary lives in Australia and who have had nothing to do with terrorism but who identify the PKK as their party, in the sense that they support it as a legitimate national liberation movement fighting for the freedom of the Kurdish people.

The joint committee does not normally divide on partisan lines. In the past, the committee has been able to reach unanimous opinions. But in this case that was not possible. As a result I
joined in a minority report with Senator Faulkner, which recommends that the government reassess this listing.

Australia lists 19 organisations under the code, including the PKK. But in no other case has there been reason to believe that the banning of an organisation could catch a large number of Australians or infringe their civil rights. The organisations that have been banned have been terrorist groups pure and simple, such as al-Qaeda, or the military—that this, the ‘terrorist’—wings of larger organisations such as Hamas and Hezbollah.

In evidence the Attorney-General’s Department agreed that it was relevant for the committee to consider the practical impact of imposing severe criminal penalties on large numbers of Australian residents who support what they see as a national liberation struggle. In the past Australians have seen themselves free to support such national liberation struggles in the case of South Africa. And I note more recently some support for the Karen people fighting against the regime in Burma. But in this instance no government agency could give the committee any information about the number of people who might be caught who support the PKK. There was no evidence at all that a ban on the PKK would directly benefit Australia’s national security. There was no evidence of any terrorist activity by the PKK or members of the Kurdish community in Australia.

This country already has strong laws that criminalise conduct involving terrorism. For example, sending money out of Australia to aid the PKK would already be prohibited, just as it is already an offence for an Australian to serve an organisation that seeks to overthrow a foreign government by force. The PKK has not targeted Australians overseas. This is not to suggest that Australians visiting Turkey could not become victims of the conflict, but that risk is similar to that which might face a tourist in many other troubled regions of the world where governments face armed opposition groups.

The joint committee had previously adopted criteria submitted by ASIO to guide decisions regarding the proposed listing of terrorist organisations. The criteria were designed to justify discrimination between organisations that have resorted to the use of political violence and those—the larger majority—that should not be. The Australian parliament relies on the joint committee to ensure that the quite extraordinary legal step of making it a crime to support or belong to an organisation is not taken inappropriately. The joint committee has published in its reports the criteria suggested to it by ASIO. It has adopted those criteria. There has been no rationale put forward in this case to justify a departure from the policy that ASIO itself identified in earlier hearings. No member of the committee has asserted, and the government does not dispute, that the current listing does not meet those criteria.

The importance of this parliamentary oversight is magnified when one contrasts it with the legislation under the UK Terrorism Act 2000. There, where the Secretary of State declines to delist an organisation which has been proscribed, there is an opportunity for an appeal to the Proscribed Organisations Appeal Commission and for a further review of any decision of that body by a court of law in respect of mistakes of law. No such process applies in the Australian parliament and so the parliament depends on the review undertaken by its own parliamentary committee. In this regard, too, I am particularly concerned, given that when this legislation was introduced into the parliament the explanatory memorandum made it clear that the majority of organisations which resort to political violence would not be proscribed—it would be an

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exception rather than the rule and there had to be some link to Australia. It may well be that this is not only inappropriate in relation to its policy outcomes but also unlawful. That, however, will be determined if the matter is ultimately the subject of prosecution by a test case that emerges.

Sadly, the question that we now face is whether or not many persons of Kurdish background might find themselves the subject of such prosecution. Let me just identify the range of potential offences for people who support the aims of the PKK. Firstly, there are membership offences. Membership includes informal membership. That means that any person who is associated with the group in such a way that an outsider would see them as being a member may be caught up and seen to be part of that organisation. There is no doubt that many people in the Kurdish community go to community events where portraits of Ocalan, the leader of the PKK, appear and where the PKK flag is present.

Those who are organising those events may find themselves under suspicion of being members of the PKK, because informal membership is not a defined term; it is a question of fact. Thus, an Australian of Kurdish descent who behaves as if they are a member of the PKK may find themselves in that situation. It leaves a lot of grey. Those who are organising such events may be seen as de facto members. The only way that such people can remove themselves from that suspicion is if they take what are called ‘all reasonable steps’ to cease their membership. Because they bear the burden of proof, those steps would need to be pretty clear. It might require severing all links with particular friends or community groups that could be associated with the PKK.

Secondly, there are recruitment offences. If you bring people into the organisation there are even more draconian provisions—up to 25 years in prison. Fundraising is already a criminal offence in relation to sending money overseas, but under this particular provision it risks 15 years of imprisonment. Then there are the lesser association offences. To ‘associate’ simply means to meet or communicate with someone. To be subject to that criminal offence you need only meet or communicate two or more times. Thus, if someone from a Kurdish background talks to or meets with someone more than once whom they know to be a member, formal or informal, of the PKK, they may be at risk of three years imprisonment. To be fair, there are lots of exceptions. The offence defined excludes contacts for family or religious purposes and a number of other purposes and the person must intend their association with the PKK to give the organisation support, for example, to continue to exist. But mere attendance at a public celebratory event probably could meet that test.

I am concerned that this matter takes the proscription of organisations too far beyond the intention of the parliament, beyond the terms of the explanatory memorandum, and that enforcement of those laws could be far-reaching and disastrous, not just for peaceful individuals who could unwittingly be caught up in terrorism trials but more broadly for the relations between civic groups and government. (Time expired)

Debate (on motion by Mr Neville) adjourned.
Second Reading

Debate resumed from 25 May, on motion by Mr Costello:

That this bill be now read a second time.

upon which Mr Swan moved by way of amendment:

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

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

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

(a) stem the widening current account deficit and trade deficits;
(b) reverse the reduction in public education and training investment;
(c) provide national leadership in infrastructure including high speed broadband for the whole country;
(d) further reduce effective marginal tax rates to meet the intergenerational challenge of greater workforce participation;
(e) provide accessible and affordable long-day childcare for working families;
(f) fundamentally reform our health system to equip it for a future focused on prevention, early intervention and an ageing population;
(g) expand and encourage research and development to move Australian industry and exports up the value-chain;
(h) provide for the economic, social and environmental sustainability for our region, and
(i) address falling levels of workplace productivity; and that

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

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

Mr GAVAN O’CONNOR (Corio) (5.46 pm)—This budget represents a wasted opportunity by the Treasurer to lay the best foundation possible for a new wave of prosperity for all Australians. The Treasurer has had his hands in the pockets of ordinary Australians for over 10 years, accumulating massive budget surpluses off the back of their hard work and labour. As the highest-taxing and highest-spending government in Australia’s history, Middle Australia were looking for a budget that would ease the financial pressure on their households, which are reeling from the higher interest rate costs, higher petrol prices, higher private health insurance premiums, higher child-care costs and a higher general cost of living. In this budget, there is little relief from the eternal cost spiral that has eaten so substantially into their standard of living in this age of global prosperity.
The massive budget surpluses generated by their efforts to restructure the Australian economy, making it productive and competitive, have not been returned to Australians when they needed it most. For low- and middle-income earners in Geelong, this budget is an insult—when high-income earners, already great beneficiaries of past budgets, continue to get substantial gains from this Treasurer. Since 2000, tax cuts to a worker on a median income have been just $16 per week. However, tax cuts to workers earning $175,000 per year have been $200 per week. In the land of plenty, how can such a thing be fair?

Australians are not fooled by the appearance of a new prosperity. They know that the rise in asset prices has been built off the back of increasing household debt. They know that household budgets are precariously balanced, dependent on two incomes coming in and vulnerable to even small interest rate rises and substantial shocks like rising oil prices. And they know that they have been even more precariously placed since this government introduced an industrial relations system where family income is exposed to the removal of overtime and penalty rates when new contracts are laid on the table for new employees and, down the line, old employees. On a national basis, amidst apparent prosperity for some, this economy displays some quite fundamental weaknesses that threaten the fabric of Middle Australia and put our future prosperity at risk. At the core of those fundamental weaknesses is the massive increase in Liberal debt.

When the Treasurer and the Prime Minister were in opposition, they made great play of the net foreign debt. At that time, net foreign debt was in the region of $160 billion. Both the Treasurer and the Prime Minister said to the Australian public that that level of net foreign debt was feeding directly into interest rates and was affecting their household budgets. If you accept the logic of that economic argument, how much more pressure are households today under, with net foreign debt in the order of $500 billion and projected to top the $1 trillion mark in coming years? The Treasurer and the Prime Minister cannot have it both ways. Either they were right about their analysis in opposition or they were wrong. If they were right, they have now presided over the most massive increase in net foreign debt and a most significant burden on Australian households through the level of interest rates, following their logic.

But the crisis does not end there. We have seen under this government over the past 10 years a virtual collapse in Australia’s trading performance. No Australian is fooled or is under any illusion. With the rise of economic powers such as India and China, who have now entered a new development phase that has provided the motor for global growth, the commodity boom has been most advantageous in generating this era of Australian prosperity. But Australians know that, without the increase in commodity prices, Australia’s trading performance would have been abysmal compared to its major developed trading partners. That is the sad legacy of the 10 long years of the Howard government. Faced with a potential to lay down the basis for great prosperity in the future, we find after 10 long years that we have a skills crisis in this country. We have a poor trade performance and a net foreign debt that threatens our living standards. There is no infrastructure plan. There is stalling labour productivity and low participation rates in the workforce.

This is the legacy of 10 long years of the Howard government, yet it is in this budget that the Treasurer failed to mention the word ‘productivity’. Nor did he mention regional Australia, where in many instances higher than average growth has kept the national growth level higher than it would otherwise have been. Australia today is mining a river of gold in an in-
ternational commodities boom that has kept us solvent while we binge on foreign manufactures. But there will be a day of reckoning, when the most favourable terms of trade we now enjoy will decline and there will be no cushion for the hard landing that will inevitably accompany this government’s incompetence and neglect.

The sad fact is that, after 10 long years and enjoying the best terms of trade ever, in the midst of a commodity boom unparalleled in Australia’s history, this Treasurer has squandered Labor’s high-growth legacy. Labor left this coalition government four years of four per cent growth at a time when Labor restructured a rust-bucket economy. Last year growth could only come in at 2.75 per cent and this year is projected to be in the region of 3½ per cent. Despite an unparalleled tax take from a burgeoning global economy and demand generated by that economy, this coalition government has managed to engineer a decline in the level of growth.

This is a budget that really reflects the Treasurer’s political ambitions; it is not one to position Australia for a new wave of productivity and prosperity. The world is changing and the developing countries of China and India, where 85 per cent of humanity resides, are the driving force in this shifting change of fortunes. We are entering a new world era of unprecedented growth and it is estimated that this growth could last over the course of this century, if not beyond. The IMF estimates that in the past two years only about 20 countries in the world have failed to grow richer. Australia’s role in this new world order is very clear. We make up just 0.3 per cent of the world’s population but occupy 5.6 per cent of its landmass and own an even greater share of the world’s mineral resources.

Once our wealth was in sheep, cattle and wheat, but today our wealth comes from mining and ground based resources. Australia is poised to transform its mineral wealth into financial wealth, but its policy makers face key challenges: the first is to ensure that that transition occurs and the second is to distribute the proceeds of wealth equitably among all Australians. The recent budget was indeed a test of both these challenges and the government has failed. The dominant thrust of the recent budget was to use the resources from the minerals boom to put more money in voters’ pockets rather than tackle the many challenges facing this great nation in the 21st century.

Most of the budget handouts were in the form of tax cuts to those already doing well financially—the top 20 per cent of income earners. Indeed, as mentioned before, since 2000 this government has cut taxes paid by a worker on a median wage by just $16 a week, while workers earning $175,000 a year have been given a tax cut of $200 a week. Some of the benefits have come as bigger family benefits, some as tax breaks for older Australians and now we have seen the biggest tax break of all: tax-free super payouts at 60 years of age. But in all of that there was virtually nothing for age pensioners in Geelong: a miserly $1 per week to cope with the rising costs of living that are assaulting those household incomes.

Investing in Australia’s future means looking well beyond the next election, but last week’s federal budget was Christmas in May. It was a blatant attempt to keep buying votes for a bland and tired government that takes with one hand and distributes with the other—it distributes to the wealthy and neglects our future. The real tragedy of this budget is the government’s refusal to use our temporary good fortune to invest in the future. Barely more than one per cent of the $41 billion windfall is allocated to new investment in education and training—only slightly more than the new spending provided for agriculture, fisheries and forestry. Australia is the only developed nation whose public spending on higher education and training is
falling. Only 60 per cent of Australians between the ages of 25 and 64 have year 12 equivalent education compared to 80 per cent in countries such as Canada and the USA. Young graduates are working overseas to defer payments of enormous HECS debts, yet advertising private health insurance and funding sports museums have taken precedence over the high-priority areas of expenditure on ordinary Australians.

This budget contains no serious economic reforms. High effective marginal tax rates for middle-income earners are still a big disadvantage to work, the tax act remains more than 9,000 pages long and little is being done to expand child care availability to improve workforce participation. Geelong families are under pressure. High interest rates, courtesy of the Howard government, have increased monthly repayments substantially. Petrol prices have eaten into family budgets. General costs of living have risen and are making it difficult for families to balance their budgets. Now we have a wave of industrial relations measures that threaten the incomes of those families in Middle Australia.

Tax relief was expected, given the $14 billion projected surplus, but once again fundamental disincentives have not been addressed. We welcome the initiative to lift the effective tax-free threshold to $10,000. After all, we had been proposing it for years. However, work incentives for those earning between $10,000 and $20,000 are still very poor indeed. Single-income families with children still face effective marginal tax rates in excess of 80 per cent—that is, if some of those families are earning around $25,000 and then earn an extra $10,000, they would only pocket between $800 and $1,000 of that extra income. The government must tackle these high effective rates and simplify the system.

Kim Beazley made a response to this budget which was pitched to the needs of Middle Australia. We said that we would massively increase assistance in the child-care area, and that is designed specifically to assist families where two incomes have to be earned and workers rely on consistent and convenient child care to support the household budget. Kim Beazley promised to get rid of TAFE fees for the traditional trades—that is, if you do a traditional apprenticeship, you will not pay fees. He offered every Australian student the opportunity to study at specialised trade schools. He announced that a federal Labor government will put in place a new system to protect working Australians from the threat of unfair dismissal. On foreign apprentices, he stated quite categorically that he wanted young Australians to get the training opportunities they deserve, and which the Australian economy so badly needs, ahead of foreign workers. Fast broadband would be made available to every Australian household to ensure that those households have an even chance of sharing in the wealth that is being created in the new economy.

As far as the agriculture sector is concerned, there are real fundamental weaknesses in this budget. I cannot go through them all, but let me highlight some of the most significant in the remaining time available. There is no consistent infrastructure plan for the allocation of resources to rural and regional Australia, according to national priorities that should be set by a national government. There is no attempt in this budget to redirect the research and development resources currently employed to usher in a new wave of productivity in the agriculture sector, which is now seeing some disturbing productivity declines. There is no attempt here to diversify agricultural production into those areas moving up the value added chain to ensure that we create real wealth in regional areas in the long term. There is no alternative fuels policy that could serve as a springboard to regenerate rural and regional Australia. Above all,
there is no fundamental addressing of the problems in productivity that we will face in the future, which will come from the poor soils that we have here in Australia. There is an urgent need to regenerate Australian soils and to usher in that new wave of agricultural productivity to sustain regional communities into the future.

This is a government, as we go through agricultural expenditures, that says it is going to spend and then does not do it. In previous budgets the Howard government has talked big but spent little. Of the $7.8 million allocated in last year’s budget for the National Action Plan for Salinity and Water Quality, only $1.9 million was spent. Of the $42.5 million allocated for the Farm Help Program, only $11.2 million was spent. We go through a whole range of programs where moneys have not been spent. We welcome the $500 million water initiative contained in this budget, but inherent in that allocation is the admission of 10 years of failure.

A golden opportunity to put Australia on a sound footing for future prosperity was lost because this Treasurer delivered a budget that he considered would curry some great favour among his colleagues and put him in the Lodge. This is not a budget for Australia’s long-term future. It is not a budget to address the fundamental weaknesses in the economy. It is a politically expedient budget that, at the end of the day, lets Australians down.

Mr TICEHURST (Dobell) (6.06 pm)—The 2006 budget handed down by the Treasurer represents the greatest investment in Australia’s future, a huge investment in our transport and water infrastructure, our families and our health services, along with major improvements to our taxation and retirement income systems. These practical benefits can only be delivered because of the Howard government’s responsible economic management. The budget is in surplus for the ninth time in 10 years. We have now eliminated the $96 billion of debt that Labor left the Australian government when it left office. This means the Australian government is debt free in net terms. It is able to save over $8 billion each year in interest payments which can now be invested to meet the challenges of the future. Unlike the member for O’Connor’s problems with foreign debt, I can still recall house mortgage rates at 18 per cent and business overdrafts at 23 per cent. Those things are not evident today. These days we do not have interest rates of that level because the foreign debt is not the government debt.

Improvements to tax and family payments in this budget will help middle-income earners in Dobell, particularly those with families, and put more money back into their pockets. From 1 July 2006, all Australian taxpayers will benefit from new personal tax cuts worth $36.7 million. The 30 per cent threshold will rise to $25,001; the 42 per cent tax rate will be cut to 40 per cent, with a $75,001 threshold; and the 47 per cent tax rate will be cut to 45 per cent, with a $150,001 threshold. Central Coast families who rely on the government’s generous family tax payments will be substantially better off as a result of the changes announced in this budget.

The government will move the threshold of the base family tax benefit up to $40,000 from its current $33,361. This means that the maximum payment per child under part A has increased from around $2,400 to $4,200 a year. Families will get to keep more of their earnings before their family assistance payments are affected. This is a very welcome and generous boost. In fact, since 1996 the coalition government has doubled assistance to families through the family tax benefit system. For some Dobell families, the government will also remove the limit on subsidised outside school hours care and family day care places. This will enable an increase of some 25,000 places over the next four years. Also, from 1 July 2006, parents will
receive the government’s new child-care rebate which will entail a 30 per cent rebate on out-of-pocket child-care costs of up to $4,000 each year.

Originally, the government offered an extra payment to assist families with four or more children. This payment is now extended to families with three children. This extra payment is paid on top of the family tax benefit. It means an extra $250 per year for families with three children and would be welcomed by those families on the coast who fall into this category.

The budget also provides security for older Australians. The government introduced a $100 utilities allowance in 2005. This allowance has been extended. Pensioners and eligible self-funded retirees in Dobell will receive the important utilities allowance bonus of $102.80. Recipients of the mature age allowance, partner allowance or widow allowance will also be beneficiaries of this allowance bonus. Senior Australians in Dobell will also benefit from improvements in the senior Australian tax offset. They will now pay no tax on their annual income up to $24,867 for a single person and $41,360 for couples. There are many self-funded retirees in Dobell who will benefit from these improved measures. The low-income tax offset will also be increased to $600 per year and will phase out from $25,000—up from the current $21,500.

On the education front, this budget provides $9.3 billion in schools funding, an increase of nine per cent since last year and 158 per cent since 1996. Importantly, this funding provided to the state government has, since 2004, been conditional on the states addressing priorities for higher standards and values, including plain English report cards, publicly available information about the school performance and explicit teaching of values in schools. The New South Wales Iemma Labor government has really let down schools in my electorate of Dobell. Thankfully, the Howard government is countering Labor’s economic mismanagement with record funding and innovative programs, like the $1 billion Investing in Our Schools Program which provides money directly to school communities for important projects identified by the school. Many schools in my electorate have benefited from this program, using the funding for projects including new and improved computer facilities, shade structures and classroom improvements, such as airconditioning. I am delighted that the second round of this program will shortly open for applications.

This budget reflects the government’s unwavering commitment to bettering educational skills and standards in this country. It also reflects our efforts to strengthen vocational training. Australia’s national training system is providing real choice for the 70 per cent of young Australians who do not go directly from school to university as well as for the mature age students. This government has put in place a system of training and apprenticeships which is better than anything Australia has had for a decade.

The budget includes $1.4 billion in innovations to provide vocational education and training, including $537 million to extend the youth allowance to apprenticeships; $350 million for 25 Australian technical colleges; $143 million to improve careers advice; $120 million for tool kits; and $106 million for Commonwealth Trade Learning Scholarships. The total funding for VET has more than doubled since the Australian Labor Party were thrown out of office. This support is delivering results. The total number of new apprenticeships has doubled from 156,700 in 1996 to 397,800 in September 2005. The number of new apprenticeships in traditional trades increased from 120,000 in 1996 to 168,000 in September 2005. Sadly, the
Labor Party continue to thwart our efforts for an agile VET system. They have taken every step possible to hinder our plans for Australian technical colleges to be established locally.

Mr Randall—It’s the same in Western Australia.

Mr TICEHURST—But for the ALP shenanigans, the colleges would have been up and running, ready for operation in 2007. Because Labor held up the granting of a licence, it will now not happen until 2008. I understand Western Australia is exactly the same.

Their shenanigans are of course not restricted to vocational education. The New South Wales Premier recently visited the Central Coast and was too occupied with announcements on recycling water—which really were announced weeks before by Malcolm Turnbull—to inspect our schools, our hospitals or our roads. I understand he would not even take five minutes out of his schedule to meet the Central Coast Joint Water Authority, which was actually meeting at the time. If the New South Wales Premier were really interested in solving the water problems on the Central Coast, he would have gone to that meeting. But all he wanted to do was go down for a photoshoot at Mardi Dam. That is all he did.

Unlike the New South Wales Labor government, the Howard government takes the water concerns of the Central Coast and our country very seriously. You can see this in this budget and you can see it in the previous budget. The Australian government has already contributed over $6½ million toward the construction of a pipeline from the Hunter to the Central Coast. This will provide around 20 megalitres of water per day to our area. I am working with council and lobbying my government to secure additional funding for other water projects to further alleviate the coast’s water shortage.

Our local councils and residents are also winners, with the announcement that the Wyong Shire Council and Gosford City Council will receive additional funding of almost $2 million from the Australian government’s successful Roads to Recovery program. Wyong Shire Council will receive an additional $903,000 and Gosford City Council will receive an additional $968,000. The new funding will be paid in advance to the councils in this current financial year, which means that both councils can start work immediately on projects they nominate to meet the demands of our growing population.

Another road announcement that will hugely benefit the Central Coast’s large commuter population is the accelerated widening of the F3 to three lanes in each direction from Cowan to Mount Colah at a total cost of $132 million, with the Australian government contributing $105.8 million towards that project. This section of the F3 operates at or near capacity for up to five hours each day and is stretched further on weekends and holidays. It was originally proposed that this section of the widening would be undertaken in two stages but, thanks to this additional funding, the project completion date will be brought forward by three years to mid-2008. I am now pushing for a tunnel under Pennant Hills Road to link the F3 with the M2 to further assist Central Coast commuters to Sydney.

The government has also been very generous in its budget in relation to health initiatives and it will commit an extra $1.9 million over the next five years to improve mental health services in Australia. Most importantly, the Howard government is providing $538 million to enable people to access GP services, psychiatrists and psychologists under Medicare to allow for improved detection, treatment and, most importantly, management of mental illness.
Another important measure is the $241 million to train more doctors and nurses in our system. With the Central Coast rapidly growing in population, this sort of commitment is vital. It will create 400 new places for medical students and 1,000 extra higher education places for nurses each year. Essentially, this means that more students will have the opportunity to get into medicine if they spend part of their training period in regional areas and it may encourage them to continue in a regional practice.

Hundreds of patients visiting GPs will benefit from the federal budget announcement of higher bulk-billing incentives. This will continue in Dobell. The Australian government's Medicare initiatives are attracting more and more doctors to the Central Coast. In fact, in the last year, the bulk-billing rate in Dobell has increased by a whopping 7.7 percentage points to just under 80 per cent. One of the medical centres that recently opened on the coast is providing primary health care services to the people of Warnervale. It is also working towards attracting more GPs to the area, especially those with a strong interest in research. The federal government contributed over $523,000 in seed funding for the project in recognition of the innovative model of health care that the new centre is trialling and the urgent need of the Wyong community for primary health care services. I officially opened the centre and have toured the facilities, and it is truly a fantastic initiative.

The budget provides funding to continue higher rebates for GPs in eligible metropolitan areas who bulk-bill Commonwealth concession card holders and children under 16 years. The higher incentives in eligible areas have risen to 7.85. The government has provided funding of $41.6 million to extend the measures over the next two years. This announcement will be very welcome news to families with children under 16 and most older people on the Central Coast. This decision once again demonstrates the Howard government's commitment to improving and strengthening Medicare and the medical workforce to ensure that all Australians have access to quality, affordable medical care.

The new National Health Call Centre Network is another way this government is relieving pressure on general practice in areas of doctor shortage. Being able to speak with a nurse about your symptoms and finding out what you should do, including seeking medical attention over the phone at any time, will provide peace of mind to people living in isolated areas, especially those with young children and also older people.

There are a few final elements of the budget that I would like to mention. The government's extension of the carers bonus to recipients of the carers payment and carers allowance has been welcomed in my electorate. This payment is made to our carers who receive carer payment and carer allowance. It offers them $1,000 and $600 respectively at a cost to the budget of $385 million. These bonus payments to carers do not affect their entitlements nor is the bonus payment taxed. We owe a great debt of gratitude to our carers, and the 1,200 carers in Dobell that received this bonus clearly deserve this important extra recognition.

The government's plan effectively abolishes the tax currently paid on superannuation benefits to people aged 60 and over from 1 July 2007 and has been welcomed by retirees in the area of Dobell. This is a serious plan to simplify and streamline our complex superannuation system and will significantly improve the retirement incomes of Central Coast residents. Under the new system, self-employed people will be able to claim a full deduction for their super contributions and will be eligible for the government's co-contribution. The budget also delivered some big benefits to small business in terms of tax cuts. Small businesses contribute to
around 90 per cent of employment opportunities in my area and it is vital that we support them. A huge cut in business tax of $3.7 billion over the next four years by moving to a 200 per cent diminishing value write-down on eligible business assets will encourage businesses to undertake investment in new plant equipment, to keep pace with new technology and to remain ultracompetitive.

The government has also introduced a range of reforms to simplify the tax system for small business, reducing taxes on small business by $435 million over four years and delivering $40 million worth of changes to simplify fringe benefits tax. Of course, creating an environment in which small business can best operate is one of the best things this government has done for small business. For the first time ever, the Australian economy will grow to $1 trillion in the 2006-07 year. To conclude, this is a great budget for all Central Coast residents. It builds on the 10 years of strong economic management of the Howard government that has seen the elimination of net government debt, a huge fall in unemployment and low inflation. As a result, we have a budget that is providing huge scope for investing in our future. I commend the legislation to the House.

The DEPUTY SPEAKER (Mr Lindsay)—I call the honourable member for Kingsford Smith, who I understand is coming to Herbert for the festival of chamber music.

Mr GARRETT (Kingsford Smith) (6.22 pm)—That is correct, Mr Deputy Speaker Lindsay. I am looking forward to us engaging when I am in Herbert. I welcome the opportunity to speak on Appropriation (Parliamentary Departments) Bill (No. 1) 2006-2007 and associated budget bills. In 2006 the Treasurer had the opportunity to do something big for the future of the country and he failed, I regret to say. Here was the context: this Treasurer was a lucky inheritor of one of the great windfalls of the decade—a mining boom of huge proportions. This Treasurer had the opportunity to invest in the future while addressing some of the pressing and persistent problems of the present: the imminent catastrophe of climate change, the persistent current account deficit, the ongoing decline in manufacturing, the need to invest in knowledge and innovation, the shortage of skills and adequate infrastructure, and the unacceptable state of health and social wellbeing in our Indigenous committees, amongst other things. But on all these counts, where the challenges were clear, the budget did not provide.

The Treasurer seemed to balk at the gate, in this context unable to see past the short term to the long and unable to eschew the political interest for the national interest. I guess as a precursor to the Treasurer’s possible tilt to be leader and possibly Prime Minister, this budget gives us an insight into the future under Treasurer Costello. I think the House is entitled to ask, on the strength of the document, what kind of future is it? The first thing to say is that, on the basis of the 2006 budget, there is no compassion and no understanding of the scale of the problems that lie ahead. In the past the Treasurer has raised the issue of ageing and the issue of the likely shortages of oil. They are important issues, but they got short shrift here. Unfortunately, it was a surplus budget but a deficit of foresight.

Notwithstanding the portion of tax relief that the budget provided for many Australians and which Labor welcomes, it did not really provide substantial tax reform. And it in no way sets Australia up for a future of sustainable growth where our social, our ecological and our intellectual resources are nurtured and developed. Yet it is those very elements—the social, the environmental, the intellectual—and the economic framework in which they operate that will
determine how we best manage the challenges of the future. It is against that consideration that this budget should be judged.

In terms of what the budget aimed to achieve—namely, some semblance of tax reform—the consensus was clear: it failed. The economic commentators and the specialist writers made that observation within 24 hours of sightseeing the budget papers. In particular, the effective marginal tax rates remain. The tax cuts themselves tend towards favouring the rich and the well-off, and middle and lower income taxpayers, particularly in the $40,000 and above range per year really get about $10 a week. So, in political parlance, this is the budget that brings back the milkshake and the hamburger—if you are on a single income of $50,000 per year, for example, then $9.81 per week is your lot. It is a budget whose tax cuts people saw through: they did not provide the Treasurer with the political bounce that he might have expected from such free spending.

I acknowledge that boomers and retirees will do well, especially well-off retirees, with the proposed superannuation changes—but there is some uncertainty until we have the full detail. Families in some instances also fared better than previously, and Labor acknowledges that as a positive. Yet the tax cuts for middle Australia take place at a time when both interest rate rises and petrol price hikes have the potential to take away much or all of people’s gains. If the citizens of Kingsford Smith get another 0.25 per cent interest rate rise, which is likely, and another two petrol price rises adding 20c a litre, also likely, then if they are on an annual income of about $60,000 with a mortgage of $400,000—that is an average mortgage; many people in Kingsford Smith have mortgages around that level—they will be around $33 a week worse off. So much for the big bonus to taxpayers or the constituents of Kingsford Smith. Of course, if you are on $140,000 a year, under the same scenario you will be $62 better off.

For large numbers of taxpayers, the handouts that Treasurer Costello provided in 2006 were a zero-sum game. This is particularly the case if they are single and earning in the $40,000 per annum range—and there are many single people in that category, a number of whom are my constituents. Of course, for the unemployed, the single low-income taxpayers and those on age pensions this budget does very little. They still make up a large portion of the Australians Mr Costello forgot; they are Mr Costello’s forgotten people. This is the social impact of the budget. It favours the well-off; it provides some minor tax relief, some minor tax cuts; and it leaves the pensioners and the marginalised behind.

What did the budget do for our intellectual capital? Notable in the budget is the fact that, for the first time, spending on defence outstrips spending on education, with defence at $17.9 billion and education at $16.3 billion. This is a telling comparison, all the more so because of the material that was released by the Australian Strategic Policy Institute this week which highlighted a government decision which was not publicised during budget week: to continue three per cent real growth in defence spending—this was a commitment from 2000—for the next five years, thus imposing an extra $10.7 billion cost on the budget. Iraq—a war we should not be in—costs us approximately $400 million a year. More importantly, in terms of providing for the future, it appears on the basis of ASPI’s report that not enough money has been set aside to operate the current equipment that is budgeted for in the budget, notwithstanding the new purchases that are contemplated—and all this at a time when there are actually shortages in person power in our defence forces. But I think there is more to the signal of defence outstripping education, and it is consistent with the government’s underfunding of the...
tertiary education sector which has been a feature of the Howard government approach to spending on education for the last 10 years. In 2006 there was no extra research funding for universities, which is crucial to the ability of Australians to innovate, to develop and subsequently and, hopefully, to export. The other thing that the budget did not address is our chronic trade performance. And it is only by investment in education, skills and training that we will be able to address that problem.

Nor was the amount devoted to the health budget significant, with some 20 per cent of the total health budget allocated to measures driven by the sale of Medibank Private. But, once again, even with the amount in the coffers, the opportunity to reform the health system—something that health professionals, the health constituency and many other informed commentators have been calling out for for years and years—went missing. Access Economics figures show that the budget provides for spending on health to grow more slowly than government spending in general. This means that spending on health will fall as a percentage of all government spending. I am not arguing, by the way, that we should continue to spend money willy-nilly on health, important as it is. In fact, we should be investing significantly in preventive early intervention—the front end of the health system—as opposed to the back end of the health system. But again, there is no evidence that that was contemplated by the Treasurer.

I might take just a moment to deal with the budget on Indigenous health and acknowledge that $136 million or so was allocated for additional funding. Labor would certainly welcome a number of those initiatives, including initiatives on petrol sniffing and mental health. The mental health initiative comes as part of an earlier COAG announcement. I am particularly pleased to see that there are new health brokerage services and money for health workers—nearly $40 million, which is much needed.

But I think it is worth pointing out in a general way that the current mining boom is an inheritance that Australians now have. It is an uncomfortable truth for us because it is an inheritance that comes from land which Indigenous people travelled over and occupied. I can imagine, as we go through a period of soul-searching about some of the very real problems that Aboriginal communities face, and as we consider both in this parliament and in the public arena what we ought to be doing about these problems and how much we ought to provide for them in terms of resources, that we have not made the connection between the boom in mineral wealth and the fact that it was Aboriginal people’s land.

Again I refer to the Access Economics report that was prepared for the AMA. It found that the government is very slow moving in areas like Aboriginal and Torres Strait Islander health and that extra funding for Aboriginal and Torres Strait Islanders health care is ‘inadequate’. Indeed, in the last budget the AMA had called specifically for around $450 million as an additional spend for Indigenous health, in Indigenous communities which still suffer terribly poor health conditions, particularly in comparison to the remainder of us. The 2005 budget was not forthcoming. This one has provided some additional spending but it will not be sufficient to close the life expectancy gaps. It will not be sufficient to deal with the considerable challenges that Aboriginal communities face on health.

I have to say—and I made this comment on Sorry Day on Friday—that the Prime Minister and his government have been aware of the problems that we have in Indigenous communities and the necessity for us to not only provide for safe communities and provide for due process
under law but provide the necessary resources, particularly in preventive health, to grow and to be healthy. I was pleased to see that my colleague in the Senate, Senator Evans, welcomed the opportunity for Labor to work closely with the government in a bipartisan fashion on addressing some of these other, more prominent public issues of sexual violence and assault that we have seen recently. But it is about more than just playing the law and order card, important as proper due process is. To that extent, we certainly will be calling and looking very clearly for the necessary investment not only in political will but in health, in particular—for the resources that are necessary for Indigenous people to pick themselves up and get their health care sorted out for once and for all. It will take a decent period of time.

One other issue that faces us is considerable at this particular point in time, and it is called climate change. Since I have come into the parliament I have spoken on it on a number of occasions. I have been watching with interest the way in which the rhetoric of the government—in particular the Prime Minister and others—has changed over time. Climate change was not a problem five or six years ago, and then it was a problem that we really did not need to manage two or three years ago—it was the fanciful imagination of those who think the environment is worth protecting when they continue to emphasise it. Now it is a clear and present problem which only the establishment of a domestic nuclear power industry can solve in Australia.

More important is the fact that the budget provides absolutely no sense whatsoever that the government ‘gets it’ on this issue. There has been some criticism of previous funding decisions that it has made. The Australian Greenhouse Office virtually no longer exists. Even the meteorological services saw a lessening of income towards them. But, frankly, these are side issues when it comes to actually dealing with our climate change and recognising the necessary suite of measures that a government ought to put in place as a matter of urgency.

In November 2005, the G8 climate conference identified the fact that major investment is needed in energy infrastructure and that there is a need to tackle climate change. That means enhancing private sector investment, establishing goals and time lines for which greenhouse gas emissions are reduced and setting a price signal on the price of carbon, yet the government has done none of that. The budget does not contain any sense whatsoever that the financial and economic risks that Australia is taking by permitting climate change to continue unabated are understood.

The drought of 2003—and I am not saying that it was caused entirely by climate change, but it is very clear from CSIRO modelling that we will see increased and more intense drought periods over the coming decades—cost the country some $13 billion, from memory. I was interested in particular in the report that was done by the business roundtable on climate change, which included companies such as BP, Origin, Insurance Australia Group, Swiss Re, Visy, Westpac and the Australian Conservation Foundation. They identified a number of measures that would be necessary for Australia to take in order to start to address climate change. But nowhere in this budget, nowhere in the policy suite that the government brings forward to us, do we see any of that at all.

To successfully address climate change we need to use the best capacities, the best intelligences, the best innovations and the best education we have at our disposal. We must make substantial investments in learning and skills training, especially in light of the skills shortage that we have, to deal with the clear and present dangers. But the response from Mr Costello in
the budget was to not address the particular problem of a skills shortage, which had been identified by the Australian Industry Group and others as being the most pressing need in this budget. It was not addressed at all. The only thing that we have to go on is the fact that there is an industrial relations system which moves, and ultimately in the future will continue to move, against workers to the benefit of employers.

Very quickly, with the time left available to me: in relation to the arts, this budget was again disappointing. The Minister for the Arts and Sport, Rod Kemp, claimed that the spending was $100 million, but if we examine where money was spent and where it came from we discover, in fact, that there was very little new spending or additional spending for the arts in the budget. I would have to say that the amount of funding in the arts is relatively modest, but once you strip out repair and maintenance, and necessary rescues and assistance, the figure is closer to about $10 million.

I believe the arts community and its capacities do wonderful things for this country, not only in enhancing our ideas about ourselves but also in building synergies with the new digital content industries. Expanding our artistic outreach and productivity overseas was let down. In particular, I note that there was no investment or response to the crisis in our film industry. We now have local skilled people being forced to go overseas to work and we have a significant underutilisation of infrastructure, and the budget presented nothing. For small- and medium-sized theatres, again there was nothing. In fact, all the budget did deliver was a $6 million visual artists package, which was a cover for a decision to deny visual artists, including Indigenous artists, resale royalties in this country.

I note that my colleague the member for Fraser is here. He had a private member’s bill in the House earlier this year. He identified in that bill some $25 million in royalties that would be payable to Indigenous artists, and yet we have a figure which is closer to $4 million provided for a very necessary upgrade for arts centres, particularly those in remote areas. That is a completely unacceptable result for the artistic community and a real slap in the face for Indigenous artists. This decision is extremely disappointing.

The final point I want to make is to pick up on something that ex-National Party leader Tim Fischer called for: a dimension in the budget that would refer to community wellbeing. I do not agree with everything that Mr Fischer said, either when he was in this House or subsequently, but he got it right on that one. When are we going to have a budget that reflects the social and environmental indices of health and wellbeing? When are we going to be able to provide the Australian population with a snapshot of where we are at in terms of what we are doing in this national economy and the impact that it is having upon our environment and upon our communities?

That is one of the most important issues that we need to consider, particularly when the warnings of climate change impacts are cascading down on us. It is projected that at least 20 per cent of the waters allocated to the Murray-Darling Basin—which did get a welcome spend of $500 million—will be evaporated as a consequence of climate change. The $500 million, while welcome, will not be sufficient. The fact that we are not starting to budget in those externalities of climate change et al means that the figures that we are looking at do not give us sufficient guidance as to where we need to go with the country in the future.

The public health system continues to buckle, and there is a lack of investment in health, education and public transport. Much was expected of this budget but little was given. Labor
has policies in place which more than make up for the omissions of Treasurer Costello. Those policies, outlined by Kim Beazley, include goals for Aussie kids in health, the skills blueprint, connecting the nation and establishing a national broadband network, a fuels blueprint which would deal with the issue of energy security and boosts to child care. All those things would be part of a good and positive Labor budget.

*Mrs VALE* (Hughes) (6.42 pm)—It is a privilege to speak on the Appropriation Bill (No. 1) 2006-2007 and cognate bills. The coalition government’s first budget, handed down on the evening of 20 August 1996, heralded the start of a significant change in Australia’s economic prosperity. It received headlines as the fair-go budget because measures were taken by people who were mindful of the tough choices that come with economic responsibility and who had the experience that brings a finely honed sense of social awareness.

Now, in 2006, another milestone has been reached. We have now eliminated the $96 billion of net debt that Labor left the Australian people when it was voted out of office in 1996. This budget is in surplus for the ninth time in 10 years, and the government has established a Future Fund which has begun to save for the future. With these savings, the next generation will be able to meet the challenges of their time. Now that the Australian government is debt free in net terms we do not have to collect taxes to pay the government’s interest bill, and we are saving a massive $8 billion per annum in interest payments.

The Treasurer’s 11th budget helps Australian families with practical measures that are also part of the government’s thoughtful and disciplined policy to help keep Australia strong. This plan will further strengthen our economy and address the challenges we face as a nation, such as the ageing of our population. The government’s plan includes initiatives in several policy areas. One is in superannuation. We are building up the nation’s savings and putting Australians in control of their own future. We have provided significant tax cuts. We are rewarding hard work and we are helping Australian parents to raise their families and to maintain the living standards that we have come to enjoy. Our changes to the tax thresholds and adjustments to the marginal tax rates have already been welcomed by the vast majority of working Australians.

We have provided funds for medical research. An important way to strengthen Australia’s economy is to focus on new and emerging industries for the future. We have focused on the defence of Australia. We have a strategy for immediate threats to our region and are ready to take action in our part of the world. Roads are vital for the flow of all kinds of economic activity, and we have invested significantly in building stronger linkages between roads, rail and seaports so that export goods can be moved more effectively and efficiently to strengthen our economy.

After 10 years, the government is working to make sure our economy remains strong and our nation is secure so that Australian families can plan for their futures with confidence. The social concerns of our Australian communities are very close to the hearts of many members in this place, and it gives me great pride to note the outstanding performance of the Australian economy. I say this because, without a strong economic base, no government can do very much for those of its citizens who are in need of social welfare support and special assistance. When an economy is weak and in decline, it is those in the lowest levels of our society who suffer the most. They have no buffer against adversity and are the most vulnerable of our citizens. Good economic policy and good social policy go hand in hand, but good economic pol-
icy leads the way and dictates the kind and quality of social welfare that we can provide for our most vulnerable Australians.

And, speaking about our most vulnerable Australians, there are two issues that have been of concern to me for some time. One is the horrendous reality of violence against women and children in Indigenous communities, and the other is the impact of illicit drugs on our society. Firstly, I would like to address the Indigenous issue. There has been extensive media coverage recently about violence in our Indigenous communities, but sadly this is nothing new. In my time here as a member of this House I have spoken on this issue on numerous occasions, including during the mandatory sentencing legislation debate, the Aboriginal and Torres Strait Islander Commission amendment debate and the debate on the Aboriginal and Torres Strait Islander Women’s Task Force on Violence. I used all my time in the appropriation debate in the year 2000 on this tragic issue. In fact, in 2000, in the appropriation debate, I talked about the war zone in Australia today. I noticed only last week that the front page of the *Sydney Morning Herald* had the headline ‘Not the Third World, just Australia’s war zone’. I continued to note its report on this national disgrace and it motivated me to address this issue once again.

The issue is complex. Contributing factors include the impact of white man’s welfare and the collapse of traditional culture and society, and I refer there to the thought-provoking article by Keith Windschuttle in the *Australian* dated 23 May 2006. However, as I pointed out in my 2000 appropriation speech, I first read about this war zone for women and children in the report of the Aboriginal and Torres Strait Islander Women’s Task Force on Violence, and I recorded my respect for the courage of the chair of this task force, Professor Boni Robertson of Griffith University, and the Indigenous women who worked with her to bring forth this report. I was particularly moved by an alarming statement in the report which said:

Sexual abuse is an inadequate term for the incidence of horrific sexual offences committed against young boys and girls—

and women—

in a number of Community locations in Queensland …

This important document also pointed out that the incidence of sexual violence in these communities is rising and that it has a direct relationship to negative and deformed male socialisation associated with alcohol and other drug use and, importantly, the influence and prevalence of pornographic videos in these communities. The strong link between violence and pornographic videos and the sexual abuse of Indigenous children has been known for some time. While there are many factors that contribute to violent sexual crime, the widespread availability of these destructive videos is now seen as a trigger for such crime across Australia. According to Boni Robertson, cash-on-delivery orders of $4,000 to $5,000 worth of pornographic videos are known to have been received by remote communities. One community with a history of pornographic video usage is cited in the report as having the highest number of its men in prison for sexual offences.

As I previously pointed out—and it is well worth noting again—the reader of the Boni Robertson report finds it traumatic. It contains a scarifying account of the pain of the daily existence of Australian women and children. It would be utterly unbelievable that something so grotesque and ugly exists anywhere in this beautiful land, except for the fact that the victims of such violence are very real indeed. When I gave this speech in 2000, it fell on deaf ears.
ears. Not too many people had heard of the report, or of Boni Robertson and her courage and that of the women in her task force in raising such unpopular issues. In some sections, these women—women of great personal strength and character who were trying to give voice to the voiceless women and children in these remote communities—were condemned for bringing shame upon their own people. Silence is known to be the language of complicity and, unless and until sexual violence amongst our Indigenous women and children is addressed and eradicated, we are all complicit.

However, while there may be nothing quite as powerful as an idea whose time has come, it is timely that the new Minister for Families, Community Services and Indigenous Affairs, the Hon. Mal Brough, has taken a strong stand against this violence. In addressing this issue, he will have my support and the support of the vast majority of the Australian people. The solutions will prove as complex as the problem, but drugs, alcohol and violent pornographic videos are a cocktail for depravity—just ask these women. In seeking solutions, I would say this to the minister: be encouraged and stay strong in your resolve. Please listen to Indigenous women in seeking your solutions; they have something to say and we in this place have been deaf to their cries for far too long.

The other issue I have referred to is the impact of illicit drugs and alcohol upon individuals, especially the young people of our cities, suburbs and country towns across Australia. In our society today, illicit drug use is reaching epidemic proportions. While we are all well aware of the devastation that drugs cause individuals, their families and our community, I fear that their use may soon become endemic. I would focus on two areas of community concern: one is the policy of harm minimisation and the other is a deadly myth about so-called recreational or party drugs.

The policy of harm minimisation is and in recent years has been shown to be fundamentally flawed. It is founded on the belief that it is not necessary to try to prevent drug addiction in our young people by the use of compliance and enforcement. Advocates of harm minimisation, which include state governments, are saying basically that, if you cannot stop someone from using a drug, you should provide safe conditions for them. However, let us be very clear about this. As many families and drug addicts know, there is absolutely no safe way to use an illicit drug. It is of real concern to the many Australians who place a high value on living in a civil society, and on the role of law and order to provide such a society, that this failed policy of harm minimisation subverts our laws that prohibit the possession and selling of illicit substances. Not only is this a dereliction of our duty as elected representatives—because government policy should always support and never subvert the law—it also sends confusing messages to young Australians.

Further, the synthetic drug methadone was introduced to assist those addicted to heroin, in the belief that methadone causes blockading of the brain’s receptors, preventing euphoria and assisting the addict to cease using the drug. This policy has proved to be another abject failure of harm minimisation. Not only has this policy proved ineffective but also the use of methadone has markedly increased. The New South Wales state government has also established a heroin injecting room in Kings Cross. There addicts can inject a deadly drug, which has been obtained illegally, not only with free needles but also free of the fear of arrest or prosecution. As soon as they walk through the front door of the heroin injecting room, the law of our land does not apply to them.
Harm minimisation supporters also propagate the falsehood that somehow the exchange of needles and syringes to drug addicts will reduce the spread of AIDS and hepatitis. The 2002 hepatitis C report funded by the Commonwealth Department of Health and Ageing clearly shows that the infection rate of hepatitis C is rapidly increasing, with up to 836 cases expected in the year 2020. The policy of needle exchange has become needle distribution and is another failed policy from the advocates of harm minimisation.

The 1992-97 New South Wales drug directorate strategy promised that harm minimisation would achieve the following outcomes: firstly, a reduction in the proportion of people, especially young people, who currently use drugs. It has failed and has been shown to have failed. Secondly, it aimed to achieve a reduction in the availability of illegal drugs. Again, it has failed and has been clearly shown to have failed. Thirdly, it aimed to achieve a reduction in the number of drug related property crime and crimes against the person. It has failed here too and has been shown to have been a failure. This policy is not just a miserable failure; in fact, it has also failed the young people of Australia.

New South Wales has the highest use of heroin and the highest crime rate in Australia and the highest use of methadone in the world. When it comes to illicit drugs, the policy of abstinence and appropriate support and rehabilitation for these addicts is the only effective means of dealing with this insidious and evil scourge of our society. We have a lack of rehabilitation facilities within communities all across Australia. I call on our government to address this issue, to review the number of rehabilitation facilities that are available and to do something positive to provide rehabilitation to ease the concern and distress of families and addicts.

Another massive challenge that we are facing is the use and widespread acceptance of the so-called recreational drugs or party drugs, which are poisonous and deadly. These include ecstasy, cocaine and speed and are often favoured over alcohol as the drug of choice for a night out in some sections of our society. Once found only in underground rave parties, these drugs can now be easily bought and sold at any number of city nightclubs, bars and private parties. But while we are all aware of the dangers of these so-called recreational drugs, the laid-back attitude of many young Australians has resulted in the acceptance of these drugs as a normal part of our society. Indeed, regrettably, Australians have become so complacent that we now have the highest use of ecstasy in the world. What does this say about our future?

I was greatly concerned to read a report in the Daily Telegraph on Monday, 22 May this year which revealed that at least one person a fortnight dies in our country after taking ecstasy. The report also included figures from the National Drug and Alcohol Research Centre that showed that the lifetime prevalence of ecstasy use increased from one per cent in 1988 to 7.5 per cent in 2004. However, if I thought that alarming statistic would be enough to convince our drug research organisations that zero tolerance is the only way forward, I was sadly mistaken. I was horrified to read material from the Australian Drug Foundation that provided guidelines for the safe use of ecstasy. These included drinking water regularly to prevent dehydration, wearing loose clothing and taking regular breaks from dancing. However, this very same material clearly states that ecstasy is illegal in Australia. The contradiction is breathtaking.

Similarly, the Australian Drug Foundation also provides information on marijuana. It says: currently, there is no evidence that occasional use of small quantities of cannabis causes any permanent health damage.
The question has to be asked forthwith: to a young person, exactly what does ‘small quantities’ mean? How can we honestly allow this type of material to circulate amongst impressionable young people, who look to us for guidance? What kind of message is this sending to young Australians, what kind of confusion is this causing, when it appears in government funded material?

Laws are put in place for the protection of us all. Experience has shown that, where there is no respect for law and order, civil society begins to fragment. We must once again honour the law that says it is illegal to sell or possess illicit drugs and encourage young Australians to understand the real dangers to them and their families and to promote a policy of abstinence. We must give our police officers the confidence to enforce the law and to give our citizens the clear message that illegal drug use is not acceptable, that it is not acceptable for their future or for their future happiness. We must also offer our children a word of hope and educate them about the dangers of drug use.

One person doing a wonderful job on this front in Sutherland shire is a resident by the name of Darren Marton, who launched his No Way antidrug campaign at the Cronulla Sutherland Sharks Leagues Club last Wednesday night. Darren is well placed to comment on substance abuse, having succumbed to the lure of drugs at an early age and gradually ruining a promising career in the sport of rugby league. As a rising young sports star, Darren began smoking cannabis in high school but, as so often happens, progressed to heavier drugs and by his early 20s was addicted to heroin. After a tumultuous decade, which included stints in jail and psychiatric wards, Darren finally experienced the terrors of crystal methamphetamine, more commonly known as ice, in 2004. In 2005, Darren turned his life around and vowed to use his own life experience to educate young people about the consequences of illicit drug use.

I was privileged to attend the launch of the No Way campaign and to see Darren give a deep and moving account of his life. Darren was a gifted young athlete who had the world at his feet. He played junior representative football with the Cronulla Sharks in New South Wales and accepted a scholarship with the Sharks at the age of 16, before losing it all to drugs. Darren hopes to carry his message into schools, community groups and sporting organisations. I would like to pay tribute to the work that Darren is doing, to his courage and determination in giving up drugs and to his commitment to creating a confronting and powerful campaign to warn our precious young Australians of the dangers of drug use. However, Darren should not be alone in his efforts to encourage young people to fulfil their dreams. We all have a duty to educate our young people about the ramifications of drugs, both legal and illegal. This, combined with a zero tolerance approach to illicit drugs, is the only way to go. I congratulate the Treasurer on this excellent budget and I commend these appropriation bills to the House.

Mr McMULLAN (Fraser) (7.02 pm)—I rise to speak on the Appropriation Bill (No. 1) 2006-2007 and cognate bills. Every weekday morning in my electorate, only a kilometre from here, breakfast is served to the homeless. This particular service has only been operating for a year and has grown from serving breakfast to a handful of people to regularly serving more than 70. Their clients are homeless and, in this weather, many of them are still sleeping rough—sometimes in tents provided by the service in lieu of affordable housing. They stay on after breakfast for counselling and referral. Many of them have complex issues which will
need much time and help to resolve. After homelessness, one of the biggest problems seen at this centre is poor dental health—a problem for many other Australians too. Most of their clients have not seen a dentist for years, and this has led to the alarming circumstance in modern Australia where the service has had to modify the food supplied for breakfast as those attending simply cannot eat things like apples. The apples in a large consignment that was recently donated had to be chopped and stewed by staff before they were soft enough for the clients of this support service to eat. They are clearly being adversely affected by the current banana shortage.

The Commonwealth Dental Health Program was introduced to reduce waiting times for Australians such as those to whom I am referring for access to public dental services by giving public patients subsidised access to private dentists. But the present Liberal federal government discontinued its annual funding in 1996. The result is that many Australians—not just those attending this breakfast centre for the homeless—cannot afford adequate dental treatment. We have levels of tooth decay and gum disease that would not be out of place in the Third World. People who cannot afford access to private dentists have to wait for the limited public services on offer. By the time an appointment comes around, decay is often so advanced that the removal of affected teeth is the only option. This is a problem not only of the homeless. Constituents in low-paid work, such as child care and aged care, also complain to me that they cannot afford to visit a dentist and that they are not even eligible to register for an appointment with the public dental scheme.

This experience here in the affluent city of Canberra could be repeated 100 times over around Australia, yet the Howard government refuses to act. It could easily fund a replacement for the national dental scheme which they abolished in 1996. To re-establish such a scheme at 1996 levels would cost approximately $140 million or $150 million per year. The failure to act to meet this crying need highlights the wrong priorities reflected in this budget. When you have $40 billion extra to spend, what you do not do tells more about your values and your priorities than what you choose to do. The Howard government must know about this crisis in dental health. Many coalition members would have similar stories to tell from their electorates. What are they doing? Don’t they know what is happening in their constituencies? Don’t they care, or can’t they persuade the Minister for Health and Ageing, the Treasurer or, most particularly, the Prime Minister to act?

In my local area I want to pose those questions to the member for the adjacent electorate of Eden-Monaro, Mr Gary Nairn, because the issue is at least as bad, if not worse, in Queanbeyan as it is in Canberra. I say to the member for Eden-Monaro: ‘Don’t you know what is going on, don’t you care or won’t the Prime Minister listen to you? Which is it?’ Of course while the crisis in public dental health is reflected so starkly against the $40 billion of new spending in this budget, it is not the only area in which these wrong priorities are reflected. It is just the starkest and the clearest one and the one that has confronted me most directly.

With regard to the homelessness issue that I referred to earlier, the Tenants Union and the ACT Shelter have been running a campaign in my electorate entitled ‘Housing is a human right’. Postcards have been distributed which highlight individual stories, many positive, and the overarching message is that adequate and affordable housing provides a foundation on which people build their lives. Stable housing has been shown to lead to improvements in health, education and access to more job opportunities, yet in this budget there was no extra
funding to deal with the homelessness crisis and no extra funding for homeless people with a mental illness. Tax cuts will not help those people who are already homeless.

I use these stories to highlight the character of this budget, a budget of missed opportunities and skewed priorities. It is also a budget characterised by economic risk, but I will come to that later. Having dealt with two examples of the failure of the government to use this budget as an opportunity to begin to repair damage that previous Howard government budget decisions have created, I now wish to turn to an important opportunity for the Howard government to remedy over the next 12 months another of its failings—in this instance, the employment of people with disabilities.

I notice the Minister for Employment and Workplace Relations has convened a task force to encourage employers to employ more people with disabilities. I do not disagree with his doing that, but it is occurring in parallel with the Howard government putting pressure on people with disabilities to rejoin the workforce and there is, of course, great controversy and anxiety about the consequences of the Welfare to Work legislation. But, while all those things are going on, I want to focus on a different aspect of the issue: the abject and continuing failure of the Howard government to get its own house in order with regard to the employment of people with disabilities.

The government’s own statistics show that the number and the proportion of ongoing employees of the federal government with a disability has fallen dramatically since the Howard government came to office. The Public Service Commissioner’s State of the service report shows the number of people with a disability working on an ongoing basis for the Commonwealth has fallen from 7,008 in 1996 to 4,642 in 2005, a fall of more than 30 per cent. In case you think there is some measurement effect, that this is a product of a change in the size or the shape of the Public Service, think again. The proportion of the total ongoing APS employees with a disability has fallen similarly, from 5.4 per cent of the workforce in 1996 to 3.8 per cent over the same period. It is a trend that must be reversed.

This is a scandalous situation. Under this Commonwealth government, the Howard government, which professes concern about the employment of people with disabilities and is an employer of 123,000 people in this category of ongoing APS employees, for every year that it has been in office, except 2003, the number of people with disabilities employed by the Commonwealth has fallen in absolute numbers, and it has fallen as a proportion of Commonwealth employment every year except 2003 when it was flat—5.4 per cent, 5.3 per cent, 5.1 per cent, 4.8 per cent, 4.5 per cent, 4.2 per cent, 4.0 per cent for two years, 3.9 per cent and, in 2005, 3.8 per cent.

What a disastrous performance for a government in support of Australians in need. If the same proportion of Commonwealth employment had been maintained, there would be 2,000 extra people with disabilities employed by the Commonwealth. This is of course a big issue in my town of Canberra because there are a lot of public servants here. But it is also a big issue in Townsville, Darwin, Sydney or Melbourne where there is a very large proportion of Commonwealth public servants and a very large proportion of the sorts of jobs that could well be identified for employment of people with disabilities.

I call on the Howard government to take some measures to turn this around. There is no central program dealing with the question of employment of people with disabilities. It is proposed in this budget that there will be a substantial increase in the number of Commonwealth
public servants. The number has been quoted at 7,000. I am not absolutely sure if that is right, but it is of the right order of magnitude. So let us use that proposed increase to fix the problem. Let us start now. I do not object to the Commonwealth government having a task force to encourage employers to employ more people with disabilities—it is a worthwhile goal—but the government should start with themselves.

I say to the government: if you are genuinely concerned about employment for people with disabilities, start employing some. Set up a central program—probably through the Public Service Commission, but I do not care about the structure—to examine suitable job vacancies, to recruit people with disabilities, to assist agencies in their recruitment, to adapt workplaces to suit people with disabilities and to train both the people with disabilities and the people with whom they will work, so that this disastrous trend is reversed. It is clear that a hands-off attitude will only lead to a continuing decline, as it has every year since 1996. It is just not good enough. For individual Australian citizens with a disability and for their families this situation is an ongoing source of anxiety, and it is totally unjustified and totally unnecessary.

In the remaining time available, I want to turn to the economic risk inherent in the short-term focus of this economically complacent budget. From an economic point of view, the problem with this budget is that it is a triumph of politics over economics—a triumph of the short term over the long term. The loose collection of individually welcome hand-outs might enhance the Treasurer’s image but it does not constitute a responsible or appropriate economic package, and I feel it is inherently risky. We now face a situation in which monetary restraint and fiscal stimulus are in conflict. The risk is that it will create the circumstance in which more monetary policy restraint is required to offset the excesses of fiscal policy—that is, it increases the risk of further interest rate increases later in the year.

More fundamentally, the budget reinforces the risk that we are repeating one of the two great economic policy mistakes of the last 30 years. All the attention has been focused on not repeating the great mistake of the eighties—keeping interest rates too high for too long. As a consequence, we are in grave danger of taking our eye off the ball with regard to the real risk—repeating then Treasurer John Howard’s folly of the seventies in frittering away the benefits of a resources boom in a populist rush of consumption spending rather than responsible saving and investment policies.

The Treasurer argues that because the budget is still in surplus it cannot put upward pressure on interest rates. This thesis would fail high school economics. An inappropriate boost to consumption leads to pressure on interest rates. The big risk is that families will lose the benefit of the tax cuts in further interest rate increases by the end of the year. But nothing can hide the risks and wasted opportunities in this budget. A wide range of economic commentators before the budget were pointing to this risk, and since the budget have been referring to it. I want to take such time as I have to refer to some of those. They are not from the traditional Labor contacts; they are from mainstream economic commentators in Australia who have been expressing their concern for some time.

Mr Slipper interjecting—

Mr McMULLAN—I am not interested in petty interjections. We see, for example, the ANZ Bank saying that the government have had a massive windfall and they have wasted it. They also say—I will come back to that first point—that the economy is near the point in the
cycle where the seeds of previous recessions have been sown. They are the two points I want to refer to. I turn first to the Economics@ANZ Budget Report 2006-07—their overview:
The Budget has again benefited from windfall gains ... which boosted the cash available to the Government over the four-year forward estimates period by $51bn. Of this, the Government ... ‘spent’ $46bn.
That certainly will not do anything to diminish the prospects that interest rates might go up. The report goes on:
From a longer term perspective, we would like to have seen more audacious reform, particularly of the personal income tax system, and a willingness to run larger surpluses (as other beneficiaries of the current commodity price boom such as Norway, Canada and New Zealand have been prepared to do). I also point out that, almost without exception, those other countries enjoying the minerals boom are running trade surpluses while we are running shocking trade deficits. The ANZ review points out that the terms of trade gains—in effect, the minerals boom; it is more complex than that, but to summarise it in these few minutes—have been worth $2,600 per head to each Australian since 1999. It is a massive windfall which we have had the capacity to save and invest but which we have spent.
People crow about budget surpluses—I would always prefer to have a budget surplus; if you can fund all your requirements with a surplus it is a good thing to do, particularly at this stage in the cycle—but the ANZ Bank points out that the projected budget surpluses are smaller than at previous commodity cycle peaks. As a percentage of GDP they are now less than at the previous commodity cycle peaks in the 1970s and the 1990s. So we have the ANZ Bank expressing their serious concerns about the budget.
We had Alan Mitchell from the Australian Financial Review saying:
The government has again disconnected the budget’s automatic stabilisers.
Treasurer Peter Costello will then find it difficult to avoid accepting part of the responsibility for the increase in mortgage and interest rates.
But the current policy combination, which has the government loosening the natural constraints of fiscal policy while the RBA tightens monetary policy, is the opposite of what should be happening. It keeps the exchange rate higher than it would otherwise be, slowing the unwinding of the current account deficit.
What we got was a politically lazy budget that shovelled out the excess revenue on a number of generally worthy, and for the government politically advantageous, projects and handouts.
We had a comment from TD Securities on 15 May 2006. Did the budget put pressure on interest rates? You bet it did. They put aside all of the speculation. Various economists have said yes, no, maybe or it is too early to say. TD Securities have gone to the really authoritative source—that is, how did the money market respond? By 15 May they said that you could see that when the dust settled early on the morning of 10 May the implied yield had risen by 10 to 12 basis points. The market was fully pricing in a 25 basis point interest rate hike on a 12-month time horizon. This is flowing through into the money market. Small businesses are already paying those higher rates. It makes our small businesses less competitive internationally.
In the last point I want to make I wish to quote the ANZ bank again:
The economy is near the point in the cycle where the seeds of previous recessions have been sown ... 1960, 1973, 1981 and 1989.

We are at the point in the cycle which led to decisions which provoked the past four recessions. One of those mistakes is giving away too much of the revenue dividend in spending increases and tax cuts, which is still a very significant risk. In my view, it is economically a very risky budget.

It would be wrong for me to conclude these remarks without acknowledging some welcome local initiatives in the budget, particularly with regard to Old Parliament House and most particularly with regard to the Australian National University. It is belated but proper acknowledgment that this parliament and the federal government have unique responsibilities with regard to the ANU, which cannot receive any state government support. This is a responsibility which this government has not previously acknowledged. I have found it very difficult to get my own party to acknowledge it. So I welcome it being recognised for the first time in a long time in this budget. To conclude: it is hard to be unpopular when you are giving away $40 billion. The opinion polls suggest that the government might have succeeded in doing that, but I doubt it. There are some welcome local and national initiatives. But overall it is a budget of skewed priorities, economic risk and, most of all, missed opportunities.

Mr SLIPPER (Fisher) (7.22 pm)—At the outset I would like to congratulate the Treasurer of Australia for another example of a responsible and sensible budget that further demonstrates this government’s determination and dedication to the goal of managing Australia’s finances in a way to ensure the best possible lifestyle for Australians from all walks of life.

I think it is widely recognised throughout the world that Australia’s economy is strong and stable and our lifestyle is one of comfort and safety relative to a great many other nations whose citizens face daily hardships, many of which are nonexistent in Australia. We only have to turn on our television sets to see examples of those hardships experienced by citizens in other nations—hardships such as extreme and widespread poverty, war, famine and uncaring governments. The list goes on.

Australians often lose sight of the fact that our welfare system is also extremely generous. Many nations around the world have virtually no welfare system. If you have no job in these countries, if you cannot work due to injury or disability or if you are elderly or too frail to work then, unless you have family to support you, you have very little to fall back on. Unfortunately, as some have suggested, our welfare system may in some people’s eyes be too good. But we must always be mindful of ensuring that we do have a safety net in our society to make sure that less privileged people are able to receive assistance from the rest of the community. It is important that that be seen as a safety net and not as a lifestyle choice.

There are other examples of what makes Australia the great nation it is. We have low interest rates, low unemployment and other things. We have sensible leadership. Prudent spending has been demonstrated by the coalition government over the last 10 years. Australia is a country which many people see as being one of the best run countries economically right throughout the world. In fact, Australia, under the Liberal-National Party government, has become the envy of people right around the globe.

I would also like at this stage to mention that this budget builds on our successive budgets which have had surpluses. We also have in this case reduced taxes once again. We have repaid a debt totally. When we were elected to office in 1996 the government of the day was paying
out an enormous amount of money—billions of dollars each year—in interest on government debt. But now, through sound economic management, we have repaid all of that debt, and that means that the government is now able to find the financial wherewithal to be able to improve spending on a whole range of activities which are beneficial and desirable to the Australian population.

While in the budget debate it is always important to mention how great the economic management of this government has been, one of the things about the appropriation debate is that one does get the opportunity to digress and to talk about other issues of great importance to the community. Mr Deputy Speaker Scott, I would at this point like to take the opportunity to congratulate the National Party and the Liberal Party in Queensland, you as the National Party president, the Hon. Warwick Parer as the Liberal Party president, Geoff Greene as the state director of the Liberal Party and Mr Hall, who is the director of the National Party, on the decision that was made yesterday by both state executives, meeting separately, to move towards a merger of the two parties.

Mr Cameron Thompson—Hear, hear!

Mr SLIPPER—I thank the member for Blair for his support. I must say that the person who would be most upset, most concerned, by the decision of the two coalition parties in Queensland to set aside 25 years of self-indulgence will be the Premier of Queensland, Mr Beattie, whose government appears to be losing all of the wheels off the cart. We had the disaster over health. We can barely open a newspaper anywhere in the state without finding out additional problems that the Labor government in Queensland is experiencing.

Let us just place some of the facts before the parliament. I am indebted to the state director of the Liberal Party, Geoff Greene, for this information. The executives of both the Liberal Party and the National Party in Queensland resolved to progress discussions for a possible merger of the two parties under the Liberal Party of Australia Queensland Division constitution. This is the first positive step in the process of discussions that could provide unprecedented unity, giving the Liberal Party the best chance of beating the incompetent and arrogant Beattie Labor government at the next state election. Constitutional changes, if any, will be decided after further talks and ongoing consultation with both organisations and parliamentary wings as well as the rank and file membership. The proposed merger does not mean the creation of a new party.

When one looks at the newspapers around the country, one sees a whole lot of misinformation at work out there. It is important to correct that misinformation. I want to raise some of the questions that have been asked and to give the appropriate responses. The first question is: do merger talks between the Queensland Liberal and National parties mean a new conservative party will be formed? The answer is no. Despite media reports, there is no talk of forming a new conservative party, and the Liberal Party would not be changing its name to ‘The New Liberals’. The merger would not form a new conservative party in Queensland, but rather talks are centring on The Nationals joining the Liberal Party. Discussions with the Queensland National Party leadership will continue to this effect.

People ask: what did the state council of the Liberal Party decide on Sunday? The Queensland Liberal Party state council and The Nationals’ equivalent agreed to support further talks between the two parties on the issue of a merger under the Liberal Party of Australia Queensland Division constitution. The motion passed reads as follows:

MAIN COMMITTEE
State Council congratulates the working party on ongoing discussions with the National Party to date and authorises the working group (President, State Director, Con and Rules Chairman) to continue discussions with the Parliamentary Parties and Federal Party Leadership in regards to the merger of the two parties under the Liberal Party of Australia (Qld Division) Constitution.

People ask: what are the benefits of the Queensland Nationals joining the Liberal Party of Australia Queensland Division? Why is this proposal better than the coalition?

Mr Melham—You can tell them!

Mr SLIPPER—The obvious answer is that the merger would create the largest political party in Queensland. The member for Banks raises the fact that I have been in the National Party before and I have obviously been a Liberal Party member of parliament since 1993. My personal experience is that the rank and file members of both parties are the same ordinary, decent Australians who want a better life for themselves, for their families and for the community at large. I have had an insight into the fact that there has been a false division for so many years. We have Liberal and National Party members of parliament who work together in the coalition party room, and you mostly would not know who is a Liberal and who is a National. What I am really saying is that, for the last quarter of a century, there has been massive self-indulgence on the part of both the Liberal Party and the National Party whereby at state level they have lost focus, focusing on each other instead of their common enemy, the Labor Party.

The very brave decision by the National Party and the Liberal Party yesterday to move towards a merger in Queensland is something which the conservative voters in Queensland have wanted for so many years and it is a very positive step forward. This merger would create the largest political party in Queensland, and the membership base would provide strength to branches and ensure that the party would be a broad based political party to appeal to both rural and metropolitan voters. It would combine the strength of the National and Liberal parties to create a powerful conservative force which would offer all Queenslanders an alternative government.

Mr Cameron Thompson—Hear, hear!

Mr SLIPPER—I thank the member for Blair once again for his support—and I thank you, Mr Deputy Speaker, for your silent support! Research shows that Queenslanders are more likely to vote for a unified opposition and are looking for an alternative to the disastrous Labor administration. Business groups have also indicated that they would provide greater support for a united, strong party with a clear message, alternative policies and a focus on achieving government. By contrast, the Queensland state coalition agreement is a coalition rather than a merger of the parties and still allows for divisive three-cornered contests.

The next question that people tend to ask is: how will the Liberal Party incorporate the National identity and what are the transition arrangements? It is envisaged that the Liberal Party would undertake constitutional reform agreed between the parties to ensure that rural membership and The Nationals’ regional constituency were fully represented in and enfranchised under the new partnership. The reforms would work to create state electorate councils in six regions—greater Brisbane, the Gold Coast, the Sunshine Coast, North Queensland, Central Queensland and western Queensland, as identified in the coalition attaining government agreement. One vice-president would be elected by each region, and members would be empowered by the creation of SECs with provision for the convening of a party convention and
regional policy forums in addition to an annual convention. Transition arrangements would have the National Party leader as leader of the combined party and the Liberal Party leader as deputy, and the shadow cabinet positions would remain unchanged, subject to performance criteria.

Mr Cameron Thompson—Love it.

Mr SLIPPER—The member for Blair once again is correct. The new senior vice-president would be the current National Party president. The Liberal Party executive would remain in place for the next three years.

The next question tends to be: would constitutional reform be required? The current Liberal Party of Australia Queensland Division constitution and Queensland National Party constitution allow for these changes. However, a constitutional convention would be called to amend the Liberal Party constitution to enable further changes to take place, and this convention would be open to all party members.

Another question is: is this a takeover? To be honest, it is a merger, and it is an evolutionary rather than a revolutionary concept. It is a genuine partnership between equals which serves the mutual interest of both parties. But, more importantly, it serves the interests of the electors of Queensland and is designed to achieve our highest common goal—attaining government in Queensland. I might add that of course we also want to make sure that the 29 federal members and senators which our merged operation would have will continue to make a positive contribution to conservative government nationally.

One of the things that a lot of people have criticised the current coalition for is its inability to do away with three-cornered contests. Mr Deputy Speaker, you and I have had these discussions; in fact, I think we had this discussion at my home on New Year’s Day. We have had many of these discussions. The great thing about this merger is that the three-cornered contest in the state seats of Broadwater, Mudgeeraba, Hervey Bay and Redlands would be resolved internally under what we call a process of objective assessment. To sum up, that means there would be zero three-cornered contests in Queensland because, after all, the Liberal Party and the National Party would be one party.

I mentioned before that the state shadow ministry would remain in place until the state election, subject to performance criteria. What would happen to the Queensland National senators and members in the federal parliament? Would they sit in the parliament as Liberals? That is a matter which is yet to be discussed and yet to be resolved. My own personal view is that it would be appropriate that we all sit together, because, after all, we would all be members of the same political party. But whether that happens immediately or it happens incrementally is something which will ultimately be determined by the party organisation.

What really is important is that this is an opportunity to create a new future for conservative politics in Queensland. The Liberal Party was formed from the merger of a number of disparate conservative organisations under the leadership of Sir Robert Menzies. That government was elected in coalition with the then Country Party in 1949 and has provided excellent government over many years since that time.

You cannot just assume that the arrangement that you now have will be the best arrangement forever. I want to say how much I admire the courage of the National Party organisation in Queensland, along with its Liberal Party counterpart, on being prepared to put aside a quar-
ter of a century of internecine warfare to say, ‘Enough is enough.’ We have tried everything else. The National Party and the Liberal Party have each sought to blow each other out of the water. That has not worked. In recent years we have had successive Labor governments—Labor governments which, until they appeared to be as incompetent as the Beattie government now is, appeared to be entrenched into state government for a generation.

The National Party and the Liberal Party separately yesterday were prepared to sit down and say: ‘We have to do things better. We have to look beyond the square. We have to achieve something which is going to not only get rid of Mr Beattie but also make a huge contribution to the ongoing conservative government federally.’ We want to say thank you to you, Mr Deputy Speaker Scott, not in your capacity as Deputy Speaker but in your capacity as State President of the Queensland National Party, and also to your Liberal Party counterpart, former Senator the Hon. Warwick Parer, as well as the party organisations.

It is so much easier to simply say, ‘It’s all too hard.’ It is so much easier to walk away. It is so much easier not to, on occasions, offend one’s federal colleagues. It is important to do what is right. We have tried everything else. We are a long way from state government presently in Queensland, even though the Labor Party appears to be joining our campaign with their serial incompetence. But this in fact gives the two parties when merged as one a real opportunity—a real chance—to regain the treasury bench. It will also, of course, remove the occasional disputes which have happened between the two parties in Queensland, which have affected the coalition’s federal performance.

I represent an area of the Sunshine Coast and I am particularly pleased that my electorate has the opportunity to attract a large number of migrants entering Queensland from overseas and also from interstate. A recent Queensland government media release entitled ‘Queensland population grows at double the pace’ noted that Queensland accepted 30,000 new residents through interstate migration in the 12 months to September 2005. On average, that equates to around 2,500 interstate arrivals per month or 577 per week. It is an amazing total. The reason people are moving to Queensland, of course, is I suppose the prospect of a conservative government after the next election in Queensland! Seriously, the reason they are moving is that Queensland has a wonderful lifestyle. We have a wonderful atmosphere, a wonderful ambience and a welcoming population. This movement will continue to grow. Over the last 12-month period there were 17,500 new residents in Queensland who came from overseas. Altogether, this equates to around 913 extra residents who migrate to the sunshine state each week and many of those people move to the Sunshine Coast.

Queensland’s population grew by 75,900 last financial year or 1,459 people each week. I think it is important to recognise that the Australian government has rewarded our state for that growth. There have been sensible allocations outlined in the budget for things such as infrastructure, including much needed roadworks in Northern Australia. The Sunshine Coast will benefit directly from funds under the Roads to Recovery program. The City of Caloundra will receive $781,031, the Shire of Maroochy will receive $1,188,589 and Noosa Shire Council, which is in the electorate of my colleague the honourable member for Fairfax, will receive $517,939. The Roads to Recovery program covers about 85 per cent of Australia’s road network. In November I was able to announce funding in Caloundra and Buderim under the AusLink Black Spot program for 2005-06. These projects were: Mary Street and Arthur Street, Caloundra, for the installation of a roundabout at the intersection, $50,000; Beerbur-
rum Street and Albatross Avenue, Caloundra, for the installation of traffic lights, $75,000; Mons Road and Tanawha Tourist Drive, Buderim, for kerb and channel modification works and a dedicated left-turn lane, $15,000; and Mons Road and Parsons Road, Buderim, to improve sight distance and upgrade lighting and signage, $80,000.

Having said that, I believe it is important that the government continue to recognise the infrastructure needs of the Sunshine Coast. I would like to see funds allocated to upgrade the Bruce Highway to six lanes all the way to the Sunshine Coast. We have, by upgrading the highway to Caboolture to six lanes, removed the worst bottleneck between the Sunshine Coast and Brisbane. I would like to see more spending in that particular area, but the government must always be careful to make sure that it does not spend more than it earns. The Treasurer of Australia has ensured that the government keeps within its means. People these days will not accept deficit budgeting. This government has responsible economic management and I am proud to be a member supporting the government in this place.

Mr MELHAM (Banks) (7.42 pm)—This government trumpets its ‘family friendly’ credentials, yet when you consider the detail of the budget it emerges that the government is anything but. There are three key areas impacting on the families in my electorate of Banks that I wish to address this evening: interest rates, skills shortages and child care. Firstly, I wish to consider the potential for this budget to impact negatively on interest rates. The short-term tax relief contained in this year’s budget is welcome. However, I despair at the lack of foresight to protect Australian families from higher interest rates.

In 2006-07 world economic growth and Australia’s terms of trade remain at their best levels in 30 years. But four years into the global commodities boom, instead of achieving strong trade surpluses, the half-trillion-dollar foreign debt will continue to grow. Australia’s current account deficit has not consistently run at this high level since the 1920s. Since 1996 Australia’s export growth has been the fourth worst of the 30 OECD countries. Export growth has collapsed since 2001, with average growth in export volumes of only 0.6 per cent compared to the 20-year average of 5.9 per cent. As in previous years, the budget promises export growth of seven per cent but delivers only two per cent. Manufacturing exports from this country have not grown substantially since this government won office. This is because of industry policies which scrapped the 140 per cent investment allowances, together with the cuts to CSIRO and tertiary input to industry. There is no doubt that this short-sighted lack of investment in infrastructure will haunt this government.

The government’s persistent failure to deal with the current account deficit exposes Australians to the risk of higher interest rates. To boost productivity we must eradicate the existing capacity restraints. The government has presented no infrastructure plan and, as I have already said, has presented no plan for skilling Australia or assisting Australian families with child care options. Without a boost in Australia’s competitiveness we will not lift our export performance and we will not reduce our escalating foreign debt.

Labor is not alone in its criticism of the potential impact of increased spending. Since the budget was brought down economists and analysts have consistently criticised the Treasurer on the potential for his budget to impact negatively on interest rates. For example, Alan Mitchell in the *Australian Financial Review* on 13 May 2006 said:
But it is still the case that the budget is expansionary when, in the absence of the government’s policy intervention, it would have been mildly contractionary. If the RBA finds it necessary to increase interest rates further, these will be rate rises that might have been avoided had the government allowed the automatic stabilisers to work and the budget to tighten naturally.

Mr Mitchell is not alone. Tim Toohey, the chief economist for Goldman Sachs JBWere, told his clients that the budget is ‘incendiary’. Michael Blythe, Chief Economist of the Commonwealth Bank, referred to the ‘upside inflation risks’ of the budget in moving towards another interest rate hike. Jeff Oughton, an economist for the National Australia Bank, said that in the short term the added inflation risks ‘may be enough to push the RBA into further action’. The Sydney Morning Herald and the Age on 13 May 2006 noted:

There’s no getting away from it: Mr Costello could have used the budget to reduce the upward pressure on interest rates. Instead he chose to add to the pressure.

Stephen Koukoulas, chief economist for TD Securities, is quoted by Ross Peake in the Canberra Times on 16 May, and this really sums up the situation the country now finds itself in:

Whether you or I think the budget had a stimulatory effect on interest rates or not, the futures market said ‘yes’.

A National Australia Bank survey on 16 May showed that almost two-thirds of firms expect the Reserve Bank to add at least another quarter of a percentage point to official interest rates in response to the budget. Sadly, almost 9,000 households in my electorate of Banks are directly affected by interest rate rises. This estimation is based on 2001 census figures, and anecdotally I am aware that the figure today will be much higher. Another 11,000 rented households will be indirectly affected as landlords will undoubtedly pass on interest rate increases to their tenants. Yet this government had in its hand the ability to minimise the chances of an interest rate hike.

I will now turn to the matter of the chronic skills shortage facing this country today—a matter not unrelated to productivity issues and the lack of investment in infrastructure that I have already mentioned. I am not the first to have noted that the budget made no mention of education—specifically vocational education—and that in essence reflects the low priority this government gives to education and training. What I find incredible is that not only this side of the House is calling for the government to address our national skills shortage. The government’s friends in business are also publicly expressing their concerns, which is amazing. Peter Hendy of the Australian Chamber of Commerce and Industry agreed, according to an article in the Age of 11 May, that:

‘the number one complaint’ of investors was the skills shortages.

Heather Ridout of the Australian Industry Group said in the same article that ‘it was disappointing that more progress had not been made’. She said:

These areas are required to build the competitiveness of Australian business and to assist in rebalancing the economy as the current minerals boom begins to fade.

This government has consistently failed to address the national skills shortage. It is not a state secret that Australia is projected to need 100,000 tradespeople by 2010; yet all the government has done is to fund redundant technical colleges, which have produced no new tradespeople and, on current projections, will not have produced anywhere near the required 100,000 by 2010. As far as we on this side can ascertain, the Australian technical colleges will be lucky to produce 300 tradespeople by 2010. Why can this government not grasp a simple
equation? Why is there a need to create new infrastructure that is not required? Why not increase funding to existing infrastructure so that turnaround time in addressing industry need is radically reduced?

I note that where the country needs infrastructure development the government again has chosen not to act. Recently the shadow minister for education visited Ballina high school to discuss the proposed Lismore-Ballina technical college. Apparently, the government is threatening to take this college away from the local community on the basis of lack of community support. What rubbish! It is patently obvious what this is really about—that is, the government’s extreme workplace agenda. This government is insisting that staff at the technical colleges be offered Australian workplace agreements. The Prime Minister is not interested in choice. It is inexcusable that the funding of these colleges be predicated on how the staff is paid. The government would argue that, in addition to the unnecessary trade colleges, it has increased skilled migration in order to address the skills shortage. Some would argue that it has increased skilled migration excessively at the expense of young people being provided with training support.

The Australian Productivity Commission released a report on 17 May entitled *Economic impacts of migration and population growth*. One of its findings is that in no way can increased migration be a long-term solution to skills shortage. On page 170, the report states:

... migration policy is only one component of a broader strategy to address skill shortages and accommodate future labour market trends.

A broader strategy is needed. Australia was built on the backs of migrants. We need and must continue to have immigration as part of public policy. But simply increasing skilled migration is no conclusive response to a skills crisis. This response is typical of the government—short-term and catering to the whims of its friends at the big end of town.

Even the ACCI, on page 169 of the productivity report, indicated that, while migration does make a contribution to addressing labour and skills shortages, it is ‘as a part of the combination of initiatives’. I note that, in its submission to the Productivity Commission report, the CFMEU stated:

The CFMEU is of the strong view that migrant labour should not generally be used to remedy skill shortages in the Australian Economy … [the] dominant focus of governments should be on providing quality training to workers who are already in the country.

In its submission the AMWU stated strongly:

Temporary skilled migration is a substitute for capability building through skills training and in the long term reduces productivity by compromising the long term ability of Australia to broaden its skills base.

On page 168 the report identifies the fact that, in the consideration of long-term skill needs, skilled migration and domestic labour supply need to be considered together.

Under the current government, the migration plan is being abused. The Labor Party recently released a plan to tighten the control of skilled migrant visas. This would require employers to show that they are not laying off Australian workers one day and then applying for overseas workers the next. The ACTU has endorsed this plan and has also written to the government to request the establishment of new bodies to certify employer applications for temporary visas. These bodies would include representatives from job and training organisations, local councils, unions and government in order to ensure that employers exhaust all avenues...
to employ or train Australian workers before receiving approval to bring in overseas workers. The labour movement as a whole is demonstrating that it will work to maximise all opportunities to ensure that this skills crisis is addressed. The shameful neglect of education and training by this government has led us into a national skills crisis.

In this budget there is no new money for TAFE. The overall percentage of the federal budget spent on vocational education and training was further reduced. A program to encourage apprenticeships in rural and regional areas had a $13.7 million cut. A $38.5 million program aimed at getting more women into traditional trades such as construction, automotive engineering and mining was abolished. A $23.2 million program for providing IT skills to low-income older workers was abolished. Overall, the percentage of the national budget spent on vocational education is 0.73 per cent, a drop of 0.2 per cent from the last financial year. The budget projects that this will drop to 0.67 per cent in 2009-10. How can this government expect the Australian people to think that it takes the skills shortage seriously?

We know that 300,000 people, primarily young people, have been turned away from TAFE over the 10 long years of this government. Now the government is allowing apprentices in from overseas and providing business incentives to take them on. These people are sent to regional Australia, where youth unemployment is already too high and wages too low. Worse still are the employment conditions for these apprentices, who must accept whatever wages and conditions are offered. That is not fair on young people and not fair on the overseas apprentices. That is why a federal Labor government will abolish overseas apprenticeship visas.

A federal Labor government will build from within to encourage and support young people to take up apprenticeships which will realistically address the national skills shortage. Labor will get rid of TAFE fees for the traditional trades and set up skills accounts to help families save for training, with an initial deposit of $800 a year for up to four years. Younger students will be encouraged to try their hand at a trade with a trade taster program. We will increase the number of school based apprenticeships and establish a $2,000 trade completion bonus to encourage kids to complete their courses.

The skills crisis in Australia is not simply about the shortfall in the actual number of tradespeople. The ramifications are much broader than that. There are many companies that are not able to increase production despite increased demand for their product because of the lack of skilled workers. This impacts directly on Australia’s productivity.

In this year’s budget, social security represents 41 per cent of expenditure, health 18 per cent, defence 8.13 per cent and education 7.57 per cent. Sadly, it seems that this is the first time that defence spending has been higher than education spending. I am reminded of a tea towel I have in my office in Revesby produced by the Women’s International League for Peace and Freedom. It says, ‘It will be a great day when our schools get all the money they need and the air force has to hold a cake stall to buy a bomber.’ I suspect our education sector will be holding cake stalls for as long as this government is in office.

I wish to turn my attention to the issue concerning families in my electorate, and that is child care. In 2004, I conducted a survey in my electorate on child-care needs. At that time, 87 per cent of local families had difficulty finding child care, 60 per cent of families said there were insufficient child-care hours available and 57 per cent said they were still on waiting lists. The situation has not improved since then. The sad reality is that this comes as no surprise. The government sees child care as a cost for families to bear. Labor believes that child
care is a crucial investment to make. The coalition has encouraged and in this budget continues to encourage a market oriented approach, not a family oriented approach. Targeted investment in child care leads to economic growth through increased workforce participation and ultimately productivity.

Figures released on 6 February 2006 by the Australian Institute of Family Studies indicated that there are more than 250,000 women wanting to work but unable to do so because of a lack of suitable child care. Another 16,500 women want to work more hours but are not looking for work due to child-care and family factors. Under this government, child care is hard to find and even harder to afford. Over the last year, child-care fees have increased by 12 per cent, five times the consumer price index.

This is a smoke and mirrors budget. The government has tried to give the appearance of creating child-care places while actually giving up on supply problems. This leaves parents and providers to struggle with the actual problems which plague the system. There is not a single extra child-care place guaranteed in the budget, and the cost issue has once again been ignored. The issue of quality child care does not feature in the government’s thinking at all. Good quality, affordable child care is a prerequisite for those parents who want to work. This government has gone some way to addressing cost issues by subsidising parents, but, as we know, there are many parents who miss out on the child-care subsidy. This includes parents from Arndu St Paul’s Preschool in Oatley. I spoke on 15 February this year about the concerns the preschool had raised with me.

There are many steps this government could take to ensure that child care is more affordable. It has essentially ignored the issue, particularly for those families who are on low incomes. Child care and other family friendly provisions in agreements around Australia are under threat because of the government’s extreme new industrial relations system. Child care and other work related costs are huge barriers to mothers who want to return to work or increase their hours. Without government assistance, they cannot and will not participate in the labour force. This leads to skills shortages, loss of superannuation and other poverty traps for women.

So, to coin a phrase, what are the alternative policies? Labor believes that women and their families must be given financial assistance to remove these barriers so that they are able to return to work. Labor believes that the way of the future is more family friendly workplaces and more family friendly provisions. Labor in government will rebuild a fairer industrial relations system that will guarantee employers and employees the right to negotiate child care and other family friendly provisions in workplace agreements without the threat of prosecution. Labor wants top-quality, affordable child care for all families who need it and believes that child care needs to be a positive education experience for kids as well as supporting working parents.

Labor has already made some practical commitments to help working parents: directing capital funding to new child-care centres on primary school grounds and other community land; providing a single child-care waiting list so that parents can get a place as quickly as possible; better planning regarding the location of child-care centres; and pushing the government to fix the child-care rebate. This budget is a wasted opportunity. It represents careless policy making and implementation versus political expediency.
I will finish with one matter that really grates with me, that is, some of the superannuation changes in this budget will see members of parliament over the age of 60 and others who draw superannuation paying no tax on their superannuation payout. I know that a lot of my colleagues in this place think that is a great thing. I think it is obscene. I should be paying tax on my superannuation irrespective of my age when others in the community are more needy. This shows the priorities of this government. This budget primarily looks after the top end of town and the well-off. They get the bulk of the money.

This is one area where I cannot go without putting my view. I do not need a tax-free superannuation payout over the age of 60, and nor does anyone else in this place. We should be paying tax on that. The Treasurer hails it as one of the greatest reforms. The greatest reforms on superannuation were brought in by former Prime Minister and former Treasurer Mr Keating—and they should be built on by this government. We should not have a government do as they have done in this budget.

Mr BARRESI (Deakin) (8.02 pm)—I rise to speak on Appropriation Bill (No. 1) 2006-2007 and its cognate bills. This is a budget that will benefit the people in my electorate of Deakin. It is a budget that has been welcomed and applauded by my constituents. This budget must be viewed as part of a well-developed, long-term strategy. It is a mistake to view this in isolation from other budgets. Opposition members tend to say, ‘This budget didn’t include this and didn’t include that,’ but they tend to ignore the previous 10 budgets which have helped to put us in the position that we are in today. This budget reflects a position of national economic stability and prosperity, brought about through the excellent stewardship of the Prime Minister and the Treasurer. This stability and prosperity were barely thought possible 10 years ago when the Howard government took office and inherited $96 billion of government debt.

Now we stand, 10 years on—11 budgets down the track—better able to weather corrections in regional and global financial markets, better able to offer prudent business and income tax reductions and better able to invest in the future of our children. For only the second time since 1901, since Federation, the government is able to say it is free of government foreign debt. No longer are we required to spend approximately $8 billion a year on interest payments—$8 billion that every member of parliament here would dearly love to be spent on various programs and projects in their electorate; money that was being sent overseas; money that was hard-earned by Australian workers. Instead we can now focus on building on the hard work done by all those Australians through the previous 10 budgets and see that $8 billion of savings being spent on programs at the domestic level.

This budget can be boiled down to making things simpler and fairer for all Australians. It will ease the pressure on middle-income Australian families, on those people entering or returning to the workforce and on retirees and superannuants. It will ease the burden on small business and the self-employed. It ensures that a fair day’s work is rewarded with a fair day’s pay. A number of the measures in this budget will make the lives of the people of Deakin easier and fairer—none more so than the proposed changes to the superannuation system.

We heard from the previous speaker, the member for Banks, about his opposition to the superannuation changes that were announced in this budget. That is the first time that I have heard the Australian Labor Party articulate a position on the superannuation changes, and it is one of opposition to them. No longer will the regulations change from year to year and, sometimes, day to day. Rather, this budget proposes a straightforward approach to dealing with
people’s superannuation. It provides for tax-free superannuation benefits for people aged 60 and over where these benefits are paid from a taxed fund from 1 July 2007.

The proposal is that if superannuation contributions are taxed on the way in then they will not be taxed on the way out. The people of Deakin planning for retirement will now know exactly how much money they have in their superannuation fund and will be able to prepare accordingly. They will no longer need to pay for financial advice on how their superannuation benefits will be taxed, as they will now be tax exempt. This advice currently ranges in cost from $3,000 to $10,000—a cost that retirees will no longer have to bear. It is a further saving which can be directed towards their retirement income. They will no longer be forced to draw down on their superannuation benefits after the age of 65. Superannuation can be paid out whenever and however a person wishes. This will give retirees more flexibility in how they use their superannuation.

At the other end of the working life spectrum there is good news for those people wanting to train for and join the workforce. Contrary to what has been claimed in previous debates by those opposite, especially by the member for Jagajaga and the Leader of the Opposition, we are providing the resources and the funding to address the national skills shortages. An additional $106 million has been allocated over the next four years to enhance support services for apprentices and their employers through the new apprenticeships centres. The money that has been allocated to these endeavours is building on the money that has already been spent and allocated through previous budgets. It is a further strengthening of and support for vocational education and training in the Australian community.

In my electorate, organisations such as MEGT, based in Ringwood, and the VECCI New Apprenticeships Services, in Mitcham, welcome the increased allocation of resources. These organisations will share in the additional millions being allocated for new apprenticeships centres, taking the total funding allocation to $692 million over four years. If you listened to members on the opposite side of the chamber, you would think that we were spending barely any money at all in the area of apprenticeship training.

In addition to this funding, the budget provides an extra $6 million for the National Skills Shortages Strategy, an important strategy involving a partnership between the government and industry groups to identify current and future skills needs, especially in traditional trades, where we know the problem is acute. Projects that are set to benefit under this funding include streamlining the recognition of the skills of existing workers and attracting new entrants to particular industries and retaining them as part of that workforce. With that in mind, the budget also provides additional financial incentives for employers to undertake new apprenticeships with people enrolled in particular diploma and advanced diploma courses. They will focus on key growth areas, which will include those people wishing to enter the child-care and allied health industries—a welcome encouragement for potential child-care workers wanting to enter the workforce. This, in conjunction with the removal of the cap on federally funded out of school hours and long day care places, will see an increase in the services provided in this area.

The need to address skills shortages has come about because those opposite have discounted the importance of technical and vocational education for a very long time. Their stated purpose for 10 years has been to try to funnel everyone into a tertiary qualification program. The member for Jagajaga barely mentioned the words ‘vocational education’ through-
out the entire term that the previous Minister for Education, Science and Training, Brendan Nelson, held the portfolio. She constantly wanted to talk about tertiary education, at the expense of those in technical and vocational education.

The Labor Party accuse the government of turning a blind eye to technical education in this country. In doing so they ignore the fact that spending on vocational and technical education is at record levels. Over the next four years the government will provide total funding of almost $11 billion, including $2½ billion in 2006-07 and $5 billion to support state and territory training systems for the years 2005-08. We now have state government after state government clamouring to get into the technical colleges model. First they opposed our efforts; now we have both the Victorian and the New South Wales state Labor governments wanting to introduce their own versions.

Unlike those opposite, the government have delivered on technical and vocational education. We have increased real funding for technical education by almost 90 per cent. Under Labor in the 1990s the number of places for technical education fell by 120,000, so how can members of the Labor Party stand up here say that we have not addressed the issue of vocational and technical further education? We inherited a shortfall of 120,000 from the Labor Party. Since 1996 the number has grown to a total of 1.7 million enrolments in subsidised vocational education.

I am proud to say that this government’s focus on technical education has resulted in a tangible benefit to the people of Deakin. In my electorate we have one of the Australian technical colleges based at the Ringwood Secondary College, one of the few ATCs that are actually based on the premises of a secondary school. The ATC at Ringwood, along with the automotive manufacturing and technology skills centre at Ringwood—an initiative of this government as well which was opposed by the Bracks government—provide students with trade training in automotive skills. In addition, the ATC provides trade training in commercial cookery and, with the continued funding of this government, it will expand into engineering and manufacturing programs in the near future. So you tell the people of Deakin that we are not spending money, that we are not putting resources out there, when in fact we are. As they drive down Bedford Road, through Ringwood, they can see the ATC at the Ringwood Secondary College. I certainly know that the people in the eastern suburbs are grateful for the federal government’s initiative in that particular area. It is evidence of the government’s commitment to a strategic and considered investment in the reskilling of the Australian workforce to meet the needs of tomorrow.

This is in stark contrast to the Australian Labor Party. The ALP’s policy lacks substance and demonstrates an entire ignorance of Australia’s training system. Just taking one item, Labor’s skills account is nothing more than a cost-shift from the states and the territories. While the Australian government does not own or run a single TAFE, Labor state governments continue to hike up TAFE fees around Australia. The fact is that the Leader of the Opposition fails to guarantee that the states will not continue to increase TAFE fees. So they may actually laud their policy of wanting to reduce TAFE fees, but all the Australian Labor Party are doing is saying that they will eliminate TAFE fees that are set by their counterparts in each of the states. Every state Labor premier has the ability right now to waive those fees if they want to, rather than waiting for the possible emergence of a federal Labor government.
Last year the House of Representatives Standing Committee on Employment and Workplace Relations, which I chaired, brought down a report on increasing workforce participation. I am pleased to see that the general thrust of the report—not the entire report—has been picked up by measures in this budget. For those looking to re-enter the workforce, the budget offers them a way to transition from welfare to work. Fifteen non-government organisations will provide job capacity assessments as part of the Welfare to Work reforms that start on 1 July this year. The Australian government has committed $320 million over three years to the program to assist more than one million Australians to connect to the right support services. In the next 12 months an estimated 370,000 people will receive an assessment, and they will range from job seekers claiming Centrelink payments who have been identified as having barriers to work to involuntary job seekers such as mature age people wanting to get a job.

The job capacity assessment identifies a person’s capacity to work and directly connects them to support or employment services that are appropriate to their needs. This is a further commitment by the government to driving down unemployment and increasing workforce participation. The new system will be an improvement on current arrangements because the assessment will be completed sooner, usually within 10 working days. One job capacity assessment centre will be based in Ringwood in my electorate. It will provide a valuable service to those members of our community who want to make the transition from long-term unemployment to some form of paid work. I am pleased to see that these endeavours are continuing in the eastern suburbs of Melbourne. I note the figures that were released as recently as last week which showed that unemployment in Ringwood now stands at 3.4 per cent, in stark contrast to the highs under the previous Labor government.

We are also reminded of the importance for people of the transition from long-term unemployment to some form of paid work. As Prime Minister Tony Blair stated to the Trades Union Congress when he first got elected, the best start in life that one could give to an individual is a job—that is, for them to have a job, to get on that rung and to see that they too can have a future. The best way to have a future is to have paid employment rather than be handcuffed, as some members would prefer, to the welfare system.

Once people are in the workforce and earning a living, this budget continues to provide greater incentives to remain in paid work through further changes to the tax system and its interconnection with welfare support. In 2000, the new tax system represented a major restructuring of the Australian tax system, with the largest reductions in personal income tax cuts in Australia’s history—amounting to $12 billion per annum. One could have asked, ‘How can we possibly better the $12 billion in tax cuts that were introduced in 2000?’ Since then the government has continued its commitment to tax reform and has provided further reform of personal income tax. In the three financial years since 2001, there has been in excess of $40 billion worth of tax relief. The 2006-07 budget builds on this and provides the largest tax cuts since that new tax system was introduced. From 1 July this year we will be reducing personal income taxes by more than $36 billion over four years. This is giving people back their hard-earned money in personal income tax cuts, changes to the thresholds, the low-income tax offset, changes to the Medicare levy phase-in rates and, of course, the fringe benefits tax rate itself.

Tax brackets for those earning between $25,000 and $75,000 will be consolidated. Those workers will now pay a rate of 30 per cent across the board. Those earning between $75,000
and $150,000 will pay a reduced rate of 40 per cent. Those earning over $150,000 will pay a reduced top marginal rate of 45 per cent. These are incentives for people to get a job, to earn money and to increase their ability to earn more money—whether it be through overtime or other additional work. No longer will there be a disincentive to increasing your income because you fear being popped up into the next tax bracket. It will help to ease the financial pressure on Australian families. Furthermore, financial pressures on Australian families will be eased because there is just under $1 billion to increase the limit for eligibility for family tax benefit part A to $40,000 and allow even more families to receive the maximum rate.

Two weeks ago I had the privilege of hosting a visit to my electorate by the Minister for Defence, my good friend Dr Brendan Nelson. During the visit we dropped in at the barracks of the 4th Combat Engineer Regiment in Ringwood. I know that a lot of members here probably do not realise that I do have an Army regiment in my electorate of Deakin, in the suburbs of Melbourne. This is a unit made up of regular Army and reservist personnel. As the defence minister said during that visit, the recruitment and retention of people of the highest calibre to the Australian Defence Force is of great importance.

To that end, this budget provides $194 million over four years to strategically grow military workforce numbers. It provides for the next pay rise in the workplace remuneration agreement for military personnel. Having seen up close the work that our defence forces undertake, I am pleased to see that pay rates and scales are commensurate with the work being performed. Reserve units such as 4CER in East Ringwood will also benefit from the $180 million allocated to raise a high-readiness Reserve and to enhance the pay and conditions of Reserve personnel. These Reserve units from my electorate have served alongside their full-time counterparts in peace missions in East Timor and Bougainville as well as undertaking humanitarian relief efforts in Indonesia and Pakistan.

In the time that I have available I want to talk about the development of community infrastructure, which has also been included in this budget. Infrastructure is highly in demand in my electorate. As part of the Roads to Recovery program, the government has committed to providing an additional $307 million for local projects which are to be determined by the end of this financial year. It takes our Roads to Recovery funding to $1.78 billion for the financial years 2004-05 to 2008-09. In my electorate, the two municipalities will share in this dividend. The Whitehorse City Council will receive $373,276 under Roads to Recovery, and the Maroondah City Council, covering such areas as Ringwood and Croydon, will receive over $339,000. These funds will go a long way to addressing the congestion and the bottlenecks that are so apparent in city based electorates.

The total figure in this budget for Roads to Recovery in the electorate of Deakin will be in excess of $1.4 million. With the assistance of the federal government, local councils such as those of the cities of Maroondah and Whitehorse are now in a position to address some of the deficiencies in our local roads. It is just a pity that the commitment by this government to roads projects, particularly those that are going to go into the eastern suburbs of Melbourne, was not matched by the transport policy announced by Premier Bracks last week, when he totally ignored the eastern suburbs of Melbourne. He failed to commit money to the Springvale Road grade separation, which is the No. 1 intersection and level crossing in Melbourne. He failed to provide money for the third rail line going through my electorate.
This budget and the money from the federal government will help to ease the pressure of our road congestion in my part of the world. More importantly, the budget is a testament to the prudent economic management and strategic planning skills of the Howard government. It builds on the achievements of previous budgets. It is a budget that is worthy of support. I urge all of those on the other side to support this budget and, in particular, to support the changes to the superannuation system and the adjustments to the tax system outlined by the Treasurer.

Mrs ELLIOT (Richmond) (8.22 pm)—I rise tonight in the debate on the Appropriation Bill (No. 1) 2006-2007 to speak on behalf of all the people in the electorate of Richmond. This budget has failed the people of Richmond, and it has also failed the people of Australia. What is very disappointing about this budget is that it does nothing to address the real issues that people confront in their day-to-day lives. The reality for most people is that the Treasurer’s $10 tax cut has already gone through rising interest rates, through petrol price hikes, through the ever-increasing health insurance premiums and also through cuts to wages and overtime caused by the Howard government’s extreme workplace laws.

It really is a short-sighted budget that does nothing to invest in Australia’s future. It does nothing to shore up our competitiveness on the international stage, it does nothing to address our massive skills crisis, it does nothing to address our shortage of aged care services and it has no national plan to restore our crumbling infrastructure. It also fails to deliver world-class telecommunications services to regional Australia, where they are so desperately needed. This budget does not help parents access decent, affordable child care and it does not help our young people get trained, educated or qualified.

Unfortunately for the people in the electorate of Richmond, the Treasurer does not think that Australians living in regional areas are at all relevant because, in his 4,000-word budget speech, he did not mention the word ‘regional’ even once. That was very disappointing for the many people who actually live in regional Australia. This budget will not fix regional shortages of doctors and nurses, it will not fix the skyrocketing price of petrol and it will not bring our telecommunications services up to scratch.

I want to speak on behalf of all the young people in my electorate who are now facing a future of limited choice because of the Howard government’s lack of vision for the future of Australia. Right now in my electorate, as is the case right across the nation, we are facing a massive skills crisis and businesses are calling out for more skilled workers everywhere. There simply are not enough plumbers, electricians, builders, child-care workers, nurses and other health professionals. The Reserve Bank is sounding alarm bells and has clearly identified this shortage of skilled workers as one of the most significant constraints on the economy and a factor that is putting pressure on inflation and upward pressure on interest rates.

Despite this great demand for skilled labour, we have soaring youth unemployment, particularly within regional areas. Within Richmond, our local teenage unemployment hovers at about 36 per cent. That is an appalling rate. That is one in three young people who are looking for a job and cannot get one. Here is the current situation: we have a skills crisis on one hand and young people who cannot get a job on the other. And the reality is that this situation has come about because for 10 long years the Howard government has refused to properly invest in vocational education and training. In fact, the Howard government has actually decreased spending in this area. Australia is the only developed country in the world that has reduced public investment in university and TAFE since 1996. This situation is nothing short of ap-
palling. Australia’s skills crisis is the result of bad economic management and bad policy by the Howard government.

As reported by the Productivity Commission, recurrent public spending on vocational education and training dropped by 3.1 per cent in 2004. The total number of vocational education and training students decreased by 6.6 per cent between 2000 and 2004. Real government recurrent expenditure per student hour decreased from $20.18 in 2000 to $19.12 in 2004. We know that 300,000 Australians have been turned away from TAFE since 1998, and students are now facing $100,000 university degrees. We used to be called the ‘clever country’, but our Prime Minister’s vision for Australia is not very grand at all. His vision involves importing cheap labour from overseas and stripping workers here of their rights and conditions at work. The Howard government has increased skilled migration by 270,000 since 1996 but has turned away 300,000 Australians from TAFE. The Howard government’s decision to ignore training and education is an extraordinary display of arrogance and incompetence when everyone from the Reserve Bank to the OECD is sounding alarm bells on the dangers of ignoring the skills crisis. It is our young people who are bearing the brunt of this.

In contrast to what we are seeing the Howard government doing, federal Labor are committed to investing in education and vocational education and fixing the skills crisis. Federal Labor will improve the competitiveness of our nation by improving the skills of our young people so they can reach their potential. Federal Labor will invest in schools and vocational education to offer young people better choices and greater opportunities. This will be done through establishing the skills account to cover the cost of up-front TAFE fees for traditional trade apprentices and child-care trainees. We will create more real apprenticeships, and we will offer young people better choice by teaching trades, technology and science in first-class facilities and ridding our schools of outdated workshops. We will encourage more apprentices to finish their training by providing a $2,000 trade completion bonus to the 60,000 traditional apprentices who commence training every year. If that only halves the current drop-out rate it will mean an extra 10,000 qualified tradespeople in our workplaces every year.

The Howard government is indeed so out of touch that it thinks it can address our skills shortage and the youth unemployment with its backward and extreme industrial relations changes. We need to compete with overseas developing economies by addressing our skills crisis and improving the skills of Australian workers. Australian businesses, students and workers deserve a federal government that is serious about addressing our skills crisis and serious about investing in vocational education and training. Instead, the Howard government is not only ignoring the skills crisis but also damaging the job security and conditions of so many locals in Richmond due to its extreme industrial relations changes. Only federal Labor is committed to ripping up these unfair laws and restoring fairness and security to the workplace.

Another major issue in my electorate is child care. The lack of affordable child-care as a result of this government’s short-sighted policies is a huge barrier to improving participation rates in the workforce. Local families are often telling me of the difficulties they have in accessing affordable child care as they are struggling to balance their work and family responsibilities. Without access to decent, affordable child care, women especially are affected, because they simply cannot get back into the workforce. I know of many women who have spo-
ken of the difficulties they are having and how they are limiting the number of children they may have because they know that child care is not available to them.

The message to the federal government could not be clearer: fix the child-care system and fix it now. Families are calling for it, industry groups are calling for it, federal Labor has been calling for it and even one of the Howard government’s own backbenchers has been calling for it. With all of these people calling for it, why do the Treasurer and the Prime Minister not understand what everyone is saying—or are they just refusing to listen to what everyone is saying?

When you look at the 2006 federal budget, it is very clear that the Howard government have not the slightest interest in actually reforming the child-care sector and providing decent, affordable child care. In this budget the Treasurer offered families nothing that will actually lead to a real extra child-care place, nothing to make child care a single cent cheaper and nothing to address the lack of child-care workers. There was also nothing to address the child-care rebate debacle that they have created, with so many families waiting such a long time to get that rebate when they desperately need the money.

Only federal Labor is committed to fixing the child-care crisis—not only because it is important to address the needs of everyday working families, but also to ensure a strong, sustainable national economy. Industry groups and federal Labor agree that Australia’s economy desperately needs more skilled workers and that affordable and accessible child care is crucial to encouraging more skilled people into the workforce.

Federal Labor has a plan for Australia’s future and child care has a central position within this plan. Only federal Labor will address the national shortage of child-care workers by getting rid of TAFE fees and by building 260 new child-care centres on school grounds to remove the dreaded double drop-off that so many parents talk to me about, when they have school age kids and young kids and are having to race all around the place dropping them off, taking up a lot of their time.

Federal Labor will also fund local councils to establish single waiting lists for local child-care centres rather than parents having to be forever phoning different child-care centres finding out if a place is available. Federal Labor will get rid of the red tape so unused, outside school hours, holiday and family day care places can be quickly transferred to where they are needed. Federal Labor is also committed to fixing the child-care rebate so parents can get this rebate earlier, not having to wait months and months and indeed years sometimes to get that rebate. It is only federal Labor that is serious about supporting families and investing in Australia’s future.

Seniors have built this nation and there is no doubt that our elderly were one of the biggest losers in this year’s budget. Within Richmond, 20 per cent of the population is aged 65 years and over. There are a very large number of locals who have been forgotten by the Howard government. The tax cuts, of course, mean nothing for those on fixed incomes, particularly as the cost of living increases so rapidly. What is astounding is that many predict that by the year 2040, 20 per cent of Australia’s population will be aged over 65. That is the situation in Richmond right now and it has to be fixed right now, because there certainly are so many people in that age bracket who are really doing it tough.
I am bitterly disappointed for all the elderly people and families on low incomes who cannot afford to get dental care because of this mean-spirited government. There was nothing in this budget to fix the dental health care crisis. It was indeed the Howard government that ripped $100 million a year out of dental services and axed the Commonwealth Dental Scheme as soon as it came to power. Because of this government, half a million Australians are now waiting months and even years to see a dentist. It is because of this government that there are not enough public dentists to cater for the demand. There are only about 240 public dentists to cater to more than 2.5 million health care card holders, children and the elderly. This compares with more than 3,000 private dentists that treat the rest of the population. There must be federal funding for a Commonwealth dental health scheme. The provision of dental services is the federal government’s responsibility, as contained in the Constitution.

It is often heart-wrenching to hear stories of many of our local elderly people who are in pain, unable to eat or embarrassed because of their dental problems. Julia Morton, an 83-year-old pensioner from South Tweed, gave up waiting years to get her teeth fixed and ended up paying for them herself on her credit card. She said she was lucky she had some help from her family, but she is really worried about other locals, many of whom I have spoken to, who just cannot afford to get the dental work they need. It is not just the dental health of Australians that is at risk. So many studies show that poor dental health impacts on your general health. It can cause very drastic health problems for people as well. It is time that the Howard government stopped trying to pass the buck and showed the national leadership necessary to provide locals with the dental care they urgently need and deserve.

On other health matters, another major concern, particularly for the residents of Richmond, is the Howard government’s constant attacks on the PBS and free prescription medicines. This has indeed put the health of local elderly people at risk. We have recently seen drastic cuts in the number of scripts that have been issued in the past year. This is because the prices are too high, so people who desperately need medicine cannot access it.

The Treasurer also failed in this budget to address the ever-increasing demand for aged care services across Australia, particularly in electorates like Richmond with large elderly populations. Every week I hear from families desperate to find residential aged care for their loved ones. Waiting lists are getting longer and longer. This budget would have been an ideal opportunity to examine the failing bed allocation system, introduce new measures for capital raising to build new facilities and implement recruitment and retention measures to address the severe staff shortages of nurses and care staff in the industry.

But, after 10 long years, the Howard government is still failing to provide sufficient aged care beds for the needs of older Australians who desperately need residential care. According to the government’s own figures, the government falls short of meeting its own target by 381 in our area. The Far North Coast planning region currently has 77 beds for every 1,000 people aged 70 and over. When Labor left government in 1996, there were 92 beds for every 1,000 people aged 70 and over. After a decade of incompetence, the Howard government has turned a surplus of 800 aged care beds in 1996 into a national 3,218-bed shortfall in December 2005. The Howard government must face up to its responsibility to provide adequate numbers of aged care beds.

Richmond in particular also needs more funding for home care and more CACP and EACH packages so that elderly people are able to remain in their homes, which so many of them so
desperately want to do. It also needs to address the issue of more beds in nursing homes. Also, we have a very large veteran community in Richmond and there was nothing of any substance in the budget for them. The budget completely failed to tackle many current and pressing issues that are of concern to the veteran community. Another major failing in the budget was that it does nothing to address our crumbling infrastructure. It does nothing to capitalise on Australia’s resources boom and deliver nation-building projects that secure future prosperity for Australia.

The budget does nothing to address the problem of piecemeal delivery of telecommunications services across the nation. I hear from locals literally every day who cannot get high-speed internet connection in the heart of Tweed Heads. This is only minutes from the Gold Coast. The Richmond electorate is full of many frustrated individuals and businesses who are being hit with advertising to sign up to broadband which in reality just does not exist. In many cases, one house in a street will be able to access broadband and the house next door cannot.

A good example is Narelle Walker from Tweed Heads South. Her husband, Brendan, is a federal policemn currently serving with a peacekeeping mission in the Solomon Islands. Despite the fact that Brendan can access broadband in the developing country in which he is serving, in the Solomon Islands, she cannot access it in the heart of Tweed Heads. It is an absolutely appalling situation. That means that Narelle and her children are severely limited in their ability to keep in contact with Brendan. If she were able to get broadband, they could hook up and Narelle and their kids could hear their dad’s voice whenever they wanted to. This situation is appalling. Here is Brendan Walker making huge sacrifices for the good of Australia and it is truly outrageous that they cannot access services they need to keep in touch as a family.

In contrast, federal Labor is serious about nation building through investing in Australia’s infrastructure so that we can be competitive on the world stage. Only federal Labor has the vision to build a broadband information superhighway. This is not just for those in the cities—we will take this broadband out to the regions, where it is desperately needed. Federal Labor has the vision to deliver a national broadband network in partnership with the telecommunications sector. This will be good for families and businesses and it will be crucial to the Australian economy. This super high-speed internet access—25 times faster than the current broadband benchmark—will open up opportunities for families and students and breathe new life into businesses and the Australian economy.

For the Australian economy, superfast broadband would boost the productivity of workplaces so much, as well as laying the foundation for growth for Australia’s digital connect industry. By comprehensively failing to invest in nation-building projects like delivering true broadband, the Prime Minister and the Treasurer are letting Australia slip behind our competitors. It is only federal Labor that will build a national broadband super highway to get us back on the information technology world stage.

We have had a decade of the Howard government continually refusing to invest in the systems that strengthen our nation, our economy and our community, like health, education, training, aged care and infrastructure. Indeed, this budget is no exception. So I am calling on this government to stop looking after its own interests and start listening and addressing the needs of everyday Australians and addressing the needs that people speak to me about every day in Richmond—issues such as addressing our national skills crisis and our soaring youth
unemployment. So many people are concerned for their kids’ future and the options available to them, because we want them to be able to stay in regional areas, like in the federal electorate of Richmond.

We also want to see governments actually looking after our elderly and providing them with access to decent, affordable aged care facilities. As I said before, seniors built this nation and worked hard throughout their lives. Many of them defended this nation. And here they are in their older years being abandoned by this government. We need to be providing adequate resources for them. We must ensure that all Australians, not just the wealthy, can get access to health care, dental care and the medicines they need. We also must support our working families with decent, affordable child care. Also, we must invest in our crumbling infrastructure.

These are the kinds of policies that will underpin our nation. It is only through nation building that we can safeguard Australia’s long-term prosperity. It is only through federal Labor, who has a vision in terms of achieving that prosperity, that we can address so many of the concerns that people constantly raise with me. These are the issues that people are talking about day by day, about the opportunities for their kids in the future, about looking after their elderly relatives, about being able to access services like decent broadband or decent health care and about having job security. So many locals have concerns about the impact of the Howard government’s extreme industrial relations changes, how they have impacted on them in their current workplaces and how they are impacting on their family and friends and particularly on their children and their children’s future. They are concerned. They know these extreme workplace changes will impact on their children’s future. (Time expired)

Mr KEENAN (Stirling) (8.42 pm)—I would like to thank the member for Richmond for that contribution. In her speech, she reminded us all about how little there is to attack in this budget and why the Labor Party abandoned their sustained attack after about 40 minutes on the day after the budget was delivered. I am quite thrilled to be able to speak on this budget as it contains many measures that will improve the lives of my constituents in Stirling. This is the 11th budget of this government and the 11th brought down by this Treasurer, and it needs to be seen in that light, as a budget that delivers the dividends of over 10 years of sound economic management.

The generous tax cuts; the radical slashing of taxes on superannuation; the record spending on defence and national security; the massive investments in our road, rail and water infrastructure—none of this would have been possible without the prudent management that has been displayed by the coalition since we came to government in 1996. It would not have been possible to have such a generous 11th budget without having had 10 previous budgets that have steered Australia into its present economic good times. It certainly would not have been possible if the Australian community were still lumbered with Labor’s debt. It would not have been possible if this government succumbed to the cheap populism that has occasionally gripped the desperate Labor Party at various stages throughout the past 10 years. It would not have been possible if our leadership always took the easy road or the popular option, if we decided we did not want to make any waves or we meekly followed polls.

Instead, the leadership of this government has decided to govern in the public interest, to do the difficult things, to tackle the vested interests and to do what is right to improve the lives of my constituents in Stirling. This 11th budget is a continuation of what has come before, and what a budget it is. There is a tax cut for every single Australian. There is a plan that
simplifies and slashes taxes on superannuation. There are improvements that encourage businesses to invest and grow. There are benefits for Australian families through increased government assistance. There are benefits for working parents from the removal of the cap on outside school hours care and family day care places.

The people of Stirling know the real and practical benefits that have come out of budget 2006. The Treasurer, the Hon. Peter Costello, recently took time out of his post-budget tour of Western Australia to officially open my new electorate office in Stirling. I am pleased to report that he received a rousing welcome from local community leaders, families and business owners. For the people of Stirling, this budget will go a long way towards helping to resolve a number of important local issues. One of these is broadband black spots, a problem that affects hundreds of homes along the coastline and in other parts of my electorate. Another important local measure is an improvement in road safety. I am pleased to say that the local council, the City of Stirling, will receive double its Roads to Recovery funding under the AusLink program.

Let me discuss these improvements further. The Australian government will provide $3.4 million over four years for the telecommunications consumer representation and research grants program, bringing the total funding allocated since its inception in 1998 to $9.8 million. The consumer representation grants are recognised as a world-leading initiative, supporting consumer organisations to participate in developing communications policy and legislation, as well as providing better information for consumers about their legal rights and the available service options. Solving the problem of broadband black spots is an important local concern for my constituents. Indeed, I regularly receive correspondence about it. The funding that I have outlined above will help address this issue as it targets the supply of and demand for broadband services.

Turning to road safety in my electorate, there is a massive windfall provided in this budget to the City of Stirling. The council’s slice of the AusLink Roads to Recovery pie has been doubled, from $961,000 to $1.9 million. This major funding will see much needed improvements to our local transport network. It will allow the City of Stirling to take a look at what needs doing, assess the community’s priorities and get the relevant projects under way. The Australian government is very aware of the pressures facing local government throughout Australia in providing adequate services to the people and communities for which they are responsible. However, in saying that, I would like to call upon the state Labor government of Western Australia to match this federal commitment to our local roads.

It is sometimes very difficult for anyone in my electorate to work out what the current state government take responsibility for. They seem to do very little, apart from running around, complaining about the Commonwealth and insisting that the federal government fix every local problem. Complaining about the Commonwealth government has a long and glorious history in Western Australia, and often these complaints have been justified. But the current state government take this fine tradition of federalism to a quite ridiculous extent, and I am astonished that they find time to do much else apart from issuing press releases complaining about the federal government. The reality is that the state government have basically abrogated their legitimate responsibilities to the people of Western Australia. Many important projects within our local communities could be fast tracked, but only if the government of West-
ern Australia were prepared to contribute a bigger slice of their massive economic boom to fulfil their duty and take action on their own responsibilities.

The Commonwealth government has increased to $1.67 billion its land transport funding to Western Australia over the past five years of AusLink, the national land transport plan. This includes $323 million to be paid to WA for this financial year. Of the $1.67 billion, $934 million is directed to major land transport construction projects, an increase of 242 per cent compared with the preceding five years. The remainder is for AusLink national network maintenance, local road upgrades and—very importantly for my electorate of Stirling—the elimination of crash black spots. The government has already helped to make the roads in my electorate of Stirling safer, with black spot funding from this year alone targeting dangerous intersections in Karrinyup, Osborne Park, Nollamara and Mirrabooka, and now it is very important that the Western Australian government do its part for our local communities also.

The centrepiece of this budget is a personal income tax cut for every single Australian taxpayer. From 1 July this year, the government will reduce the 47 and 42 per cent rates to 45 and 40 per cent respectively. In addition, the government will increase the tax thresholds so that the 15 per cent rate will apply to up to $25,000 of income, the 30 per cent rate will apply to up to $75,000 of income, the 40 per cent rate will apply to up to $150,000 of income and the 45 per cent rate will apply to income earned beyond that. The fringe benefits tax rate will be cut from 48.5 per cent to 46.5 per cent, bringing it into line with the top marginal rate including the Medicare levy.

The low-income tax offset will be enhanced by increasing it from $235 to $600. It will begin to phase out at $25,000 from 1 July 2006, compared to $21,600 currently. This means that those eligible for the full low-income tax offset will not pay tax until their annual income exceeds $10,000. The Medicare levy low-income phase-in rate will be cut from 20 per cent to 10 per cent, ensuring more low-income taxpayers pay a reduced rate of Medicare levy. Australians who are eligible for the senior Australian tax offset will now pay no tax on annual income up to $24,867 for singles and up to $41,360 for couples. Overall, in percentage terms, the greatest tax cuts have been provided to low-income earners.

These tax changes will ensure that more than 80 per cent of taxpayers face a top marginal rate of 30 per cent or less. This increases the 30 per cent threshold and the low-income tax offset and will provide more incentive for those outside the workforce to re-enter it and for those on part-time work to take on additional hours. Under these new arrangements, a taxpayer will need to earn $121½ thousand to pay an average tax rate of 30 per cent. This is a truly remarkable advance on the days when Australians paid the top rate of tax on earnings over $50,000, a state of affairs that existed merely six years ago. From 1 July this year, the top marginal tax rates will apply to around two per cent of Australian taxpayers. Taxpayers will not reach the highest marginal tax rate until they earn more than three times average weekly earnings. Through previous reforms and this bill, by 1 July this year that threshold will be $150,000.

This package provides $36.7 billion of benefits to taxpayers over the next four years. It will enhance incentives for workforce participation and it will improve Australia’s competitiveness. It will put cash back into the pockets of Australian workers. In my electorate of Stirling, this will mean that more than 50,000 workers on average wages can expect to get $40 in tax savings each month and around 25,000 workers on high salaries can expect to get up to $80
each month. This is a hugely important saving; if there is an extra $40 to $80 in your wallet each month, that is a real benefit. More money in people’s back pockets gives them choices and allows them to start making plans for the future. Workers can choose to put these savings away for a rainy day or they can use them simply to pay the bills. It is a level of relief that will be working throughout the whole Stirling community.

In this debate there has been some talk about bracket creep, but this argument does not stand up to even basic scrutiny. Eighty per cent of Australians are on taxable incomes of $75,000 or less. As people move up in income, they do not go into a higher marginal tax rate. The great bulk of people can move through the income tax range of $25,000 to $75,000—remembering that this is where the great bulk of Australians are—without moving their marginal tax rate. Some contributions have said that these tax cuts might be inflationary and hence will fuel pressure on interest rates. The idea that it is inflationary to give people back some of their own money is clearly ridiculous. It is far better to return a surplus to taxpayers than it is for government to think up more weird and wonderful ways in which to spend people’s money.

There is more to be done with regard to tax in Australia, and many have argued that further taxes are needed in our tax system, but it has been noted by organisations such as the Australian Chamber of Commerce and Industry that these changes in personal income tax are a good start on further tax reform. The Business Council of Australia has also agreed that these changes will improve the personal tax system and provide additional incentives to work and to save. If we look at these tax cuts in the context of what has happened over the past five years, we see that this is just another part of a long-term strategy being implemented by the Howard government. This is the fifth instalment of personal tax cuts, as part of a long-term plan with more room for adjustment and reform in the future.

Small businesses are also big winners from this budget. In my electorate of Stirling we have a thriving small business network. The Stirling Business Association is one of the biggest organisations of its kind in Australia. We have important research and development organisations across many fields, from aviation technology to cancer drug research, in our light industrial areas of Osborne Park and Balcatta. This budget will substantially improve depreciation arrangements by increasing the diminishing value rate for determining depreciation deductions from 150 per cent to 200 per cent. It will cut business taxes by $3.7 billion over the next four years. The effect of this measure will be to provide the equivalent of a 33 per cent increase in the allowable depreciation rate for all eligible assets. This will increase incentives for Australian businesses to invest in new plant and equipment and make it easier to keep pace with new technology and to remain competitive.

Investment is a key element of productivity growth and therefore of economic growth. The increased depreciation rates under the diminishing value method align the depreciation deduction for tax purposes more closely with the actual decline in the economic value of the asset, which will lead to improved resource allocation within the whole economy. This is consistent with the government’s tax policy and strategy of ensuring that the tax system has a minimal effect on the allocation of resources throughout the economy. The measure will apply to assets acquired on or after 10 May this year and includes appropriate integrity measures to ensure assets held prior to that date will not be able to be brought into the new arrangements.
Some of the most important changes in this budget relate to superannuation. Alterations to the superannuation system will encourage people to save for their retirement and increase their retirement incomes. I think everyone will agree that, formerly, super arrangements in Australia have been excessively complicated. The new arrangements will abolish all tax on benefits paid to retirees aged 60 years or over. This is a huge advance on the previous system and will allow people in Stirling new options to retire earlier and to have more disposable income once they do. Because Australians aged 60 and over who have already paid tax on their contributions and earnings will not pay tax on their superannuation benefits the need to disclose superannuation in tax returns will be negated, greatly simplifying the system.

Seniors will also benefit from a utilities allowance—a biannual payment of $102.80 for eligible households. In Stirling this means 2,152 households will receive this additional payment. The utilities allowance has also been included for each self-funded retiree eligible for the seniors concessional allowance as well as for those who receive mature age allowance, partner allowance or widow allowance, meaning there are more than 820 people in Stirling who will be eligible for this payment. This payment will be made by the end of the financial year.

Also set to benefit from this budget are the 2,700 carers in Stirling, a group of people that I believe are amongst the most deserving of some extra help. Carers of people with disabilities—whether those with disabilities are children or older people—make a selfless contribution to our society. In recognition of this, as has been done in the past two budgets, an additional $1,000 will be paid this financial year to the over-100,000 people eligible for the carer payment. This year the $1,000 bonus will also be extended to carers who receive either the wife pension or the veterans’ affairs partner pension.

Other important initiatives in this budget include $152 million to provide care for older patients in public hospitals around Australia; a fairer assets test for age pensioners; and tax relief so that those who are eligible for the senior Australians tax offset will pay no tax on annual income of up to $24,867 for singles and over $41,000 for couples. We will also increase availability of new innovative drugs on the PBS; there is money for more training for doctors and nurses; and there is $1.9 billion to improve services for people with a mental illness, their families and carers.

One of the other areas that will benefit greatly from this budget is our armed services. This budget allows $19.6 billion, or an increase of $1.9 billion on last year’s funding allocation. This is an increase of 37 per cent in real terms since we came to government. A commitment to a real increase in funding of three per cent every year for the next 10 years for the Defence Force means that the budget for Defence is on track to grow to be almost $27 billion by 2015. This will provide the Australian armed services with the ability to plan with certainty and to create a more combat focused, better equipped and more mobile and operationally ready Defence Force, including new air warfare destroyers, large amphibious ships, helicopters and a Joint Strike Fighter. It will give the Australian armed services an enhanced ability to identify and respond to emerging threats through a further $973 million over five years to strengthen Australia’s intelligence capabilities. Events this week have shown that we live in an unpredictable world and an unpredictable region. The Australian people can be justifiably proud of the role their Defence Force plays in defending our freedom and also, importantly, in defending the freedom of others. This budget will enhance that capability.
This budget is one of the biggest for investing in this country for a very long time. It is part of an overarching plan designed to meet the many challenges that lay ahead. It takes the opportunity now to strengthen our economy so that we are ready for future opportunities. It is about making our nation and its people secure. I congratulate the government and the Treasurer for what is an important achievement for the people of Stirling.

Debate (on motion by Mrs Gash) adjourned.

Main Committee adjourned at 9.03 pm
QUESTIONS IN WRITING

Badgerys Creek Airport
(Question No. 971)

Mr Bowen asked the Minister for Transport and Regional Services, in writing, on 10 May 2005:

(1) When will he be making an announcement on the future of Badgerys Creek Airport.
(2) What further studies, reports or reviews are necessary before he makes a definitive announcement on the future of the proposed Badgerys Creek Airport.

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

(1) and (2) The Government has previously made it clear that it does not believe that a second Sydney airport will be needed in the foreseeable future. This position has not changed.

Recruitment Agencies
(Question No. 1114)

Mr Bowen asked the Minister for Education, Science and Training, in writing, on 10 May 2005:

(1) What sum was spent on recruitment agencies in (a) 2001, (b) 2002, (c) 2003, and (d) 2004 by each department and agency in the Minister’s portfolio.
(2) Will the Minister provide a list of the recruitment agencies which are used by the department and agencies in the Minister’s portfolio.

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

(1) The following table shows the sum spent on recruitment agencies by the Department in 2001, 2002, 2003 and 2004 as recorded in the Department’s financial management system.

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These amounts include all services including executive searches, recruitment and selection services, scribing fees, and temporary employee placements paid to external recruitment agencies between 2001 and 2004. Amounts paid to scribes trading as individual contractors are not included.

In 2001/02 there was a considerable decrease in the expenditure for the Department which is attributed decreased recruitment at Executive Levels. In 2003/04 there was a significant increase in the expenditure for the Department, which is attributed to the increase in employee numbers in 2003/04. An additional 206 employees were employed during this period compared to 95 the previous year.
The following responses have been provided by agencies.

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**CSIRO increase in figures from 2001/02 to 2002/03 is due to a high number of senior officers hired in 2002/03.

* Information not available.

# AIMS increase in figures from 2002/03 to 2003/04 is due to a new CEO being recruited in the year 2003/04.

^ ANSTO is unable to separate out costs for recruiting staff from general payments to recruitment agencies, as records of payments to recruitment agencies include costs of contract labour supplied by those agencies. Recruitment costs therefore cannot be derived separately.

∞ ANTA engages recruitment agencies for specific purposes such as recruitment of senior executive staff, bulk recruitment of other staff, engaging temporary staff. These figures include associated costs such as relocation and appointment costs.

AIATSIS and Questacon have not used recruitment agencies.

(2) In accordance with DEST procurement guidelines, recruitment and selection service providers can be engaged to assist in selection exercises, and/or in arranging short-term employment contract staff. Recruitment agencies used by the Department over the period 2001 to 2004 (as extracted from the Department’s financial management system) are listed below.

<table>
<thead>
<tr>
<th>Adecco Australia Pty Ltd</th>
<th>All Staff Australia Pty Ltd</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alliance Recruiting Australia P/L</td>
<td>Ambit IT and T</td>
</tr>
<tr>
<td>Careers Unlimited Pty Ltd</td>
<td>Capital Recruitment Services</td>
</tr>
<tr>
<td>Chandler Macleod Group</td>
<td>Catalyst Recruitment Systems</td>
</tr>
<tr>
<td>Drake Australia Pty Ltd</td>
<td>Drake Personnel</td>
</tr>
<tr>
<td>Dunhill Management Services</td>
<td>Employment National</td>
</tr>
<tr>
<td>Effective People</td>
<td>Hansen, Searson Executive Search</td>
</tr>
<tr>
<td>First Water Executive Pty Ltd</td>
<td>Hansen Searson Ford Executive Search</td>
</tr>
<tr>
<td>Hays Personnel Services Australia</td>
<td>Informed Solutions Pty Ltd</td>
</tr>
<tr>
<td>Innovative People Solutions</td>
<td>Interim HR Solutions</td>
</tr>
<tr>
<td>Interim Office Professionals</td>
<td>IPA Personnel Pty Ltd</td>
</tr>
<tr>
<td>Jajirda Consultants</td>
<td>Julia Ross Recruitment Pty Ltd</td>
</tr>
<tr>
<td>JML Australia</td>
<td>Kelly Services (Aust) Pty Ltd</td>
</tr>
<tr>
<td>Key People</td>
<td>Kowalski Consulting Pty Ltd</td>
</tr>
<tr>
<td>MJL People Dynamics Pty Ltd</td>
<td>Morgan and Banks</td>
</tr>
<tr>
<td>Omega Personnel Pty Ltd</td>
<td>Peoplebank Australia Pty Ltd</td>
</tr>
<tr>
<td>Professional Careers Australia Pty Ltd</td>
<td>Quest Employment Solutions Pty Ltd</td>
</tr>
<tr>
<td>Recruitment Management Company</td>
<td>Ross Human Directions</td>
</tr>
<tr>
<td>Rushworth Consultancy</td>
<td>Select Australia Pty Ltd</td>
</tr>
<tr>
<td>Spherion Recruitment Solutions</td>
<td>Select Australasia Pty Ltd</td>
</tr>
<tr>
<td>Spherion Outsourcing Solutions</td>
<td>SOS Recruitment</td>
</tr>
<tr>
<td>The Empower Group Pty Ltd</td>
<td>The One Umbrella Pty Ltd</td>
</tr>
</tbody>
</table>
The following responses have been provided by agencies.

Recruitment agencies which have been used by CSIRO over the period from 2001 to 2004:

<table>
<thead>
<tr>
<th>Agency Name</th>
<th>Agency Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Green and Green Group</td>
<td>The Ross Group of Companies</td>
</tr>
<tr>
<td>The Select Group</td>
<td>TMP Worldwide Resourcing Ltd</td>
</tr>
<tr>
<td>TMP/Hudson Global Resources</td>
<td>Verossity Pty Ltd</td>
</tr>
<tr>
<td>Wizard Computer Training Pty Ltd</td>
<td>Westaff</td>
</tr>
<tr>
<td>Wizard Personnel and Office Services</td>
<td>Write People</td>
</tr>
</tbody>
</table>

Recruitment agencies used by AIMS were:

<table>
<thead>
<tr>
<th>Agency Name</th>
<th>Agency Name</th>
<th>Agency Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accountancy People</td>
<td>Allied Personnel</td>
<td>Axis HR</td>
</tr>
<tr>
<td>ARA Jobs Recruitment</td>
<td>Burke Pond Partners</td>
<td>Careers Connections</td>
</tr>
<tr>
<td>Bell Personnel</td>
<td>Catalyst Recruitment Systems Ltd</td>
<td>Clements Human Resources</td>
</tr>
<tr>
<td>Candle IT and T</td>
<td>Cordiner &amp; King</td>
<td>Davidson Recruitment</td>
</tr>
<tr>
<td>Downhill Management</td>
<td>DMA Australia</td>
<td>Domain Corporate</td>
</tr>
<tr>
<td>Dunhill Management</td>
<td>Downing Teal</td>
<td>Drake</td>
</tr>
<tr>
<td>Egon Zehnder</td>
<td>Dunhill Management</td>
<td>EBR</td>
</tr>
<tr>
<td>GSH Personnel</td>
<td>Employment Services</td>
<td>Gee-Woolhouse &amp; Associates</td>
</tr>
<tr>
<td>Hendrick &amp; Struggles</td>
<td>Employment Services</td>
<td>Hayes Personnel</td>
</tr>
<tr>
<td>ICON Recruitment P/L</td>
<td>Employment Services</td>
<td>Hudson Global</td>
</tr>
<tr>
<td>IPA Personnel</td>
<td>Employment Services</td>
<td>iGate</td>
</tr>
<tr>
<td>Knowledge Teams International</td>
<td>Employment Services</td>
<td>Kelly Scientific Resources</td>
</tr>
<tr>
<td>KPMG</td>
<td>Employment Services</td>
<td>Korn Ferry</td>
</tr>
<tr>
<td>Lyncroft</td>
<td>Employment Services</td>
<td>Liddell Career Management P/L</td>
</tr>
<tr>
<td>McKenzie Consulting</td>
<td>Employment Services</td>
<td>Mahlab Recruitment</td>
</tr>
<tr>
<td>Morgan &amp; Banks</td>
<td>Employment Services</td>
<td>Michael Page International</td>
</tr>
<tr>
<td>Opie &amp; Gough</td>
<td>Employment Services</td>
<td>Northern Group Training</td>
</tr>
<tr>
<td>Professional Careers</td>
<td>Employment Services</td>
<td>Principal Consulting Group</td>
</tr>
<tr>
<td>Quadrant Recruitment</td>
<td>Employment Services</td>
<td>Public Affairs Recruitment Company</td>
</tr>
<tr>
<td>Recruitment Solutions</td>
<td>Employment Services</td>
<td>Real Time</td>
</tr>
<tr>
<td>Sheldon &amp; Associates</td>
<td>Employment Services</td>
<td>Reddin Consulting</td>
</tr>
<tr>
<td>Slade &amp; Partners</td>
<td>Employment Services</td>
<td>Skilled Engineering</td>
</tr>
<tr>
<td>SOS Recruitment</td>
<td>Employment Services</td>
<td>SOLS Legal</td>
</tr>
<tr>
<td>Spencer Stuart</td>
<td>Employment Services</td>
<td>Southern Cross Computers</td>
</tr>
<tr>
<td>TCC Recruitment</td>
<td>Employment Services</td>
<td>Spherion Recruitment Solutions</td>
</tr>
<tr>
<td>TMP Worldwide</td>
<td>Employment Services</td>
<td>Swan Group</td>
</tr>
<tr>
<td>Wizard Personnel and Office Services</td>
<td>Employment Services</td>
<td>TMP Hudson</td>
</tr>
</tbody>
</table>

Recruitment agencies used by AIMS were:

<table>
<thead>
<tr>
<th>Agency Name</th>
<th>Agency Name</th>
<th>Agency Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADECCO</td>
<td>Drake</td>
<td></td>
</tr>
<tr>
<td>Hays Personnel</td>
<td>Integrity</td>
<td></td>
</tr>
<tr>
<td>TP Human Capital</td>
<td>Workskills</td>
<td></td>
</tr>
</tbody>
</table>
There are seven suppliers on the preferred supplier list of recruitment agencies for ANSTO. They are:

- Commercial Design Consolidated (NSW)
- ETM Placements
- Hays
- Mantech
- Southside Staffing Services
- Southtech Personnel
- TMP/Hudson

During the period ANTA used Hays Recruitment and McGinty Recruitment for temporary recruitment.

The recruitment agency used by ARC was Cordiner King & Co Pty Ltd.

AIATSIS and Questacon have not used recruitment agencies.

**Badgerys Creek Airport**  
(Question No. 1768)

Mr Hayes asked the Minister for Transport and Regional Services, in writing, on 23 June 2005:

1. Has he written to the New South Wales Minister for Planning at any time warning that consideration of development in Bringelly and other areas of Sydney needs to take into account the three airport configurations contemplated by the 1985 environmental impact statement.

2. What are the three airport configurations referred to in the 1985 environmental impact statement.

3. Has the Government settled on a particular option for a future Sydney airport; if so, what is the Government’s preferred site; if not, (a) why not, (b) what studies, reports and reviews will be conducted before a decision will be made, and (c) what is the timetable for this decision.

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

1. The former Deputy Prime Minister and Minister for Transport and Regional Services, the Hon John Anderson MP, did write to the former New South Wales Minister for Infrastructure, Planning and Natural Resources, the Hon Craig Knowles MP, in 2003 and 2004 asking that the aircraft noise contours for the three airport options identified in the 1999 Environmental Impact Statement for the Second Sydney Airport Proposal at Badgerys Creek be taken into consideration in the planning of future urban development in the Bringelly area.

2. The three airport design options are those that were addressed in the 1999 Environmental Impact Statement for the Second Sydney Airport Proposal at Badgerys Creek.

3. The Government has previously made it clear that it does not believe that a second Sydney airport will be needed in the foreseeable future. This position has not changed.

**Badgerys Creek Airport**  
(Question No. 2116)

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

1. Does the Government continue to hold Badgerys Creek as a site reserved for future airport use; if so, why.

2. Does the Government continue to request that planning authorities reserve space for airport related activities when planning developments in the vicinity of the Badgerys Creek airport site; if so, why.

3. Is the Government intending to review Sydney’s future airport needs; if so, when will the timetable and terms of reference for this review be announced.
Mr Truss—The answer to the honourable member’s question is as follows:

(1) (2) and (3) The Government has previously made it clear that it does not believe that a second Sydney airport will be needed in the foreseeable future. This position has not changed. The Government also previously said that it would retain the land at Badgerys Creek in Commonwealth ownership and protect the site from incompatible development in surrounding areas.

Legal Services
(Question No. 2697)

Ms Roxon asked the Minister for Health and Ageing, in writing, on 28 November 2005:

(1) What sum did the Minister’s department spend during 2004-2005 on external (a) barristers and (b) solicitors (including private firms, the Australian Government Solicitor and any others).

(2) What sum did the Minister’s department spend on internal legal services.

(3) What is the Minister’s department’s projected expenditure on legal services for 2005-2006.

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

During the 2004-2005 financial year, the Department of Health and Ageing spent:

(1) $425,563 (excluding GST) on external barristers; and

   (a) $5,397,834 (excluding GST) on external solicitors, including the Australian Government Solicitor and the Commonwealth Director of Public Prosecutions.

   (b) An additional $149,670 (GST exclusive) was spent on disbursements during this period. The total amount spent by the Department of Health and Ageing for external Legal Services was $5,973,067 (GST exclusive).

(2) During the 2004-2005 financial year, the Department of Health and Ageing spent $7,065,103 (GST exclusive) on internal legal services. This figure has been calculated on base salary costs, salary related overhead costs, including superannuation contributions, payroll tax, leave allowances and other (corporate) overheads (generally calculated at around 30%). This amount is not inclusive of portfolio agencies, which were included in calculation of this question in previous years.

(3) The projected expenditure for legal services for 2005-2006 is $13,562,482 (GST exclusive). This figure has been calculated on base salary costs, salary related overhead costs, including superannuation contributions, payroll tax, leave allowances and other (corporate) overheads (generally calculated at around 30%). This amount is not inclusive of portfolio agencies, which were included in the calculation of this question in previous years.

Treasury Department: Staffing
(Question No. 2726 supplementary)

Ms Macklin asked the Treasurer (Costello), 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 Costello—The answer to the honourable member’s question is as follows:

**Australian Bureau of Statistics**
(1) This information is available in ABS Annual Reports.
(2) Nil.
(3) Not applicable.
(4) Nil.

**Australian Competition and Consumer Commission**
(1) This information is available in the ACCC Annual Reports.
(2) The number of New Apprentices (i) commenced and (ii) employed for the periods sought are as follows:
   (a) 2001
      (i) nil
      (ii) nil
   (b) 2002
      (i) nil
      (ii) nil
   (c) 2003
      (i) 1
      (ii) 1
   (d) 2004
      (i) nil
      (ii) 1
   (e) 2005
      (i) nil
      (ii) nil
(3) None
(4) None

**Australian Office of Financial Management**
(1) This information is available in the AOFM Annual Reports.
(2) No New Apprentices were commenced or employed during any of the years specified.
(3) Not applicable.
(4) None.

**Australian Prudential and Regulation Authority**
(1) This information is available in the APRA Annual Reports.
(2) to (4) Nil.

**Australian Securities and Investments Commission**
(1) This information is available in the ASIC Annual Reports.
(2) ASIC does not currently employ apprentices.
(3) Not Applicable
(4) Not Applicable

Australian Taxation Office

This information is available in the ATO Annual Reports.

(a) to (e) Nil

(3) Not applicable
(4) None

Corporations and Markets Advisory Committee

(1) This information is available in the CAMAC Annual Reports.
(2) None for the years above
(3) Not applicable
(4) None.

Inspector-General of Taxation

(1) This information is available in the IGT Annual Reports.
(2) Nil for all years.
(3) Nil for all years.
(4) Nil for all years.

National Competition Council

(1) This information is available in the NCC Annual Reports.
(2) No New Apprentices have commenced with the Council.
(3) Not applicable.
(4) None, the Council does not have an apprenticeship programme.

Productivity Commission

(1) This information is available in the PC Annual Reports.
(2) Nil for all years.
(3) Nil for all years.
(4) Nil for all years.

Royal Australian Mint

(1) This information is available in the Treasury Annual Reports.
(2) The number of new apprentices (i) commenced and (ii) employed for the periods sought are:

(a) 2001
   (i) 2
   (ii) 2
(b) 2002
   (i) 2
   (ii) 2
(c) 2003
   (i) 1
   (ii) 1
3. All the above apprentices were employed as traditional apprentices.

4. It is anticipated the Mint will employ 1 new apprentice in 2006/2007

**Treasury**

1. This information is available in the Treasury Annual Reports.

2), (3) and (4) The Department of the Treasury did not employ any apprentices in the years in question.

**Child Care**

(Question No. 2798)

Ms Plibersek asked the Minister representing the Minister for Families, Community Services and Indigenous Affairs, in writing, on 7 December 2005:

(1) For 2002-2003, 2003-2004, and 2004-2005, what was the (a) highest, (b) lowest, and (c) average sum paid in Child Care Benefit (CCB) to families.

(2) In respect of CCB for 2004-2005, (a) how many families received top-up payments, (b) what was the total value of top-up payments, (c) what was the (i) highest and (ii) average top-up payment, (d) what was the total (i) number and (ii) value of over-payments, and (e) what was the (i) highest and (ii) average over-payment.

(3) For 2002-2003, 2003-2004, and 2004-2005, what was the average value of CCB paid to CCB recipients in each State and Territory for (i) long day care, (ii) family day care, (iii) before school care, (iv) after school care, (v) occasional care and (vi) vacation care.

(4) For 2003-2004 and 2004-2005, how many children under school-age in each State and Territory used approved child care (as measured by CCB paid for at least one session per week (a) in total, and (b) as a proportion of all children in the same age bracket.

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

The Department of Families, Community Services and Indigenous Affairs is stepping up its compliance measures around the payment of Child Care Benefit. Particularly high or low amounts of Child Care Benefit paid to customers may be subject to current or future compliance investigations and it would not be appropriate to report on those at this time.

The average amount of Child Care Benefit paid per customer, as fee reduction, for the indicated years may be found in the published Annual Reports of the Department of Families, Community Services and Indigenous Affairs (formerly the Department of Family and Community Services).

The reconciliation process for child care used in the 2004-05 financial year was only commenced since July 2005. Not enough customers have been reconciled to provide meaningful information on the numbers of top-ups payments and over-payments for the 2004-05 financial year.

The Howard Government has provided unprecedented support to parents for child care. Families now get more help with their child care costs than ever before. Please refer to the response in paragraph 1. This data is being provided this time, however data in this form will not be provided in the future due to the time required for collation.
The number of children under school-age in each State and Territory and using approved child care (as measured by CCB paid for at least one session per week, for any week in a financial year) for 2003-2004 and 2004-2005, and as a percentage of all children in the same age bracket, is as follows:

<table>
<thead>
<tr>
<th>State / Territory</th>
<th>2003-04</th>
<th>2004-05</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of children</td>
<td>% of population</td>
</tr>
<tr>
<td>NSW</td>
<td>178,800</td>
<td>42%</td>
</tr>
<tr>
<td>VIC</td>
<td>115,000</td>
<td>38%</td>
</tr>
<tr>
<td>QLD</td>
<td>140,500</td>
<td>56%</td>
</tr>
<tr>
<td>SA</td>
<td>35,100</td>
<td>39%</td>
</tr>
<tr>
<td>WA</td>
<td>49,100</td>
<td>39%</td>
</tr>
<tr>
<td>TAS</td>
<td>13,400</td>
<td>44%</td>
</tr>
<tr>
<td>NT</td>
<td>5,000</td>
<td>29%</td>
</tr>
<tr>
<td>ACT</td>
<td>9,300</td>
<td>45%</td>
</tr>
</tbody>
</table>

Note:
1. Excludes children for whom there was no period of care involving Child Care Benefit paid as a reduction in service fees.
2. State/Territory based on location of child care provider.
3. State/Territory weighted data.
4. Aggregating counts of children across States and Territories will not equate to the Australian total (of fee reduction children) as some children used care, where Child Care Benefit was paid as a fee reduction, in more than one State/Territory during each respective financial year.
5. In each financial year, a child is counted as a under school age child if he/she was aged less than 5 years as at 31 March 2004 (for the 2003-2004 financial year) or 31 March 2005 (for the 2004-2005 financial year).


Legal Services
(Question No. 2915)

Ms Roxon asked the Minister for Families, Community Services and Indigenous Affairs, 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 Jaques, (i) Deacons, 

Mr Brough—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 the 
portfolio at that time, including the then Department of Family and Community Services, were as 
follows:

<table>
<thead>
<tr>
<th>Department of Family and Community Services</th>
<th>GST Exclusive</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Clayton Utz</td>
<td>$445,157</td>
</tr>
<tr>
<td>(b) Blakes Dawson Waldron</td>
<td>$4,427</td>
</tr>
<tr>
<td>(c) Philips Fox</td>
<td>$1,202,279</td>
</tr>
<tr>
<td>(d) Sparke Helmore</td>
<td>$0</td>
</tr>
<tr>
<td>(e) Freehills</td>
<td>$0</td>
</tr>
<tr>
<td>(f) Minter Ellison</td>
<td>$2,914</td>
</tr>
<tr>
<td>(g) Corrs Chambers Westgarth</td>
<td>$0</td>
</tr>
<tr>
<td>(h) Mallesons Stephens Jaques</td>
<td>$35,766</td>
</tr>
<tr>
<td>(i) Deacons</td>
<td>$266,699</td>
</tr>
<tr>
<td>(j) Craddock Murray Neumann</td>
<td>$0</td>
</tr>
</tbody>
</table>

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

(a) Social Security Appeals Tribunal

(b) Australian Institute of Family Studies

(2) An answer cannot be provided to these questions as the partners or principals responsible 
for undertaking or supervising legal services provided to then Department or its agencies within the 
Minister’s portfolio in 2004-2005 are not regularly identified by the law firms.

(4) The legal services provided to then Department and its agencies by the law firms listed in the question in 2004-2005 included advice on issues related to administrative law, statutory interpretation, 
commercial law, privacy law, freedom of information, and intellectual property.

Family Tax Benefit
(Question No. 2993)

Mr Tanner asked the Minister for Families, Community Services and Indigenous Affairs, 
in writing, on 7 February 2006:

(1) What sum was spent on (a) Family Tax Benefit A (FTB A) and (b) Family Tax Benefit B (FTB B) 
(2) What sum is projected to be spent on (a) FTB A and (b) FTB B in (i) 2006-2007, (ii) 2007-2008, and (iii) 2008-2009.

(3) What was the distribution of (a) FTB A and (b) FTB B recipients by adjusted taxable income in $5,000 bands between $0 and $100,000 per annum; in $10,000 bands between $100,000 and $200,000 per annum; and in $100,000 bands between $200,000 and $1 million per annum for 2001-2002, (ii) 2002-2003, (iii) 2003-2004, (iv) 2004-2005, and (vi) 2005-2006.

(4) What is the expected distribution of (a) FTB A and (b) FTB B recipients by adjusted taxable income in $5,000 bands between $0 and $100,000 per annum; in $10,000 bands between $100,000 and $200,000 per annum; and in $100,000 bands between $200,000 and $1 million per annum for 2006-2007, (ii) 2007-2008, and (iii) 2008-2009.

(5) For each component and financial year in parts (3) and (4), what was, or will be the total cost (a) per band and (b) by family status defined as (i) sole parent with 1-2 dependent children, (ii) sole parent with 3-5 dependent children, (iii) sole parent with more than 5 dependent children, (vi) families with no dependent children, (vii) families with 1-2 dependent children, (viii) families with 3-5 dependent children, and (ix) families with more than 5 dependent children.

(6) For each component and financial year in parts (3) and (4), what was, or will be the total cost for (a) dependent children 0-5 years of age, (b) children 5-15 years of age, (c) dependent students 16-18 years of age, and (d) dependent students 21-24 years of age.

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

Information on Family Tax Benefit numbers and outlays are published each year in the department’s Annual Report and in the Portfolio Budget Statements and, where relevant, in Additional Estimates Statements. Information on Family Tax Benefit recipient incomes was provided in Question on Notice number 98 from Supplementary Estimates.

Fuel Prices
(Question No. 3014)

Mr Murphy asked the Treasurer, in writing, on 9 January 2006:

Further to the answer to question No. 2343 (Hansard, 7 February 2006, page 115), what are the details and results of the ACCC’s investigation of complaints (including any legal action) of price-fixing, predatory pricing and other anti-competitive conduct in the petroleum industry.

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

On 17 March 2005 pecuniary penalties totalling $23.305 million were ordered by the Federal Court for price-fixing conduct in the Ballarat petrol market against 16 respondents alleging a number of competitors in the Ballarat region were part of a long-standing arrangement to fix retail petrol prices. On 1 December 2005 pecuniary penalties totalling $470,000 were ordered by the Federal Court for price-fixing conduct in the Woodridge area of Brisbane against the Matilda Woodridge and BP Logan City service stations (this is a BP branded site only, it is not operated by BP). On 11 November 2005 the trial against eight companies and 10 individuals, alleging that they fixed retail petrol prices in the Geelong area was finished. The judgment has not been handed down.

As a matter of policy the Australian Competition and Consumer Commission does not provide details of the investigations that it is undertaking or has undertaken unless a public outcome results from the investigation.
New Apprenticeships Centres  
(Question No. 3246)

Mr Tanner asked the Minister for Vocational and Technical Education, in writing, on 28 March 2006:

(1) What is the current projected expenditure for the New Apprenticeships Centres (NACs) for (a) 2006-2007, (b) 2007-2008, and (c) 2008-2009.

(2) What proportion of the current projected expenditure for NACs is committed or otherwise obligated for (a) 2006-2007, (b) 2007-2008, and (c) 2008-2009.

(3) What is the current projected expenditure for Australian Technical colleges (ATCs) for (a) 2006-2007, (b) 2007-2008, and (c) 2008-2009, (d) 2009-2010, and (e) 2010-2011.

(4) What proportion of the current projected expenditure for ATCs is committed or otherwise obligated for (a) 2006-2007, (b) 2007-2008, (c) 2008-2009, (d) 2009-2010, and (e) 2010-2011.

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

(1) and (2) The Department is currently finalising a competitive tender process and has not yet committed any expenditure for NACs for the 2006-07 to 2008-09 financial years.

(3) and (4) Funding is provided under the legislation through to December 2009. There are no commitments beyond the 2009 calendar year. Funding agreements are currently in the process of negotiation. Funding for the ATC programme until the end of 2009 is $343.6 million.

Family Tax Benefit  
(Question No. 3249)

Mr Fitzgibbon asked the Minister for Families, Community Services and Indigenous Affairs, in writing, on 28 March 2006:

(1) What proportion of family tax benefit recipients currently has a family tax benefit debt.

(2) What is the (a) average debt per family and (b) total debt.

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

The information requested has been previously supplied in the answer to Question on Notice 97 as part of the 2005-06 Supplementary Estimates.

Massage Service  
(Question No. 3321)

Mr Bowen asked the Minister representing the Minister for Finance and Administration, in writing, on 29 March 2006:

(1) Did the department or any agency in the Minister’s portfolio pay for massages for its staff in 2005; if so, what sum was spent on this purpose.

(2) What was the cost per massage.

(3) How many staff made use of the service.

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

(1) The Department of Finance and Administration and portfolio agencies did not pay for massages for its staff in 2005.

(2) to (3) Not applicable.
Massage Service
(Question No. 3331)

Mr Bowen asked the Minister for Agriculture, Fisheries and Forestry, in writing, on 29 March 2006:
(1) Did the department or any agency in Minister’s portfolio pay for massages for its staff in 2005; if so, what sum was spent on this purpose?
(2) What was the cost per massage?
(3) How many staff made use of the service?

Mr McGauran—The answer to the honourable member’s question is as follows:
(1) No.
(2) Not applicable.
(3) Not applicable.

Media Training
(Question No. 3342)

Mr Bowen asked the Minister for Health and Ageing, in writing, on 29 March 2006:
(1) Did the department or any agency in the Minister’s portfolio engage the services of a media training company in 2005; if so, how many individuals in the department and each agency received media training.
(2) For 2005, what sum was spent on media training by the department and each agency in the Minister’s portfolio.

Mr Abbott—The answer to the honourable member’s question is as follows:
(1) Yes, see table below:

<table>
<thead>
<tr>
<th>Agency</th>
<th>No. of individuals who received media training in 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Health &amp; Ageing</td>
<td>1</td>
</tr>
<tr>
<td>ARPANSA</td>
<td>7</td>
</tr>
<tr>
<td>AIHW</td>
<td>7</td>
</tr>
<tr>
<td>FSANZ</td>
<td>10</td>
</tr>
<tr>
<td>TOTAL</td>
<td>25</td>
</tr>
</tbody>
</table>

Note:
ARPANSA – Australian Radiation Protection and Nuclear Safety Agency
AIHW – Australian Institute of Health and Welfare
FSANZ – Food Standards Australia New Zealand

(2) See table below:

<table>
<thead>
<tr>
<th>Agency</th>
<th>Sum spent on media training in 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Health &amp; Ageing</td>
<td>$2,178</td>
</tr>
<tr>
<td>ARPANSA</td>
<td>$5,640</td>
</tr>
<tr>
<td>AIHW</td>
<td>$1,750</td>
</tr>
<tr>
<td>FSANZ</td>
<td>$8,712</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$18,280</td>
</tr>
</tbody>
</table>
Mental Health
(Question No. 3384)

Mr Murphy asked the Minister for Health and Ageing, in writing, on 29 March 2006:

(1) Is it the case that approximately one in five Australians experience serious disruption to their mental wellbeing at some point in their lives, with 75 per cent of patients initially seeking assistance from a medical general practitioner (GP).

(2) Can he confirm that the Better Outcomes in Mental Health Initiative was in response to feedback that mental health issues are frequently found in general practice and was intended to assist GPs already heavily involved in mental health care to treat mental health issues.

(3) Will the Government commit adequate funding in the 2006 health budget to ensure low income Inner-West residents may continue to access free psychological services through their GPs, at the current rates of referral; if not, why not.

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

(1) One in five Australians meet the diagnostic criteria for a mental disorder of a mild, moderate or severe nature. Of these, approximately 75 per cent will seek assistance from a GP, with some people seeking additional assistance from other mental health providers.

(2) The Better Outcomes in Mental Health Initiative was established to improve access to quality primary mental health care by increasing GP skills and knowledge in mental health and by providing GPs with support for their patients from allied health professionals and psychiatrists.

(3) On 5 April 2006, the Prime Minister announced that the Australian Government will contribute $1.8 billion in new funds to reform the mental health system, with a commitment of around $500 million in the fifth year and ongoing, for the five-year action plan that is being developed.

Public Housing
(Question No. 3401)

Mr Hayes asked the Minister for Community Services, in writing, on 30 March 2006:

(1) Is he aware of the plan for public housing proposed by the Member for Macarthur reported in the Daily Telegraph on 17 January 2006 and the Campbelltown Macarthur Advertiser on 8 February 2006.

(2) Has he, his staff or his department been asked to calculate the cost of providing interest free loans to public housing tenants.

(3) Is he aware of plans to introduce a policy to encourage public housing tenants to purchase their homes with interest free loans.

(4) Has the Government examined the long term sustainability of public housing stock under policies allowing the interest-free purchase of properties by tenants.

(5) Has any research been conducted on the capacity of public housing tenants to repay mortgages, in particular, the public housing tenants on very low incomes and those with complex needs; if so, will he provide it.

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

(1) I am aware that the Hon Pat Farmer MP has made a call for interest free home loans for the purchase of public housing by tenants.

(2) Neither the Department, my staff nor I have been requested to calculate the cost of providing interest free loans to public housing tenants.
(3) I am not aware of plans to introduce a policy to encourage public housing tenants to purchase their homes with interest free loans. I am, however, aware of a number of Government subsidised tenant home purchase schemes operating around Australia, although these schemes are not interest free. Examples are the HomeStart EquityStart loan in South Australia, the GoodStart scheme in Western Australia and the Streets Ahead Program in Tasmania.

(4) The Government has not undertaken an examination of any policies relating to the interest-free purchase of properties by tenants.

(5) The Australian Housing and Urban Research Institute (AHURI) coordinates research on a wide range of issues including access to home ownership. Further information is available on the AHURI website, www.ahuri.edu.au.

**Supported Accommodation Assistance Program**

(Question No. 3474)

Mr McClelland asked the Minister for Community Services, in writing, on 9 May 2006:

(1) What funding was provided by the Commonwealth for the Supported Accommodation Assistance Program in (a) 2001-2002, (b) 2002-2003, (c) 2003-2004, (d) 2004-2005, and (e) 2005-2006.

(2) Has there been any change in the level of Commonwealth funding in that period.

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

(1) SAAP funding figures up to and including 2004-05 are available in the annual data reports for SAAP, Homeless People in SAAP - SAAP NDC Annual Report (available on-line at www.aihw.gov.au). They are also published in the statistical supplement to the Report on Government Services (available online at www.pc.gov.au/gsp/). Australian Government funding for 2005-06 is $178,530,000.

(2) See response to part (1) above.