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SITTING DAYS—2006

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- ADELAIDE 972 AM
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- HOBART 747 AM
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FORTY-FIRST PARLIAMENT
FIRST SESSION—SEVENTH 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 Barry Wayne Haase, Mr Michael John Hatton, the Hon. Duncan James Colquhoun Kerr SC, Mr Peter John Lindsay, Mr Robert Francis McMullan, Mr Harry Vernon Quick, the Hon. Bruce Craig Scott, the Hon. Alexander Michael Somlyay, Mr Kim William Wilkie

Leader of the House—The Hon. Anthony John Abbott MP
Deputy Leader of the House—The Hon. Peter John McGauran MP
Manager of Opposition Business—Ms Julia Eileen Gillard MP
Deputy Manager of Opposition Business—Mr Anthony Norman Albanese MP

Party Leaders and Whips
Liberal Party of Australia
Leader—The Hon. John Winston Howard MP
Deputy Leader—The Hon. Peter Howard Costello MP
Chief Government Whip—Mr Kerry Joseph Bartlett MP
Government Whips—Mrs Joanna Gash MP and Mr Fergus Stewart McArthur MP

The Nationals
Leader—The Hon. Mark Anthony James Vaile MP
Deputy Leader—The Hon. Warren Errol Truss MP
Chief Whip—Mr John Alexander Forrest MP
Whip—Mr Paul Christopher Neville MP

Australian Labor Party
Leader—The Hon. Kim Christian Beazley MP
Deputy Leader—Ms Jennifer Louise Macklin MP
Chief Opposition Whip—The Hon. Leo Roger Spurway Price MP
Opposition Whips—Mr Michael David Danby MP and Ms Jill Griffiths Hall MP

Printed by authority of the House of Representatives
# Members of the House of Representatives

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<td>Wakelin, Barry Hugh</td>
<td>Grey, SA</td>
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<td>Washer, Malcolm James</td>
<td>Moore, WA</td>
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<td>Wilkie, Kim William</td>
<td>Swan, WA</td>
<td>ALP</td>
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<td>Windsor, Antony Harold Curties</td>
<td>New England, NSW</td>
<td>Ind</td>
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<tr>
<td>Wood, Jason Peter</td>
<td>La Trobe, Vic</td>
<td>LP</td>
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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)
HOWARD MINISTRY—continued

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 and Minister Assisting the Minister for Workplace Relations
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

Parliamentary Secretary to the Minister for Finance and Administration
The Hon. Dr Sharman Nancy Stone MP

Parliamentary Secretary to the Minister for Industry, Tourism and Resources
Senator the Hon. Richard Mansell Colbeck

Parliamentary Secretary to the Minister for Health and Ageing
The Hon. Robert Charles Baldwin MP

Parliamentary Secretary to the Minister for Defence
The Hon. Christopher Maurice Pyne MP

Parliamentary Secretary (Trade)
Senator the Hon. John Alexander Lindsay (Sandy) Macdonald

Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs
The Hon. De-Anne Margaret Kelly MP

Parliamentary Secretary to the Prime Minister
The Hon. Andrew John Robb MP

Parliamentary Secretary to the Treasurer
The Hon. Malcolm Bligh Turnbull MP

Parliamentary Secretary to the Minister for Environment and Heritage
The Hon. Christopher John Pearce MP

Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry
The Hon. Gregory Andrew Hunt MP

Parliamentary Secretary to the Minister for Education, Science and Training
The Hon. Sussan Penelope Ley MP

Parliamentary Secretary (Foreign Affairs)
The Hon. Patrick Francis Farmer MP

Parliamentary Secretary to the Prime Minister
The Hon. Sussan Penelope Ley MP

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

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

Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry
The Hon. Patrick Francis Farmer MP

Parliamentary Secretary to the Minister for Education, Science and Training
The Hon. Teresa Gambaro MP
## Shadow Ministry

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<th>Member</th>
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<tr>
<td>Leader of the Opposition</td>
<td>The Hon. Kim Christian Beazley MP</td>
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<tr>
<td>Deputy Leader of the Opposition and Shadow Minister for Education, Training, Science and Research</td>
<td>Jennifer Louise Macklin MP</td>
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<tr>
<td>Leader of the Opposition in the Senate, Shadow Minister for Indigenous Affairs and Shadow Minister for Family and Community Services</td>
<td>Senator Christopher Vaughan Evans</td>
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<tr>
<td>Deputy Leader of the Opposition in the Senate and Shadow Minister for Communications and Information Technology</td>
<td>Senator Stephen Michael Conroy</td>
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<tr>
<td>Shadow Minister for Health and Manager of Opposition Business in the House</td>
<td>Julia Eileen Gillard MP</td>
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<tr>
<td>Shadow Treasurer</td>
<td>Wayne Maxwell Swan MP</td>
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<tr>
<td>Shadow Attorney-General</td>
<td>Nicola Louise Roxon MP</td>
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<tr>
<td>Shadow Minister for Industry, Infrastructure and Industrial Relations</td>
<td>Stephen Francis Smith MP</td>
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<tr>
<td>Shadow Minister for Foreign Affairs and Trade and Shadow Minister for International Security</td>
<td>Kevin Michael Rudd MP</td>
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<td>Shadow Minister for Defence</td>
<td>Robert Bruce McClelland MP</td>
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<td>Shadow Minister for Regional Development</td>
<td>The Hon. Simon Findlay Crean MP</td>
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<tr>
<td>Shadow Minister for Primary Industries, Resources, Forestry and Tourism</td>
<td>Martin John Ferguson MP</td>
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<tr>
<td>Shadow Minister for Environment and Heritage, Shadow Minister for Water and Deputy Manager of Opposition Business in the House</td>
<td>Anthony Norman Albanese MP</td>
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<tr>
<td>Shadow Minister for Housing, Shadow Minister for Urban Development and Shadow Minister for Local Government and Territories</td>
<td>Senator Kim John Carr</td>
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<tr>
<td>Shadow Minister for Public Accountability and Shadow Minister for Human Services</td>
<td>Kelvin John Thomson MP</td>
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<tr>
<td>Shadow Minister for Finance</td>
<td>Lindsay James Tanner MP</td>
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<tr>
<td>Shadow Minister for Superannuation and Intergenerational Finance and Shadow Minister for Banking and Financial Services</td>
<td>Senator the Hon. Nicholas John Sherry</td>
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<tr>
<td>Shadow Minister for Child Care, Shadow Minister for Youth and Shadow Minister for Women</td>
<td>Tanya Joan Plibersek MP</td>
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<tr>
<td>Shadow Minister for Employment and Workforce Participation and Shadow Minister for Corporate Governance and Responsibility</td>
<td>Senator Penelope Ying Yen Wong</td>
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(The above are shadow cabinet ministers)
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<tr>
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<th>MP Name</th>
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<tr>
<td>Shadow Minister for Consumer Affairs and Health Regulation</td>
<td>Laurie Donald Thomas Ferguson MP</td>
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<tr>
<td>Shadow Minister for Agriculture and Fisheries</td>
<td>Gavan Michael O’Connor MP</td>
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<tr>
<td>Shadow Assistant Treasurer, Shadow Minister for Revenue and Shadow Minister for Small Business and Competition</td>
<td>Joel Andrew Fitzgibbon MP</td>
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<tr>
<td>Shadow Minister for Transport</td>
<td>Senator Kerry Williams Kelso O’Brien</td>
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<tr>
<td>Shadow Minister for Sport and Recreation</td>
<td>Senator Kate Alexandra Lundy</td>
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<tr>
<td>Shadow Minister for Homeland Security and Shadow Minister for Aviation and Transport Security</td>
<td>The Hon. Archibald Ronald Bevis MP</td>
</tr>
<tr>
<td>Shadow Minister for Veterans’ Affairs and Shadow Special Minister of State</td>
<td>Alan Peter Griffin MP</td>
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<tr>
<td>Shadow Minister for Defence Industry, Procurement and Personnel</td>
<td>Senator Thomas Mark Bishop</td>
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<tr>
<td>Shadow Minister for Immigration</td>
<td>Anthony Stephen Burke MP</td>
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<tr>
<td>Shadow Minister for Ageing, Disabilities and Carers</td>
<td>Senator Jan Elizabeth McLucas</td>
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<tr>
<td>Shadow Minister for Justice and Customs and Manager of Opposition Business in the Senate</td>
<td>Senator Joseph William Ludwig</td>
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<tr>
<td>Shadow Minister for Overseas Aid and Pacific Island Affairs</td>
<td>Robert Charles Grant Sercombe MP</td>
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<tr>
<td>Shadow Minister for Citizenship and Multicultural Affairs</td>
<td>Senator Annette Hurley</td>
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<tr>
<td>Shadow Parliamentary Secretary for Reconciliation and the Arts</td>
<td>Peter Robert Garrett MP</td>
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<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>John Paul Murphy MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Defence and Veterans’ Affairs</td>
<td>The Hon. Graham John Edwards MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Education</td>
<td>Kirsten Fiona Livermore MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Environment and Heritage</td>
<td>Jennie George MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Industry, Infrastructure and Industrial Relations</td>
<td>Bernard Fernando Ripoll MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Immigration</td>
<td>Ann Kathleen Corcoran MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Treasury</td>
<td>Catherine Fiona King MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Science and Water</td>
<td>Senator Ursula Mary Stephens</td>
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<tr>
<td>Shadow Parliamentary Secretary for Northern Australia and Indigenous Affairs</td>
<td>The Hon. Warren Edward Snowdon MP</td>
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Monday, 14 August 2006

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

DELEGATION REPORTS

Parliamentary Delegation to the European Institutions and Bilateral Visit to Norway

Mr LAURIE FERGUSON (Reid) (12.31 pm)—I present the report of the Australian Parliamentary Delegation to the European Institutions and bilateral visit to Norway, April to May 2006. At the outset, I would particularly thank Christopher Reid, who accompanied the delegation, and Lynette Mollard for their endeavours beforehand to our diplomatic representatives overseas and to the public servants in the countries that we visited. Also, to the members of the delegation, I think the delegation had a great sense of camaraderie and cooperation. It really is another worthwhile aspect of these visits that people come to know each other better.

The delegation visited the European Parliament, NATO et cetera. Amongst the issues with the European Parliament were the question of Turkey’s future in Europe. Obviously there are mixed views there, but I think the delegation have come away with a better understanding of a very strong position from Germany and Austria in particular. I for one am very strongly supportive of Turkey going to Europe for the future of relationships in that region, but there seems to be a very divergent view there.

We also had the opportunity to focus on something we do not really think about very much in this country—that is, the development program of the European Community of £6 billion to £7 billion. The orientation towards Asia was, I think, informative for members of the delegation. Obviously, members took the opportunity to put an Australian perspective with regard to the Common Agricultural Policy. But, particularly when we moved on to Norway, I think we appreciated the other side of this coin: the national cultural centres behind the preservation of agriculture in some of these countries. Whilst Norway is not in Europe, I think the degree to which the country seeks to preserve its sector was very much driven home.

Another issue throughout Europe is immigration. Whilst those countries do not have our tradition as a settlement reception country, we must also bear in mind the very low populations of some of these countries—Norway, four million; Belgium, Holland et cetera—so the level of migration is in some senses a very real challenge to their cultural identity. Whilst we obviously would like to overcome the barriers of discrimination and bias in those cultures, we must at the same time appreciate the severe challenges that it represents to their culture.

Another most interesting aspect of our visit to Norway was the pension fund that the country has established as a result of its oil revenues, appreciating, as it does, that they will one day run out. I think members were surprised that that fund currently has $US286 billion and had an 11.1 per cent return in 2005. What I think was interesting to the delegation was the degree to which the fund had invested in external financial instruments. The other interesting aspect for all members—and I think we all came away with a view that we should take it on board in this country—was the question of the ethical committee that looks at investments, decides that there is too much risk in areas, decides that weapons and non-humanitarian investments are totally wrong and excludes investments in that field.

We also had the opportunity in Norway to look at that country’s reorientation to the high north of the nation, which is also inter-related with its interest in renewables in the capture and use of carbon dioxide. At the
same time, on the question of the Sami minority there, it was interesting to meet Berit Eira, the state secretary of the ministry of labour, who is a Sami speaker.

Another aspect of the delegation’s visit was its involvement in overseas commemorative services. I was particularly struck by the Anzac Day events at Ypres. We had arrived just after an unfortunate stabbing death in the main railway station of the capital city, and I was very impressed by the Bürgermeister, Luc Dehaene, who, in his speech, really stressed the need to overcome ethnic division in the country and to not go into stereotyping et cetera. It was a very worthwhile speech on a very important day. We were honoured by the reality that Belgians, many decades afterwards, still have that service at the Menin Gate on a daily basis. It was interrupted only by the Nazi occupation in the Second World War; otherwise it has been constant. I found the Flanders Field Museum very impressive, magnificent and world class. It really did convey the realities of the suffering.

Also with regard to commemorative services, we had the opportunity in the Netherlands to be present at a ceremony recognising the 8½ thousand Dutch citizens who fought for this country in the Second World War after the Japanese occupation of the Dutch East Indies. This comes at a time when we are celebrating 400 years of contact with the Dutch. There is also an important publication by Nonja Peters, *The Dutch Down Under*, which our ambassador in the Netherlands has had very high— *(Time expired)*

**Dr WASHER** (Moore) *(12.36 pm)*—I support the member for Reid’s excellent presentation. I had the privilege of being a member of the Parliamentary Delegation visit to the European Institutions and bilateral visit to Norway. It was one which strengthened the ties with the European Parliament, legal and political institutions in the Netherlands and the Norwegian parliament.

It was a delegation of six. I, again, thank Laurie Ferguson, Joel Fitzgibbon, Wilson Tuckey, Senator Stephen Parry and their partners for their focus, their teamwork and their collegiality. I also thank the leader of the delegation, government senator Kay Patterson, for the example she set at meetings and functions. She tabled this report in the Senate six weeks after our return on 21 June 2006.

In Belgium, the European Union is entering a period where developing issues, such as immigration, and existing issues, including the EU constitution, enlargement and the Common Agricultural Policy, have become leading priority areas. The European Union membership increased to 25 nations on 1 May 2004 and now produces over 25 per cent of the world’s GDP and remains Australia’s largest single trading and second largest investment partner.

Although Australia has strong differences with the EU in international trade, particularly on agriculture and aspects of the EU’s regulatory approach, Australia cooperates with the EU on a broad range of international issues. For Australia, the EU market is the destination of 11 per cent of total exports and the source of 28 per cent of imports.

Throughout a very successful series of meetings, the delegation was able to outline for some members of the European Parliament Australia’s position on issues such as energy, including uranium, trade subsidies, immigration and foreign policy. The delegation also noted that the EU has succeeded in implementing further economic reforms and recognises that the European Parliament and national governments continue to face resistance.

Other features of the delegation’s work in Belgium included a visit to NATO, where the
The delegation learnt about the pan-European perspective on current key issues such as global security. The delegation also called on the Belgian parliament to attend a meeting with the Speaker of the Chamber of People’s Representatives.

On 25 April, Anzac Day, ceremonies at the Western Front, West Flanders, to commemorate the Australians who fought and the thousands who died there were a highlight. In The Hague in the Netherlands, engagements included visits to several international institutions, including the International Criminal Court, the International Court of Justice, the International Criminal Tribunal for the Former Yugoslavia and the Organisation for the Prohibition of Chemical Weapons. We also visited the Dutch parliament and attended a very successful and memorable function hosted by the Australian ambassador, honouring Dutch veterans who served or assisted Australia in World War II. This function also commemorated 400 years of bilateral relations between the Netherlands and Australia. The parliament was delighted to accept a bilateral invitation from the Norwegian parliament, the Storting. Australia enjoys good relations with Norway and we share many common values.

During the visit to Norway the delegation met with a number of parliamentary representatives, including a number of its committees and senior officials from government departments and industry. Many issues of interest, such as immigration, education, the pension fund and fishing were discussed. The delegation observed that, while areas of disagreement remain, such as whaling policy, the growing relationship between Norway and Australia was sufficiently mature to realise the areas of growing partnership.

The delegation expressed its tremendous gratitude for the warm welcome it received at all meetings and functions, and for the generosity of the Norwegian parliament in hosting this visit. The leader of the Australian delegation was pleased to be able to formally invite, on behalf of the Presiding Officers, a delegation from the parliament of Norway to visit Australia.

The delegation also extended its sincere thanks to our Australian ambassadors, their embassy staff and colleagues for making the visit such a beneficial and memorable one. Thanks also to Lynette Mollard from the Parliamentary Relations Office for her tremendous work in bringing our appointments and bookings together.

Finally, a note of appreciation to the secretary of the delegation, Mr Chris Reid. He is also the Director of the Parliamentary Education Office. I am not surprised he holds this position if his tireless work and attention to detail in managing and reporting on our trip are any indication. I am sure I can speak for others when I extend my gratitude to Chris Reid for his efforts. I commend the report to the House.

**Inter-Parliamentary Working Group on Reform, held in Geneva**

**Mrs MOYLAN (Pearce) (12.41 pm)**—I present the report on the meeting of the Inter-Parliamentary Working Group on Reform held in Geneva on 17 and 18 July 2006. The Inter-Parliamentary Union is the international organisation that brings together representatives of the parliaments of sovereign states. IPU assemblies are held twice a year and members of national delegations participate in debates and the work of committees that address political, economic, social and cultural issues of international significance. The IPU has been undergoing a reform process for over six years and in doing so introduced several changes to the proceedings of the assembly and its committees. The IPU also strengthened its relationship with the
United Nations, resulting in the organisation being granted observer status.

During this period, the Australian National IPU Group has been supportive of most of the reform proposals but expressed the strong view that the fundamental principle underpinning any reform proposals must be that it is affordable and sustainable and that the IPU must be financially accountable. In relation to this matter, it should be noted that the IPU is now consistently posting a small profit and its financial statements are comprehensive and detailed. Although some of the reforms were positive—for example, a better focus for the general debate at IPU assemblies by the introduction of a theme for the debate—there were also negative aspects to them, particularly in relation to the procedures of the standing committees.

In 2005, the newly elected President of the IPU, Mr Pier Ferdinando Casini, undertook to reinvigorate and consolidate the reform process. Accordingly, an IPU president’s working group on reform met in Geneva on 19 and 20 January this year. In May 2006, in Nairobi, it was agreed that the working group should meet again to address further issues of reform and that the leaders of the six geopolitical groups should be invited to attend. As the incoming chair of the Asia-Pacific geopolitical group of the IPU, I was invited to participate in the work of the group, and I thank you, Mr Speaker, and the President of the Senate for your support and ongoing commitment to IPU reform.

Eighteen parliamentarians met over two days in Geneva in July to discuss: relations with the United Nations; the functioning of IPU assemblies; governance of the IPU; democracy promotion; outreach and information; and resource mobilisation. In my contributions to these discussions, I identified nine key areas of reform in relation to the work of the standing committees. These included the time for the lodgement of amendments to draft resolutions and the powers of the drafting committees. Others involved the interaction between the IPU and the United Nations and, in particular, the need to strengthen ties between the IPU and agencies such as the World Bank, the International Monetary Fund and the World Trade Organisation.

Another involved the work of the IPU in institutional capacity building, emphasising that parliamentarians should play a greater role in democracy building in post-conflict and newly democratic countries. Another was that any proposed changes to the functioning of the IPU must include the participation of the Coordinating Committee of Women Parliamentarians and women parliamentarians.

I am pleased to report that most of these proposals for reform were adopted by the working group. The tabled report sets out in detail the recommendations for reforms proposed by the working group. These recommendations for reform will be sent to members of the IPU Executive Committee as well as the entire IPU membership.

The meeting of the Asia-Pacific geopolitical group, which I will chair, in Geneva in October will consider the recommendations, as will the five other geopolitical groups. Following consideration and any further recommendations, the IPU will consider the matter at its session in Geneva in October 2006. If recommendations are adopted at this meeting, the requisite amendments to the statutes and rules will be prepared for consideration and adoption at the meeting of the IPU in Bangkok in May 2007.

I commend this report to all members of the Australian National IPU Group. I would welcome any feedback on the recommendations for reform that are aimed at reinvigorating the IPU.
Mr BAIRD (Cook) (12.46 pm)—On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade I present the committee’s report entitled Australia’s response to the Indian Ocean tsunami.

Ordered that the report be made a parliamentary paper.

Mr BAIRD—The Boxing Day 2004 tsunami is on record as one of the worst natural disasters to occur in modern times. Equally unprecedented in scale has been the response of the international donor community to help the tsunami victims recover.

Australia has been the largest per capita country contributor to tsunami aid and has played a major role in the relief and reconstruction effort, particularly in Indonesia, where the tsunami struck hardest.

Australia’s collective response has involved federal government departments and agencies, state agencies and non-government organisations. In the immediate aftermath of the earthquake, the Australian government committed $68 million. Australian NGO partners received $12 million to provide services, supplies and support to tsunami affected countries, while $23.5 million was donated to the UN to support its activities in coordinating the relief effort. Additional funds, including the $1 billion Australia-Indonesia Partnership for Reconstruction and Development, are progressively being committed against longer term reconstruction priorities. Within months of the tsunami, Australian non-government organisations had raised a further $313 million from the wider Australian community.

It was against the backdrop of this initial generosity, and the fact that some 18 months had elapsed since the disaster, that the committee considered it timely to convene a forum where members could meet with Australian NGOs and discuss—together with government departments and agencies—where Australians’ money is being spent and how aid agencies are continuing to deliver assistance to tsunami affected communities.

Subsequently, the committee hosted a public roundtable hearing at Parliament House on 12 May 2006, to which it invited a range of participants, including the five main non-government organisations in Australia—the Red Cross, Oxfam, Caritas, CARE and World Vision—and officials from the Department of Foreign Affairs and Trade, AusAID, Defence and the Australian Federal Police. At the roundtable, the committee gained an overview of the progress to date, learnt about current operational priorities and focused on emerging lessons that could inform ongoing responses to recovery requirements in the tsunami affected countries.

The committee, in hearing the attendees at the roundtable tell their stories, was affected by the shared experiences of agencies, in particular the perspectives of Australian Defence Force and Australian Federal Police personnel who were involved in the initial clean-up and the disaster victim identification missions. Officers clearly carried out their jobs well, with compassion and dignity under extraordinary circumstances—and this is something that those individuals and indeed all Australians can be proud of.

Witnesses outlined some of the many reasons why the rebuilding process is progressing slowly. Ultimately, the sheer scale and complexity of the disaster must be borne in mind and the reconstruction and development phase be viewed in terms of taking years rather than months to complete. It is also important that sufficient time be taken to consult with local communities and deliver
high-quality outcomes to beneficiaries. There are enormous challenges for those involved with the reconstruction—challenges with the supply of materials and labour and, in some instances, the management of corruption issues. However, significant work has still been done. At the hearing, agencies described a wide range of projects which they are working on to achieve this end, from rebuilding houses, reinstating basic services and restoring infrastructure, to health and counselling services, and training villagers to help with the planning of village reconstruction and direct access assistance.

The committee would like to see greater media coverage—including more positive stories—of the reconstruction effort as it progresses. While the tsunami is clearly no longer front-page news it remains the largest international relief and reconstruction effort staged in recent times, and one to which Australia continues to contribute significant resources. AusAID provided significant evidence about engagement with local media from Australia and Indonesia about their endeavours to obtain positive coverage about what is being achieved.

In an era when natural disasters appear to be increasing and the aid community finds itself being stretched to capacity, the committee acknowledges that government and non-government organisations alike are finding new ways to work together and complement each other’s strengths.

The committee hopes that this roundtable process contributes to and encourages public debate on this still important topic, and showcases some of the excellent work being done by Australian agencies and non-government organisations. In closing, I would like to thank all the roundtable participants. I also thank my colleagues on the Human Rights Subcommittee who undertook the inquiry and the secretariat for their assistance. I commend the report to the House.

Ms VAMVAKINOU (Calwell) (12.51 pm)—I would like to join with my colleague the member for Cook in speaking on the report by the Joint Standing Committee on Foreign Affairs, Defence and Trade titled Australia’s response to the Indian Ocean tsunami. Nearly two years on, it is still very hard to comprehend the sheer scale of destruction and human devastation that the 2004 Boxing Day tsunami left in its wake along much of the Indian Ocean coastline. The tsunami literally wiped out thousands of coastal communities across 12 countries, and it remains one of the worst natural disasters in living memory. Indonesia was the hardest hit, with the majority of casualties occurring in the provinces of Aceh and Northern Sumatra. Other countries directly affected by the tsunami included Sri Lanka, India and many others. The tsunami did not spare Australia either, with 26 Australians killed—the majority of them holidaymakers in Indonesia—and scores more injured.

In the days immediately following the tsunami, relief operations faced the challenge of having to provide food, clean water, temporary shelter and health care to literally hundreds of thousands of people, many of whom had lost everything. One of the key priorities for early relief operations was to prevent the spread of disease and malnutrition. As time has gone on, these relief operations have shifted their focus to longer term reconstruction projects.

To Australia’s great credit, Australian aid agencies and NGOs have played a major role in these relief and reconstruction operations. Their efforts have been reinforced by the overwhelming generosity of ordinary Australians who donated money to help fund such operations. This generosity has made Australia the largest contributor per capita to tsu-
nami aid and reflects the very best of this country.

In May this year the Human Rights Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade conducted a roundtable public hearing that examined Australia’s response to the Indian Ocean tsunami. The hearing gave members a chance to discuss with representatives of the Australian aid community where Australian’s money is being spent and how aid agencies are continuing to deliver assistance to tsunami affected communities.

As the report being tabled today will show, the roundtable hearing was particularly informative for both members and aid agency representatives. During the hearing a number of key issues were discussed regarding effective aid delivery. Members and aid representatives also discussed possible lessons that could be learnt from the tsunami relief operations. Among the issues raised by aid representatives were the enormous challenges faced by relief operations; the reconstruction efforts in tsunami affected areas, given the remoteness of some communities; and the devastation that the tsunami had inflicted on basic infrastructure.

One key issue that aid representatives raised was the enormous strain that is placed on the humanitarian system by major disasters occurring in sequence. Aid representatives emphasised that one possible way to counter this is to ensure that sufficient funds are on stand-by to help strengthen the emergency response capacity of aid agencies in the event of future humanitarian disasters and that more importance needs to be given to further developing and extending the interagency collaboration between government and NGOs that began to occur in response to the tsunami.

The issue of accountability and transparency in relation to the way money is spent was also discussed, including concerns over corruption and the misappropriation of funds. Public concerns over accountability and transparency led to a discussion of the role that the media played in determining public perceptions about whether tsunami response funds were being spent appropriately. Aid representatives were generally disappointed by the media emphasis on the very few negative stories rather than the many positive stories about the tsunami aid effort. An overemphasis on negative stories in the media also does little justice to the extraordinary and often life-saving work carried out by tsunami aid workers in what are often near-impossible conditions. These efforts need to be recognised and more readily embraced by our media.

I want to end by highlighting the importance that aid agency representatives gave to community based development programs that empower local communities rather than entrap them in relationships of dependency. Such programs are vital in helping communities to get back on their feet whilst at the same time preserving their dignity by actively including local community members in decisions about where aid would be most effective. They recognise the key role that women play in getting communities back on their feet and the importance of providing women with appropriate support services.

On that note I would like to pay tribute to a very young constituent of mine, Ms Jay Leigh Hook, aged 16, who was on holiday in Thailand at the time the tsunami hit and was caught up in the horror of what took place. I thank her for the money she raised, when she returned to Australia, to assist a school in Thailand. (Time expired)

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

Mr BAIRD (Cook) (12.57 pm)—I move:
That the House take note of the report.

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

Economics, Finance and Public Administration Committee

Report

Mr BAIRD (Cook) (12.57 pm)—On behalf of the House of Representatives Standing Committee on Economics, Finance and Public Administration, I present the committee’s report entitled Review of the Reserve Bank of Australia and Payments System Board annual reports 2005 (first report), together with the minutes of proceedings.

Ordered that the report be made a parliamentary paper.

Mr BAIRD—Two areas of economic importance to almost all Australians are monetary policy and the payments system. The Reserve Bank of Australia plays a central role in both of these areas—for monetary policy, through the Reserve Bank Board, and for the payments system, through the Payments System Board. The payments system, in particular, has been an area of contention in recent times. The RBA has pursued what some have termed an ‘aggressive reform agenda’, with the consequences of those reforms being the subject of considerable debate. Conversely, monetary policy has been relatively stable when compared with some of the more turbulent periods in Australia’s history. Notwithstanding this, the RBA has lifted the cash rate by 25 basis points three times in the past 18 months, which, in combination with record petrol prices, has caused some level of community concern.

The committee’s February 2006 public hearing with the RBA was the third for the 41st parliament. Once again, the committee had the opportunity to discuss some of the key monetary policy issues in this important public forum. Overall, the RBA reported that the Australian economy, which is now in its fifteenth consecutive year of growth, is in a strong position. The RBA attributed Australia’s continued growth to well-above-average growth in the world economy and the emergence of China as an economic superpower.

While describing Australia’s economic growth as ‘impressive’, the RBA did raise some potential issues. In particular, it noted a ‘large’ current account deficit despite favourable export prices and terms of trade, increasing levels of household debt, and capacity constraints—all of which are recurring themes from the hearings in 2005.

In terms of interest rates, the RBA noted a number of factors which could put upward pressure on inflation: a high level of capacity utilisation, the tight labour market and large increases in the cost of some raw materials. In May and August, interest rates were raised by 25 basis points in response to the realisation of some of these inflationary pressures.

Unlike previous RBA inquiries, this inquiry also included an extensive investigation of the payments system. This investigation had a particular focus on the RBA’s recent and proposed reforms. The committee found that there are a wide range of views on these reforms, as has been evident in the media over the past five years or so. The most contentious of these issues is undoubtedly the reduction of credit card interchange fees. On the one hand, the RBA argues that its reduction of these fees will result in cardholders facing truer price signals when using their cards, while also saving merchants—and, ultimately, consumers—millions of dollars each year. Conversely, the two largest
card schemes, Visa and MasterCard, amongst others, argue that there is no evidence of savings being passed through to consumers. They also argue that their competitors, the three-party schemes American Express and Diners Club, have been unfairly advantaged by the reforms.

The committee is not wholly convinced by either perspective with respect to credit card interchange fees. While there is no empirical evidence that savings have reached consumers, equally there is no evidence they have not. However, in competitive markets it seems illogical to suggest that lower costs for merchants do not result in lower prices for consumers. The committee therefore concluded that the benefits of the reform, at this point, outweigh any alleged disadvantages.

Some other reform areas which the committee investigated included the lowering of EFTPOS and scheme debit interchange fees, the removal of the ‘honour all cards’ rule, and the removal of the ‘no surcharge’ rule. Generally speaking, the committee found the RBA’s rationale for these reforms reasonably sound.

One area of concern for the committee is Australia’s evident shortfall in payments system technology. While we were once considered to be a world leader in this area, there was consensus during the hearings that we have now fallen behind. To remedy this concern, the committee recommends that those involved in the industry implement, or consider implementing in one case, a number of innovations, namely—PIN authorisations for credit cards, online functionalities for EFTPOS cards and chip technology for all cards.

I would like to thank all those who participated in this inquiry. The Governor of the RBA, Mr Ian Macfarlane, and his staff were always forthright and helpful throughout this inquiry process. Finally, I would like to inform the House that the committee’s next meeting with the RBA will be held in Sydney this Friday, 18 August. The committee is obviously keen to probe the RBA on the latest rate rise and on the probability of future rate rises. This hearing will also mark the last appearance before the committee of the current governor, Mr Ian Macfarlane. It promises to be a fascinating hearing. I commend the report to the House.

Dr EMERSON (Rankin) (1.03 pm)—At the outset, I would like to acknowledge the contribution of the member for Cook as chair of the various hearings of the inquiry by the House of Representatives Standing Committee on Economics, Finance and Public Administration. In relation to the payments system he was able to elicit a lot of valuable information but, more importantly, to sift through that information with other colleagues on both sides of the parliament and come up with a report that I believe contains a reasonable level of insight.

Let me explain that observation. We were bombarded with arguments in relation to the payments system from both sides. I expressed then, and I reiterate now, my disappointment that so many of the witnesses who came to the inquiry spoke very much from the point of view of vested interest. There did seem to be a scarcity of independent analysis of the payments system and of the reforms of the payments system that had been implemented by the Reserve Bank.

It was proposed by some—indeed, many—that another authority should review the Reserve Bank’s reforms of the payments system because they felt that the Reserve Bank had not done a good job overall. The committee considered that it had done a reasonable job and that there was not a case for an independent review of that work.

To keep the whole matter in perspective, the estimate of the total available reduction
in cost to consumers was $580 million, which works out at $29 per annum for every Australian, or 56c a week. So we were not talking about big beer for Australian consumers, but it was big beer for a number of the players in this arena. We were not convinced by arguments that none of that money was passed on to consumers, nor were we convinced that all of it was passed on to consumers. But, as the chairman has pointed out, it is likely in a competitive market that at least most of it would have been passed on to consumers.

The second part of my contribution today deals with the interviews that we conducted with the Governor of the Reserve Bank in February. They are to be resumed next Friday and I am sure that will be a fascinating meeting.

The report that we are debating today contains evidence from the governor given at the hearings on 17 February where he said:

... based on the considerations I have outlined here today, it is more likely that the next move in interest rates would be up rather than down.

That was indeed prophetic, because the next movement was up. That was in May. Subsequently there has been another movement—in August, and the financial markets are factoring in a 90-odd per cent probability of a further increase in interest rates within the next few months.

So, already we have had three interest rate rises since the last election when the Prime Minister had promised to keep interest rates at record lows, and a very high probability of a fourth. I put on the record today that there is a realistic possibility of a fifth interest rate rise since that commitment was given by the Prime Minister.

It is worth asking how we got to this point. A lot of evidence has been provided by the Reserve Bank, not only at those hearings but, more recently, in the statement on monetary policy. Acute skill shortages have been building up over a very long period of time. A 15-year economic expansion inevitably will result in domestic demand hitting up against capacity constraints. The government should have had a lot more foresight in seeing this coming.

I would argue that the basis of that 15-year expansion was firmly founded in the economic reform program initiated by the previous Labor government and carried forward in some places by the coalition. But this government should have anticipated that problem. It failed to do so and that is why the interest rate chickens are coming home to roost. Instead of building the nation, the government has built its electoral stocks by spending up big in election years with no plan for the country’s future. So it will be a fascinating hearing on Friday, when we will be talking to the governor at his last appearance. I again thank the chair of our committee for the work that he has done on the payments system and more generally.

The DEPUTY SPEAKER (Mr Barresi)—Does the member for Cook wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr BAIRD (Cook) (1.07 pm)—I move:

That the House take note of the report.

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

MAIN COMMITTEE
Economics, Finance and Public Administration Committee
Reference
Mr BAIRD (Cook) (1.08 pm)—I move:

That the following order of the day be referred to the Main Committee for debate: Review of the Reserve Bank of Australia and Payments System.
Board annual reports 2005 (first report): Resumption of debate.

Question agreed to.

COMMITTEES

Treaties Committee

Report

Dr SOUTHCOTT (Boothby) (1.08 pm)—On behalf of the Joint Standing Committee on Treaties, I present the committee’s report entitled Report 75: Treaties tabled on 11 October 2005 (2), 28 February and 28 March 2006 (2).

Ordered that the report be made a parliamentary paper.

Dr SOUTHCOTT—Report 75 contains the findings and recommendations of the committee’s review of seven treaty actions tabled in parliament on 11 October 2005 and on 28 February and 28 March 2006. I will comment on all the treaties reviewed.

The Convention on the Marking of Plastic Explosives for the Purpose of Detection was drafted in response to the 1988 bombing of Pan Am flight 103 over Lockerbie, Scotland, which claimed 270 lives, and is intended to inhibit the improper and unlawful use of plastic explosives. This convention would oblige Australia to mark plastic explosives with the detection chemical DMNB, and also prohibit and prevent the manufacture and the movement into and out of its territory of unmarked plastic explosives. Upon the convention’s entry into force, Australia would be required to take necessary measures to destroy, as soon as possible, unmarked plastic explosives already manufactured.

The committee is supportive of research in the area of marking, tagging and detecting plastic explosives but remains concerned that this technology is not yet scientifically exact. However, the committee believes this convention will provide additional impetus for technological development and international technology sharing in marking and detecting plastic explosives. Further, acceding to this treaty will signify Australia’s continued commitment to combating the threat of global terrorism and serve to strengthen Australia’s reputation as an authority on counter-terrorism initiatives in the Asia-Pacific region. Accession to this convention will see Australia a party to all 13 of the United Nations conventions and protocols on terrorism.

The Exchange of Notes constituting a Treaty between the Government of Australia and the Government of the Republic of Singapore to amend the Singapore-Australia Free Trade Agreement improves access for Australian law firms in relation to joint law ventures and formal law alliances. It removes Singapore’s numerical quota on wholesale bank licences and includes Australian state and territory government reservations in a number of areas such as professional services.

The Protocol of 2003 to the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage establishes a third tier of compensation for oil tanker spill victims where the maximum amount of compensation available under the previous two-tiered system is insufficient. By comparison, the International Convention on Civil Liability for Bunker Oil Pollution Damage establishes a liability and compensation regime for oil spill pollution from non-oil-tanker ships.

The Agreement establishing the Pacific Islands Forum will replace its predecessor agreement to give the forum international status. In addition, the forum’s secretariat will be restructured to focus on governance, security, economic growth and sustainable development in the Pacific region.

The Amendments to annexes VIII and IX of the Convention on the Control of Transboundary Movements of Hazardous Wastes...
and Their Disposal will clarify which wastes are and are not covered by the convention. Specifically, it refers to waste metal cables and, depending on their coating, indicates whether they are a hazardous material under the Basel convention. Unfortunately, these amendments entered into force on 8 October 2005 and the amendments and national interest analysis were not tabled until 28 March 2006. The Minister for the Environment and Heritage has informed the committee that there are now procedures in place to ensure such treaty actions are referred to the committee for inquiry.

The proposed Agreement between the Government of Australia and the Government of New Zealand in relation to Mutual Recognition of Securities Offerings will allow securities and managed investment interests to be offered in both Australia and New Zealand with the same offer documents. This removes one regulatory barrier for business and will lead to greater coordination of business law between Australia and New Zealand. On behalf of all members of the committee, I would like to thank the committee secretariat for their help in coordinating the public hearings, submissions and drafting of this report. I commend this report to the House.

Mr ADAMS (Lyons) (1.13 pm)—The report of the Joint Standing Committee on Treaties titled Report 75: Treaties tabled on 11 October 2005 (2), 28 February and 28 March 2006 (2) contains the review of seven treaty actions. The Convention on the Marking of Plastic Explosives for the Purpose of Detection would require the marking of all plastic explosives to make them more easily identifiable and detectable, with the purpose of restricting their unlawful use. The committee received evidence that the process of detecting marked plastic explosives is not precise and that over time the detection agent, DMNB, added to plastic explosives at the manufacturing stage may become less detectable. This would mean that, in the case of marked plastic explosives, the plastic explosives could therefore remain viable longer than the detection agent.

The committee initially held reservations about how DMNB would be detected at ports of entry and was informed that there is specific detection equipment in place to detect plastic explosive but that, once plastic explosives were detected, in line with international practice the explosives would be sent to a laboratory for testing in order to determine whether DMNB was present. Research is currently underway in this area. The Australian Customs Service is investigating a machine that can detect DMNB at first point of entry. The Defence Science and Technology Organisation is researching the marking of plastic explosives with a view to improving technology in this area. The committee heard that this research will be ongoing once DMNB is incorporated into the manufacture of plastic explosives. Given the events of last week, that becomes a pretty significant point in the history of our world.

The Exchange of Notes constituting a Treaty between the Government of Australia and the Government of the Republic of Singapore to amend the Singapore-Australia Free Trade Agreement makes three amendments to the Singapore-Australia Free Trade Agreement, with the effect of enhancing trade between Australia and Singapore.

The Protocol of 2003 to the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage creates a supplementary fund to provide additional compensation for victims of oil tanker oil spills. Additionally, the International Convention on Civil Liability for Bunker Oil Pollution Damage creates a liability and compensation framework for pollution from bunker oil spills. Bunker oil
includes any hydrocarbon, mineral oil and lubricating oil used or intended to be used for the operation or propulsion of a ship.

As the Pacific region’s foremost political and economic policy organisation, the Agreement Establishing the Pacific Islands Forum provides important developments on the previous agreement and gives the organisation an international legal standing.

The amendments to the Basel convention clarify which wastes are included under the convention. Annex VIII wastes are considered hazardous and, with the amendments, now include waste cables coated or insulated with plastics containing or contaminated with coal tar, PCB, lead, cadmium and other organohalogen compounds.

Annex IX wastes are not to be considered hazardous and include waste metal cables coated or insulated with plastics not included in list A1190 under annex VIII, excluding those destined for annex IVA operations or any other disposal operations involving, at any stage, uncontrolled thermal processes, such as open burning.

The Agreement between the Government of Australia and the Government of New Zealand in relation to Mutual Recognition of Securities Offerings provides a scheme to offer securities, including shares and debentures and managed investment interests in both Australia and New Zealand, in the same manner and with the same offer documents. The agreement will remove regulatory barriers for business and allow for increased investment with New Zealand resulting in an increased choice for investors from both countries.

Dr SOUTHCOTT (Boothby) (1.18 pm)—I move:

That the House take note of the report.

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

Intelligence and Security Committee Report

Mr JULL (Fadden) (1.18 pm)—On behalf of the Parliamentary Joint Committee on Intelligence and Security, I present the committee’s report entitled Review of administration and expenditure: Australian Intelligence Community, Number 4—Recruitment and training.

Ordered that the report be made a parliamentary paper.

Mr JULL—I present the first review by the Parliamentary Joint Committee on Intelligence and Security of the administration and expenditure of the six intelligence agencies conducted under section 29 of the Intelligence Services Act 2005. Since December 2005, the Parliamentary Joint Committee on Intelligence and Security has had an obligation to review the administration and expenditure, including the annual financial statements, of DIGO, ONA and DIO in addition to those of ASIO, ASIS and DSD, which were previously reviewed under section 29 of the Intelligence Services Act 2001.

The committee previously resolved that at least once a parliament it would review broadly the administration and expenditure of the agencies, and in intervening years it narrows its focus to review specific matters of administration and expenditure.

The DEPUTY SPEAKER (Mr Barresi)—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?
aging increasing budgets. The review being reported on today examined the recruitment and training strategies of the six intelligence and security agencies in light of that expansion.

Much of the evidence taken by the committee at hearings and from submissions was of a classified nature and cannot be tabled in parliament. However, as much information as can be publicly reported, including agency evidence, has been included in this report.

An expanded, classified report has been forwarded to ministers and the heads of the intelligence agencies. It reports in detail on evidence heard by the committee regarding the recruitment and training strategies and initiatives of each agency.

The review was not publicly advertised. Detailed submissions were sought and received from each intelligence and security agency and, additionally, letters inviting submissions were sent to a number of individuals and organisations which have had associations with the intelligence services or have had an academic interest in intelligence matters. Only two further submissions were received as a result.

The committee took evidence in private hearings from the agency heads and two non-agency individuals and, during the course of the inquiry, the committee met with some trainees during inspections which were conducted at various intelligence facilities.

The committee notes that as the evidence taken in this inquiry was largely confined to the agencies themselves, the committee’s perspective on recruitment and training in the Australian intelligence community might be limited by the narrowness of its evidence base.

The committee heard that it has been and continues to be a real challenge for agencies to find large numbers of suitable new recruits in a very tight marketplace. Once recruited, agencies must devote a lot of time and resources to ensure that new recruits are adequately trained to maintain existing high agency standards.

Agencies described to the committee a range of initiatives and strategies which they are devising and implementing to meet staffing targets and to retain staff. They have had to rethink and refine their recruiting strategies.

The committee was impressed by the range of strategies and initiatives that agencies have devised to meet recruiting goals and to recruit the right people for the agency’s needs while being mindful that they must not become so absorbed in recruitment and training that they risk missing important developments in their operational fields.

The committee found that agencies are making a substantial effort to review, develop and refine their training to keep it up to date and appropriate to the work of the agency in order to create a highly skilled workforce.

The two areas within recruitment and training which were found to be particularly problematic for agencies are employing, training and retaining linguists and having new staff security-cleared in a reasonable time frame. These two areas were examined by the committee in detail.

The committee is satisfied that, in spite of the complexity of the issues, the agencies are finding ways to overcome the difficulties to successfully grow while maintaining their high standards. The committee found no serious problems within the agencies regarding recruitment and training at this time.

In conclusion, I would like to thank all the member agencies of the Australian intelligence community for their cooperation with the committee during this review. I would also like to thank members of the committee and our secretariat, who have undertaken
their duties in a bipartisan fashion and who recognise the need to put the national interest and effective parliamentary scrutiny of highly sensitive matters before any partisan political interests. The work of the committee continually presents the members with the challenge of reconciling the demands of national security with parliamentary and public scrutiny. I recommend the report to the House.

Mr KERR (Denison) (1.23 pm)—I rise in the absence of the Deputy Chair of the Parliamentary Joint Committee on Intelligence and Security, the member for Holt, who is unavoidably away from the parliament due to illness. Previous reports of this committee have drawn attention to the concern the committee had that, if an agency expanded too fast, that could have significant long-term negative consequences, both by reason of the recruitment of the wrong kind of staff and the distraction from the operational priorities of the organisation. However, I think we on the committee are broadly satisfied that intelligent responses have been undertaken, notwithstanding the very large expansion that has been undertaken. But, as the chair has indicated, this is not without its problems, in particular in language recruitment. Our report details a wide range of strategies that are being employed to try and minimise the difficulties that are associated with a large expansion of recruitment and the need to expand training programs.

One of the difficulties that we identified goes to the length of time after a person puts themselves forward for potential employment within the agencies, as there needs to be a very careful and appropriate interview mechanism and then security screening. We would all expect that those intelligence agencies employ rigorous means to make certain that they are not compromised through this period of large expansion. Of course, each of those agencies has a very large interest in making certain that those recruits will be able to play an ongoing role into the future in a way which is consistent with community expectations and that we are not recruiting the wrong kind of people into those agencies simply because of the exigencies of current demand.

I think it is fair to say that we are satisfied across the committee that those concerns that were expressed earlier by this committee and also by the Flood inquiry are being managed as carefully as could be, although there are some considerable losses, we are told, between the time that people are initially selected for potential recruitment and the time that they are offered employment, due to these extended examinations that occur with respect to security clearance and appropriate interview. That issue has involved a blow-out in the time for security clearances. The committee spent some time looking at the long trail time that was involved in some of these instances. We are satisfied that efforts are being made to minimise that.

There is one issue that I should reflect on that the committee reported on at paragraphs 2.46 and 2.47 and then addressed in recommendation 2. We ask the agencies to report every year on the backlog and the methods being used to address security clearance backlogs, and we also report on the fact that there is, at least within some of the agencies, an arrangement that has been entered into and formalised between agencies to accept those who have been security cleared—positively vetted—so that they can transfer from agency to agency within the Australian intelligence community. For example, at 2.47 we note that recently an MOU has been formalised amongst some of the agencies to accept positively vetted security clearances issued by other agencies, and we note that the defence department agencies recognise other agencies’ positive vets and that ASIS now accepts other agencies’ positive vets.
I think it reflects the view of our committee that the group within the Australian intelligence community that specifically meets to deal with security standards should continue to pursue the issue of reciprocity of clearances by all agencies within the community, because it is a complete waste of time and resources if we have a standardised template for security clearance that is recognised by most but not all of the agencies. It also impedes career development and cross-agency transfer and probably impedes the most effective utilisation of our intelligence resources. So we would urge that upon the intelligence community. *(Time expired)*

**The DEPUTY SPEAKER (Mr Barresi)—**Order! The time allotted for statements on this report has expired.

**Foreign Affairs, Defence and Trade Committee Report**

**Mr JULL (Fadden) (1.29 pm)**—On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I present the committee’s report entitled **Australia’s relationship with the Republic of Korea; and developments on the Korean peninsula.**

Ordered that the report be made a parliamentary paper.

**Mr JULL—**On behalf of the Foreign Affairs Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I wish to table the committee’s report: **Australia’s relationship with the Republic of Korea; and developments on the Korean peninsula.**

For over half a century Australia and the Republic of Korea have enjoyed an important and productive relationship. The RoK is the 10th largest economy in the world and the third largest in Asia. In 2005, the RoK was Australia’s third largest export market and fourth largest trading partner. Our trading relationship is complementary—Australia exports natural resources to the RoK and imports manufactured goods from the RoK.

This report reviews that trading relationship but goes further to include issues such as cross-cultural understanding and relations between Australian and Korean institutions, both government and non-government. The report also includes a commentary on issues concerning the Democratic People’s Republic of Korea because of their potential impact on regional trade and security.

The relationship between Australia and the RoK is strong and exists on many levels. While there appear to be no major impediments to the relationship, there are opportunities at the margins to enhance the relationship.

Government-to-government interactions play an important role in setting the agenda in any bilateral relationship. Reciprocal visits by Australian and RoK government ministers are frequent and intergovernment cooperation and consultation exists at many levels.

Australia and the RoK share a number of security interests in the Asia-Pacific region and the belief that cooperation in the areas of peacekeeping, consequence management and defence industry cooperation are key focal points. The report recommends continued defence cooperation and further exploration of defence cooperation opportunities.

Trade is the mainstay in the Australia-RoK relationship. The report reviews trade between the two countries and the challenges facing the economic relationship. Organisations such as AusTrade and the Australia-Korea Business Council provide valuable assistance to Australian exporters. There is, however, the potential to expand the trade undertaken by the small business sector. To this end the committee has recommended that greater support be provided to small ex-
porters, by way of organisations such as the Overseas Korean Traders Association.

Free trade agreements are another way to increase trade. However, any FTA between Australia and the RoK should not be at the expense of Australian and Korean cultural industries. As well, agriculture issues should be resolved early in any negotiations.

The provision of educational services is an important sector in Australia’s economy. The RoK is the second most important source country for foreign students studying in Australia. This market can be developed further through improving the educational experience of visiting students. The committee has recommended an internet based forum be established for Korean students returning from Australia to collect feedback on the performance of Australian educators.

Many students visiting Australia for study purposes are accompanied by a guardian from that country. This may affect the risks presented by those students when they are granted a student visa. The committee has recommended that the Department of Immigration and Multicultural Affairs review the risks presented by such accompanied students and incorporate the result into the overall risk assessments for Korean students.

Cultural understanding enhances Australia’s relationship with the RoK and can be strengthened further. The Australia-Korea Foundation, AKF, is a key body promoting the Australia-RoK relationship. The AKF promotes exchanges and institutional links in many areas and at all levels. The committee recognises the valuable work of the AKF and has reviewed the expertise contributed by board members. This expertise covers the areas of AKF focus and the majority of board members have direct experience working in the RoK. Nevertheless, the committee has recommended that board membership include more members with an intimate knowledge of Korean society and culture.

The committee received substantial evidence concerning the teaching of the Korean language and culture in Australian schools. Unfortunately, there has been a decline in Australian student interest in learning Korean. There are several reasons for this decline and the committee presents a strategy to address this problem. Included in this strategy is the promotion of school exchange visits between Australia and the RoK.

There is a high level of collaboration between Australia and the RoK in science and technology research. The risk, however, is that this activity becomes piecemeal and uncoordinated. The Commonwealth Department of Education, Science and Training needs to take the lead in providing a strategic direction through the development of an action agenda.

The RoK occupies an important place in North Asia, situated between Japan and China, and has established itself as an economic force in the region and globally. It is important that Australia continues to maintain and grow its relationship with the RoK. I believe that this report, through its analysis and recommendations, will enhance what is already a strong relationship between the two countries.

In closing, Mr Deputy Speaker, I would like to thank all those who provided submissions and gave evidence at the public hearings. Finally, I thank my colleagues on the Foreign Affairs Subcommittee and the secretariat.

Mr DANBY (Melbourne Ports) (1.35 pm)—I am glad to have this brief opportunity to speak on the tabling of this report, Australia’s relationship with the Republic of Korea; and developments on the Korean peninsula. I thank the honourable member for Fadden, Chair of the Foreign Affairs Sub-
committee, and the other members of the Joint Standing Committee on Foreign Affairs, Defence and Trade who took part in this inquiry, and also the highly competent staff of the committee secretariat—who are sitting over there on the advisers benches—who have helped us greatly with their usual efficiency in compiling this report.

There are two completely different matters to be discussed in terms of Australia’s relationships with the Korean peninsula. The first is our flourishing relationship with the Republic of Korea, which in the past 50 years has grown from a war-ravaged backwater to become one of the world’s most prosperous and dynamic economies and a flourishing democracy. South Korea is now one of Australia’s most important trading partners. The report makes some valuable recommendations on the further development of our relationship with South Korea, all of which I support.

I note the very friendly relationship that exists between our two countries. Recently, for instance, I had the honour of taking the South Korean Ambassador to an Australian film showing here in Parliament House. He remarked to me that, in his view, The Proposition was an Australian western—a very perspicacious judgement.

I also note some very good political developments both in South Korea and in the US Congress. At the second session of the 109th Congress, Senator Brownback moved a concurrent resolution which was very similar to the words of the South Korean foreign minister, Ban Ki-moon, on 28 July. Both of them seek to integrate not just our strategic concerns but our concerns about human rights and other issues in a wider framework—perhaps similar to the Helsinki framework that had such beneficial effects in Europe—in North Asia.

The other matter that we need to consider in relation to North Korea—apart from the security question, which I will address in the Main Committee—is that of human rights. I recently discovered the wonderful Google Earth website, which provides detailed satellite photography of the entire surface of the earth. If you zoom in on the border region between North and South Korea, you will see a remarkable thing. On the south side of the border, right up to the border fence, you see neat, well-tended farms. On the north side, there is nothing but wasteland. This is the same country with the same soil, the same climate and the same people. Also, there are lights at night on the South Korean side and complete darkness on the North Korean side.

We are sometimes told that North Korea cannot feed itself because of natural disasters. This is nonsense. The reason there is famine in North Korea is simple: the imposition of an irrational political and economic system that makes it impossible for the country to grow enough food. There has been no greater disaster in Korean history than the reign of Kim Il Sung and his son Kim Jong II, who for 60 years have subjected 23 million people to one of the worst types of Stalinist oppression in history, including the collectivisation of agriculture. Collectivisation has produced food shortages everywhere it has been attempted. Only in North Korea has it been persisted with to the point of mass starvation.

The report draws attention to the critical human rights problems which flow from the situation inside North Korea. The first of these is the determination of the regime to control and manipulate all foreign aid so that it benefits the regime itself and feeds only those that the regime wants to feed—the party, the army, the security apparat and the elite. This poses a dilemma for government aid agencies, which naturally want to help
the suffering people of North Korea. But just handing over food aid to the regime does not achieve this; it merely feeds the regime’s supporters, as I have said, while the workers and peasants go hungry. If Australia is to provide aid to North Korea, it must be targeted at those who need it and it must be directly delivered to them by aid agencies.

I understand and respect the urgent desire of aid agencies to give direct aid to the people of North Korea and their request that aid be delinked from political considerations. But the fact is that there is no way that aid and politics can be delinked, because of the nature of the regime itself. The regime does not care whether people in North Korea starve; it only cares about its own grip on power. To give aid to such a regime on its terms does not help the people of North Korea; it only prolongs their misery.

The second issue is the question of North Korean refugees. As the regime has grown more corrupt and less efficient at controlling its borders, hundreds of thousands of people have fled into China and a smaller number into Russia. Both governments refuse to recognise these people as refugees and, when they catch them, hand them back to North Korea. The UN estimates that 100,000 Koreans are living illegally in China—I have seen figures as high as 300,000—and, because of China’s attitude, they cannot be helped by the UNHCR.

This is an issue on which Australia can and should be doing more, given our much vaunted human rights dialogue with China. We should be raising at the dialogue the issue of Korean refugees being moved to South Korea in an orderly way. We should be protesting to both China and Russia about the forced repatriation of Korean refugees, which usually leads them straight to a labour camp and frequently to a death sentence.

I commend the report. I am very pleased that the ongoing relationship between our two countries—(Time expired)

The DEPUTY SPEAKER (Mr Barresi)—Does the member for Fadden wish to move a motion in connection with the report to enable it to be debate on a future occasion?

Mr JULL (Fadden) (1.40 pm)—I move:
That the House take note of the report.

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

MAIN COMMITTEE
Foreign Affairs, Defence and Trade Committee
Reference
Mr JULL (Fadden) (1.40 pm)—I move:
That the following order of the day be referred to the Main Committee for debate: Australia’s relationship with the Republic of Korea; and developments on the Korean peninsula: Resumption of debate.

Question agreed to.

PAYMENT OF ACCOUNTS BY GOVERNMENT BILL 2006
First Reading
Bill presented by Mr Bowen.

Mr BOWEN (Prospect) (1.40 pm)—The federal government has a policy on payments by its departments to small business. It is a clear policy and a good policy. But it is a policy that the government does not observe or honour. The policy issued by the Department of Finance and Administration stipulates that all government departments should pay their bills to small businesses within 30 days of the delivery of goods and a properly rendered invoice.
The policy defines a small business as one which has fewer than 20 employees. Earlier this year, on the Notice Paper, I asked each minister for the percentage of bills paid by their departments to small businesses within 30 days and within 60 days. The results were astounding. Some government departments could not even answer this. I do not know how a government department can claim to comply with this policy when they do not even keep records of their payments to small business.

The Department of Defence told me that 10 per cent of their bills are not paid within 30 days. This amounts to 103,000 bills in the last financial year. They could not tell me how many of these unpaid bills were for small business. The Department of Finance and Administration—the department which developed the policy and issued the directive to other government departments—could not advise the parliament on whether or not they complied with their own policy. They simply did not keep records. The Department of Prime Minister and Cabinet did not keep records, so this department, the most important and most senior in the government, does not comply with government policy.

Some government departments do keep adequate records; however, their performance is not adequate. The Department of Families, Community Services and Indigenous Affairs do not pay their bills to small business in time in 23.51 per cent or almost one quarter of cases. The Attorney-General’s Department did not comply with the policy in 15.44 per cent of cases. The response of the Minister for Small Business and Tourism to this issue has been appalling. She is quoted in the Financial Review of 20 June 2006 as saying:

The Howard Government introduced a mandatory payment of 30 days for small business invoices and conducts a comprehensive annual survey. She went on to claim that 90 per cent of bills are paid on time, although she did concede that further improvement is possible. It beggars belief that a minister could claim that 90 per cent of bills are paid to small business on time when you look at some of the figures I just shared with the House.

The purpose of this private member’s bill is to promote transparency and, frankly, to shame government departments into doing better. If this bill is passed, it will require government departments to keep proper records of their payments to small business and to publish their performance record in the annual report. Departments would also be required to report on what steps they are taking to improve their performance in making prompt payments to small business.

This is not some esoteric matter of public policy or administration. Small businesses are usually run on a very tight cash flow. Late payments are a major problem for small business. Businesses receive bills that they are obliged to pay on time, yet payment for services rendered by them are often late. Not only this, but I know that many small business people spend a considerable amount of their time, effort and resources on chasing up late payments.

To some degree late payments will always be with us and I suppose, unfortunately, they are a fact of life for small businesses. However, the government should be doing better. The government should be setting an example. Small businesses do not want special treatment from government; they simply want government to pay their bills on time. I would not have thought that that is too much to ask.

Alas, some federal government departments do have a poor record of paying their bills on time. This private member’s bill is not a magic bullet. It is not an automatic solution to the problem, but it would introduce
more transparency and accountability. It happens in New South Wales and in the United Kingdom. This proposal would increase the pressure on government departments to lift their game. The Liberal Party claims to be the party of small business, so it should at least bring this matter on for a debate. If in the end it does not, I would respectfully submit that small business people are entitled to assume that the government does not really care about paying its bills on time.

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.

STATEMENTS BY MEMBERS

Telstra

Ms Kate Ellis (Adelaide) (1.45 pm)—I would like to express my deep concern today about the announcement last week that Telstra will be removing several thousand phone boxes from use within our communities. During the recent debate about the sale of Telstra I was, unfortunately, gagged from having my say, but what I wanted to argue then is what I argue now—that is, telecommunications in this country is a vital service. It is not just about making profits.

I have been informed that there are over 100 phone boxes in my own area in the electorate of Adelaide which Telstra would like to remove. I would like to place on the record today that I will be consulting very widely within my community and, if there are concerns about the removal of any of these phone boxes or issues of public safety that might arise as a result of their potential removal, we will fight it every step of the way.

La Trobe Electorate: Beaconsfield Station

Mr Wood (La Trobe) (1.46 pm)—Earlier this month a constituent alerted me to the state of the car park at Beaconsfield train station. The station is in Pakenham, in the south of my electorate, and is run by Connex, a private train operator. When I had a look for myself I did not see much of a car park. Instead, I saw something that looked like an archipelago of water-filled potholes, some up to five or six inches deep. It is a disgrace and the people of Beaconsfield deserve better.

I wrote to Connex and was told that, under the terms of its contract with the Victorian state Labor government, it is only required to grade the car park once every four months. Connex was therefore satisfied that its maintenance program was 'in compliance with its obligation'. Connex even had the audacity to suggest, without a hint of irony, that commuters from Beaconsfield should wear gumboots. Connex did not seem to realise that it also has an obligation to the hundreds of people from Beaconsfield who pay for and rely on its train services every day to get to and from work, school and medical treatment.

Clearly, re-grading the surface of the car park is needed more than once every four months; it is grossly inadequate. It should not have to take an injury to a commuter before action is taken. This situation shows that neither Connex nor the Bracks government gives a hoot for train commuters, pardon the pun. I say to Connex and the Bracks government: get your act together. This is not good enough. The people of Beaconsfield deserve better.

Ms Judy Tatow

Ms Livermore (Capricornia) (1.48 pm)—I want to take this opportunity to congratulate Judy Tatow, or Auntie Judy as she is known to many in Rockhampton, on being
named Female Elder of the Year as part of the 2006 NAIDOC celebrations. Judy is the coordinator for Anglicare Central Queensland’s Winnaburra Aboriginal and Islander Outreach Services. She has worked with the service for the past 18 years, providing support for Indigenous Australians.

Judy’s 30 years of leadership and selfless dedication to improving the lives of Indigenous people has been, and continues to be, a godsend to the Central Queensland community as well as to Indigenous people all over Australia. The list of organisations founded by Judy to support the Indigenous community of Rockhampton runs for pages. She remains involved with a large number of organisations in Rockhampton, including the Tarumbal Kindergarten, the Darumbal Community Youth Service, the All Blacks Sports Club and many others.

Judy was made Rockhampton’s Citizen of the Year in 2004, and the city celebrated earlier this year when Judy was awarded an Order of Australia in the Queen’s Birthday Honours List. The people of Central Queensland, both Indigenous and non-Indigenous, owe Judy Tatow a great debt. She is widely loved and respected because everything she has achieved has been in the service of others. My heartfelt congratulations go to Judy Tatow for this latest and much deserved recognition of her outstanding work.

Disability Services

Mr KEENAN (Stirling) (1.49 pm)—On the Saturday before parliament resumed its sitting I spent a couple of hours at Innaloo shopping centre in my electorate. I spoke to a constituent, whose name I will not use because I have not sought her permission to do so. My constituent lives in Yokine. She contracted polio as a child and, as a result, needs to travel by means of an ultralight scooter.

She asked me for help with a matter. She is travelling from Sydney to Canberra on a CountryLink train service and was charged double to travel with her scooter, which I think is an extraordinarily mean-spirited policy. I contacted CountryLink about this and they said their policy is that, if somebody buys a ticket for themselves and then has to travel with a scooter or a wheelchair, they are charged for the extra seat. I think that is extraordinary and I will be contacting the New South Wales Minister for Transport, John Watkins, to ask that he reconsider such a mean-spirited policy. I do acknowledge that, in this instance, CountryLink did say they would refund the ticket to my constituent.

But I am concerned that this policy continues to exist, and I will be lobbying very hard for it to be changed. I think it is an extraordinarily mean-spirited policy that could not save CountryLink more than a couple of thousand dollars a year. I call upon the New South Wales government to change it.

Advocates for Survivors of Childhood Abuse

Ms OWENS (Parramatta) (1.50 pm)—Yesterday I was very pleased to attend the opening of the new Parramatta office of the Advocates for Survivors of Childhood Abuse, or ASCA. The location of the office near Parramatta, the geographical centre of Sydney, will, hopefully, allow more survivors of childhood abuse in Sydney to participate in ASCA’s activities and allow their excellent staff to assist in their recovery and healing processes.

ASCA encourages its members to break free from the trauma of childhood abuse by giving them access to a nationwide telephone counselling service, monthly newsletters and support groups, both face to face and online. They run workshops, week-long retreats and, importantly, allow survivors to get in touch with other survivors to break the insidious isolation many of these brave adults suffer.
ASCAs is also an important advocacy group for these survivors. It runs public awareness and educational campaigns on television and in other media, and it raises funds and educates health professionals to assist in understanding the effects of child abuse in adult life. Its membership of the Mental Health Council of Australia also allows it to lobby state and federal governments on policy issues, and its current focus is on having child abuse recognised as a mental health issue and on assistance for adult survivors being considered as part of early intervention policy.

ASCAs does wonderful, essential work for its members. It assists members to break free of the scourge of abuse suffered many years ago. It helps them to keep going for themselves and for other survivors who have not been able to find the inner strength to break the silence of their abuse. I commend the Jansen Newman Institute for offering to house the service initially, and I congratulate ASCA on the opening of its new office.

(Time expired)

Healthy School Communities Program

Mr BARTLETT (Macquarie) (1.52 pm)—In my electorate of Macquarie, 27 schools have recently benefited from grants of up to $1,500 under the Australian governments Healthy School Communities Program. They have each developed projects to involve their wider school communities in educating our young people to live healthy, active lifestyles. For example, Katoomba North Public School is introducing fruit and water breaks for its students to encourage healthy eating and healthy drinking habits. They are also inviting guest nutritionists and dieticians to speak to their students about why they should choose an apple over a packet of chips at the canteen.

Springwood High School is setting up a kids’ cafe, with the help of volunteers from the local community, to provide its young adults with healthier food choices. Grose View Public School is developing a vegetable garden to show children the fun in eating healthily. I recently opened a similar vegetable garden at Blaxland East Public School, constructed with funding in an earlier round. The Australian governments $116 million Building a Healthy, Active Australia initiative is taking a proactive approach in fighting the epidemics of obesity, heart disease and diabetes as well as other lifestyle related diseases. By teaching healthy eating and regular exercise in our schools, we are paving the way for future generations of healthy young people and healthy adults.

Canberra Cabs

Dr EMERSON (Rankin) (1.53 pm)—I wish to share an experience that I and many others have had with Canberra Cabs here in the ACT. It is now on a voice activated service and the conversation with the computer goes like this:

Welcome to Canberra Cabs. Please give the full address, including street number, street and your suburb.

If you say ‘Parliament House’ it says:

Sorry—I cannot understand that.

So you say ‘House of Representatives, Parliament House’ and it says:

Sorry—I cannot understand that.

You repeat ‘House of Representatives, Parliament House’ and it says:

Is that 8 Parliament Square, Parkes?

You say ‘No’ and it says:

Do you know the address?

You say ‘Yes’ and it says:

Please tell me.

You say, ‘House of Representatives, Parliament House’. It answers:

We have your address as 150 Sanders Place, McGregor. Is this correct?
You say, ‘No.’ And so it goes on until it identifies places such as 1,000 Riverband Rd Wallaroo. There is no Wallaroo in the ACT. There is one in Western Australia, one in South Australia and one in Queensland. I hope not too many cabs have been dispatched to Queensland, South Australia and Western Australia. I have had the experience of the voice-activated machine hanging up on me, so that is a bit worrying. I have complained in a letter to Canberra Cabs. They have said that overall the implementation has been successful and that they are in the process of entering 1,000 buildings into the system. I hope they get around to entering Parliament House. If this were not so serious it would be hilarious. Drivers are unhappy, but I am most concerned for our elderly residents who will not be able to use this system and who will find themselves isolated, very often in a cold Canberra winter. This outfit is operating like a monopolist. Lift your game, Canberra Cabs, and stop operating and behaving like a monopoly.

**Ms Shirin Ebadi**

**Mr Baird** (Cook) (1.55 pm)—I rise to share my grave concern for Iranian lawyer and Nobel Peace Prize recipient, Ms Shirin Ebadi. It has been widely reported in the press that the Iranian government is clamping down on human rights activists and only last month Ms Ebadi’s legal partner Abdolfattah Soltani was imprisoned for five years. Ms Ebadi has publicly raised fears that the government will move to arrest her, although she has committed to continuing her fight for human rights in Iran despite the government’s order that her human rights watch centre be shut down.

This is a sad indictment of Iranian democracy. The Iranian government has responded to greater international scrutiny of human rights and democracy within their borders by threatening prosecution for activists defending human rights. I am concerned for the safety of Ms Ebadi and other human rights workers in Iran. Ms Ebadi’s centre has provided free legal advice to hundreds of students, journalists and others facing prosecution for criticising government policies. The international community must bring all possible pressure to bear on Tehran to ensure that legitimate human rights workers are not unfairly targeted for carrying out their important work.

**Interest Rates**

**Mr Ripoll** (Oxley) (1.56 pm)—It is now official. The Reserve Bank of Australia’s statistics show that mortgage interest payments are now higher under John Howard’s coalition government than they ever were under the Hawke-Keating government. I know it is hard to believe, but that is the reality and it is official from the Reserve Bank of Australia. The official measure, which is debt servicing, shows that mortgage interest rates repayments consume a higher proportion of household disposable income today than when interest rates peaked in 1989. These figures also reveal some startling information about average mortgage interest payments, which are now higher under this government, and for the life of this government—at 7.9 per cent of household income—than they were, at just seven per cent, during the life of the Hawke-Keating government. This is from a government that touts that it wants to keep interest rates low and wants to make these issues—the government that says it has the greatest economic managers.

But it does not end there. There is much more. The Reserve Bank of Australia figures also show that households now shoulder more debt as a proportion of their income, with household debt now equivalent to 150 per cent of household disposable income compared to just 60 per cent in 1989.
Mr Cadman—Blame the state governments!

Mr RIPOLL—The government can blame the states, but that is all they do on these issues. They want to take the credit when interest rates are low, but they do not want to take any responsibility for making housing more unaffordable—(Time expired)

View of Geelong

Mr McARTHUR (Corangamite) (1.58 pm)—I am pleased to mark the occasion when Eugene von Guerard’s famous View of Geelong painting, having been returned to its home in Geelong, will be unveiled at the Geelong Art Gallery tonight for the enjoyment of current and future generations. The Howard government has been instrumental in helping the Geelong Art Gallery purchase this important part of Geelong’s art heritage. This evening I will be pleased to represent the Prime Minister and the minister for the arts at the official unveiling function.

Von Guerard’s 1956 View of Geelong is a painting of national significance. Over recent years the View of Geelong artwork had been lost to our country, being housed in the United Kingdom. The Geelong Art Gallery was first given the option of purchasing the artwork and the gallery acted under the leadership of the Director, Geoffrey Edwards, to secure the necessary funds. The gallery raised $1 million for the artwork from the Geelong community. I have strongly supported the campaign to return this painting to Geelong. The Australian government has committed around $800,000 to allow the Geelong Art Gallery to confirm its purchase and secure the painting. The acquisition of the View of Geelong will enhance the Geelong Gallery’s collection which, together with Frederick McCubbin’s nationally recognised art treasure A Bush Burial, will make it a gallery of world significance.

The Geelong Art Gallery also raised $1.5 million from the Victorian government and $600,000 from the City of Greater Geelong. The support of federal Minister for the Arts and Sport, Senator Rod Kemp, played an important role in convincing the government to make this one-off payment on behalf of Australian taxpayers. The Geelong gallery and community should be congratulated on their vision in securing this important part of Geelong’s heritage. (Time expired)

Lowe Electorate: Aircraft Noise

Mr MURPHY (Lowe) (1.59 pm)—I bring to the attention of the House that Sydney airport continues to operate very well as a shopping centre and a car park and that we are getting far too much noise in the electorate of Lowe and in the inner west of Sydney. I notice the Prime Minister is listening to me intently, and I ask him to tell Airservices Australia to implement fairly the long-term operating plan so that we only get 17 per cent of air traffic movements to the north of Sydney airport.

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

QUESTIONS TO THE SPEAKER

Mr Gregory Andrews

The SPEAKER (2.00 pm)—On 10 August, the member for Wills asked me to check the accuracy of the Hansard record in relation to an answer by the Minister for Families, Community Services and Indigenous Affairs contained in the Hansard of 9 August 2006. I am advised that the date of 21 June contained in the proof was an editorial error and has now been amended.

QUESTIONS WITHOUT NOTICE

Asylum Seekers

Mr BEAZLEY (2.00 pm)—My question is to the Prime Minister. Can the Prime Minister confirm that, following his announce-
ment today, women and children who land on excised islands will still be locked up on Nauru? Does the Prime Minister think it tough to lock up women and babies? Does the Prime Minister now concede the toughest approach to real threats to our border security—illegal fishing and drug smugglers—is to adopt Labor’s policy for a coastguard cop on the beat 24/7?

Mr HOWARD—If Australians want tough border protection policy, do not adopt Labor policy. In answer to the first part of the Leader of the Opposition’s question, the existing laws in relation to excised islands remain in place.

Middle East

Mr CADMAN (2.01 pm)—My question is addressed to the Minister for Foreign Affairs. Would the minister inform the House of the government’s reaction to the United Nations resolution on the Israeli-Hezbollah conflict?

Mr DOWNER—First, I thank the honourable member for Mitchell. It is the second question he has asked me about this issue in a couple of weeks, and I appreciate his interest. The government welcomes Security Council resolution 1701, which was passed through the Security Council a few days ago, calling for the full cessation of hostilities followed by the deployment of Lebanese government and UNIFIL—United Nations Interim Force in Lebanon—forces in southern Lebanon and parallel withdrawal by the Israeli forces. The resolution authorises an increase in strength of UNIFIL to 15,000. Those troops will no doubt largely come from Mediterranean countries, and perhaps from some South-East Asian countries, to support 15,000 Lebanese troops which the Lebanese government has said it will deploy in southern Lebanon.

I note that the cessation of hostilities is due to enter into force in about one hour’s time, at 3 pm our time. The Israelis have agreed to a cessation of hostilities and Hezbollah has indicated that it does as well, but, for this resolution to succeed, there must be full and complete implementation. The government has no illusions that this will be very difficult. We do not know the extent to which Hezbollah will cease hostilities immediately. It said it reserves the right to attack Israeli forces in southern Lebanon. We do not know the extent to which the Lebanese Army will be capable of fulfilling Lebanon’s obligations, not only under this Security Council resolution but under the previous Security Council resolution, 1559. We know that UNIFIL, the United Nations force in Lebanon, does not have the authority to disarm Hezbollah and this is, after all, a chapter VI, not a chapter VII, resolution. We know that the Lebanese cabinet is still divided and has yet to resolve its divisions on the issue of disarming Hezbollah, and we hope it will make a positive decision to support the disarmament of Hezbollah soon.

I mention all of these things because these are unanswered questions. Positive answers to these questions are fundamental to the successful implementation of this resolution. There are a lot of ifs and a lot of buts about the resolution, and it remains unclear as to whether it will be effective, but let me say finally that there are two countries in particular that we would hope would strongly support this resolution. One of those countries is Syria, and the other is Iran. We would hope that Iran would take a more responsible position and start to support a two-state solution to the Middle East conflict as well, something that Iran has not done up until now. Until all countries and organisations in the region support a two-state solution, there will not be peace in the Middle East.
Transport Security

Mr BEAZLEY (2.05 pm)—My question is to the Minister for Transport and Regional Services. Can the minister confirm that the Inspector of Transport Security only works part time? Can the minister confirm that, despite the government’s undertaking in May 2005 to support the role of the Inspector of Transport Security with legislation, no such legislation has been introduced? Can the minister confirm that 100 per cent of checked baggage on international flights out of Australia is not X-rayed? Minister, when is the government going to get serious about transport security?

Mr TRUSS—It is obvious to everybody that the Inspector of Transport Security is a part-time position. He will be called in to undertake particular responsibilities as required. He is not, as the Leader of the Opposition and sometimes the member for Brisbane have tried to pretend, some kind of ‘el supremo’ who is in charge of all airport security in Australia. That is the job of the Office of Transport Security. It has several hundred staff, supported by the AFP, Customs, Quarantine, security authorities and, of course, the various employees of the particular airport. It is not his role to take on some particular oversight of all of the transport security arrangements in Australia. His task is to undertake specific inquiries on a no-blame basis into issues for which he has been commissioned by the government, and he is currently undertaking an inquiry into surface transport. That work is being done in cooperation with the state authorities and others who have a particular responsibility in that area.

Let me also add that the legislation to underpin his work is a priority. We have needed to secure the support of the Australian states in order to agree on appropriate powers for the Inspector of Transport Security. So, if the Leader of the Opposition is interested in progressing this legislation, he might like to do what he can to encourage the Labor states to agree on an appropriate course of action and arrangements in relation to the Inspector of Transport Security. We are seeking to work constructively with the states. The states have been helping the inspector in relation to his current inquiry, and I think it will deliver good results for all the people of Australia.

Economy

Mr LAMING (2.07 pm)—My question is addressed to the Treasurer. Would the Treasurer outline to the House why disciplined economic management is more important than ever in the maintenance of low interest rates and low unemployment? What are the threats on the horizon?

Mr COSTELLO—I thank the honourable member for Bowman for his question. I can tell him that it is important to the Australian people that unemployment stays at 30-year lows, as it is currently, at 4.8 per cent. It is important that we continue to keep our economy growing, as it has, in the longest stretch of continuous economic growth ever recorded in Australia. But of course challenges will come to us from time to time. At the moment, we have the challenge of record high world oil prices—the challenge that that is bringing at the petrol pump—and also inflation, but it is important that we do not take our eye off the ball and that we continue disciplined economic management. This was a point that was made by the Governor of the Reserve Bank in an interview in the Weekend Australian on Saturday, which all members would have seen and read. Ian Macfarlane, the Governor of the Reserve Bank—a position he has held for the last 10 years—

Mr Albanese interjecting—

The SPEAKER—The member for Grayndler!

Mr Albanese interjecting—
The SPEAKER—Order! The member for Grayndler is warned!

Mr COSTELLO—with probably the most significant economic job in Australia, was interviewed in the Weekend Australian. He was asked about fiscal policy. He said:

I have been lucky—for most of my time, fiscal policy has consisted of small surpluses. He is contrasting that with the deficits that his predecessor had for most of his period. He said:

So the movement in the government account has not been big enough to be important in the consideration of monetary policy. It might become an issue because the states are now part of that equation.

It is a very interesting statement from the Governor of the Reserve Bank. He would very rarely make a comment about the states. The Commonwealth budget is now in surplus, with nine surpluses out of the last 11 budgets. In 2004-05 the states had a surplus collectively of $4 billion. In 2005-06, they had a surplus of $1.2 billion but in 2006-07—the current budget year—collectively, the states and territories of Australia are forecasting fiscal deficits of almost $5 billion; that is, the Labor states and territories have now driven their budgets out of surplus and into deficit. Based on available information for the state sector as a whole, the states are forecasting to increase their net debt over the next four years, from 2005-06, by $43 billion. So here we are: we have had the Commonwealth government retire $96 billion of Labor debt and we have the eight Labor states and territories proposing to borrow another $43 billion of net debt.

As I have said on a number of occasions, all other things being equal, if the government is a saver rather than a borrower, the government is exerting downward pressure on interest rates and, if the government is a borrower rather than a saver, the government is exerting upward pressure on interest rates. We now have the Commonwealth government exerting downward pressure on interest rates and fiscal policies at the state level working counter to that—a point that the Governor of the Reserve Bank felt compelled to make on Saturday, and I only wish that every single member of this parliament had read the newspaper on Saturday morning.

Interest Rates

Mr SWAN (2.12 pm)—My question is to the Treasurer. Does the Treasurer recall saying to Laurie Oakes on the Sunday program on 27 February 2005:

If you see a single digit in front of your interest rate, that’s low.

Can the Treasurer explain why, unlike almost everything else the Treasurer has ever said, the transcript of this interview does not appear on his official website?

Mr COSTELLO—That is because the Sunday program does its own transcripts and puts them on the Sunday program’s website.

Just because we are interested in the question of transcripts, I went looking for a transcript myself on Saturday, because I looked at the television and I saw a question asked of the Leader of the Opposition. He was asked whether or not he had any—

Mr Swan—Why wasn’t it on the website?

It’s a single digit farce—

The SPEAKER—Order! The member for Lilley does not have the call.

Mr COSTELLO—I am entitled to answer a dorothy dixer from the member for Lilley. I went looking for the transcript on Saturday. I could have sworn I saw the Leader of the Opposition asked a question about Ian Macfarlane’s comments. He went into this long diatribe about Ian Macfarlane and I thought, ‘The poor old Reserve Bank governor; what’s he done to deserve that?’
Mr Swan interjecting—

The SPEAKER—Order! The member for Lilley has asked his question.

Mr COSTELLO—Why is the Reserve Bank governor getting a serve from the Leader of the Opposition? Mr Speaker, you might think it was Ian Macfarlane, the Reserve Bank governor. But, blow me down, it was not; it was the industry minister that was in the paper.

As the Prime Minister said, whenever you see a statement from John Howard from now on, make sure it is not from John Howard the actor—because he could be attacking John Howard the actor. There are some people that get up and read newspapers on Saturday morning; there are other people that go out and share their ignorance—

Honourable members interjecting—

The SPEAKER—Order! The Treasurer will resume his seat. The member for Grayndler will remove himself from the House under standing order 94(a).

The member for Grayndler then left the chamber.

Mr COSTELLO—Well, the member for Lilley asked me—

The SPEAKER—Order! The Treasurer will resume his seat. The member for Grayndler will remove himself from the House under standing order 94(a).

The member for Grayndler then left the chamber.

Mr COSTELLO—Here we are: ‘Leader of the Opposition, the Hon. Kim Beazley’. Get a load of this. This is how it is headed up: ‘Partial transcript of a doorstop interview, Pyrmont, 12 August 2006’. When you go all the way through here, there is only one question that never made it—we have Wilson Tuckey mentioned; we have Lebanon mentioned; we have the UN mentioned; we have Sydney airport mentioned—the question about the Reserve Bank governor. Why would you go to all the effort of putting out a partial transcript of your comments? I will tell you why. Because you faked the contents and you did not have the guts to put out the fact that you did not even know who the Governor of the Reserve Bank was.

Honourable members interjecting—

The SPEAKER—Order! Members are holding up their question time.

National Security

Mr CAMERON THOMPSON (2.17 pm)—My question is to the Attorney-General. In light of the terror plot in the United Kingdom, would the Attorney-General update the House on Australia’s national security arrangements?

Mr RUDDOCK—I thank the honourable member for Blair for the question because I know there is a very real interest in what has tragically occurred in the United Kingdom. These terror related investigations of course are a timely reminder to us all that we here in Australia need to remain vigilant. There is no known link from this event to Australia, but our agencies are working closely with the United Kingdom and the United States on terrorism issues generally. Our agencies have recently recommended that Australia’s national counter-terrorism alert remain at medium, which means that a terrorist act could occur in Australia. The words they use are that ‘a terrorist act is feasible’. The government has recently ensured that our law enforcement and security agencies have the legislative tools they need, and one of those was preventive detention. Of particular interest is that the British government is using preventive detention now to limit the ability of suspects to engage in further activity.
Another valuable resource we have in our community is the contributions that are made to the national security hotline. I am sure that we all remember the number 1800 123 400. The United Kingdom has a similar hotline and it has proven invaluable there. Our hotline has received more than 80,000 calls, more than half providing information to agencies. Members should encourage their constituents to use that hotline on appropriate occasions. ASIO has identified around 3,000 calls that warrant further inquiry. The government is properly resourcing agencies to handle those inquiries. ASIO is on track to meet the government endorsed target of 1,860 staff by the year 2010-11. The growth in staffing will continue to boost ASIO’s ability to meet the challenges of the present security environment.

The potential attacks in the United Kingdom were to be on a key element of infrastructure. This government has undertaken a comprehensive security assessment of all key infrastructure across Australia. A genuine partnership between government and industry has ensured that information sharing is in place to enable industry to make informed decisions on infrastructure security needs. While terrorists might attempt to strike directly at Australia, I can assure the House that the government is working hard to ensure that that does not happen.

Aviation Security

Mr BEVIS (2.20 pm)—My question without notice is to the Minister for Transport and Regional Services. I refer the minister to the alleged involvement of an airport employee in the plan to detonate liquid explosives aboard aircraft departing Heathrow for the United States. Can the minister confirm that in Australia more than 380 aviation security identification cards have been lost or stolen? Can the minister assure the House that the theft or loss of these identification cards has not compromised the safety of the travelling public?

Mr TRUSS—The introduction of the new aviation security identification cards has been a very substantial exercise which is now largely complete. Tens of thousands of cards have been required to be issued. We have had good cooperation from the airlines and the various airport authorities in implementing this substantial improvement in the security regime at our airports around the country. It is inevitable in any system that there will be a very small error rate, and in this particular instance you have identified a small number.

In reality, it is an offence not to report those losses. They are individually followed up to ensure that, where a lost card occurs, it can be quickly identified and cancelled so that there is no risk of it being incorrectly used. But it is inevitable that, from time to time, cards will be lost and, therefore, you need to have in place appropriate mechanisms to deal with it. I am aware of some staff members and others in this place who lose their card from time to time and, therefore, attendants and others must chase them up and deal with the issues. We will have to do similar things in relation to aviation security, and there is an appropriate regime in place to deal with those occasional lost cards.

Aviation Security

Mr HARTSUYKER (2.22 pm)—My question is addressed to the Minister for Transport and Regional Services. Would the minister advise the House of the new security arrangements on all commercial flights between Australia and the United States? How long will these arrangements remain in place?

Mr TRUSS—I thank the honourable member for Cowper for his question and recognise his interest in the safety of all Aus-
tralians travelling around the world. Whilst the UK just a few hours ago reduced its assessment level from critical to severe in relation to the terrorism threat in the UK, the United States has maintained its level at high. As a result, there are requirements being placed on all international airlines, and passengers, operating into the United States. For instance, Australian passengers embarking on flights to the US are being asked to go through additional screening measures. They are not allowed to carry liquids or gels, of any size, through the screening point. That includes beverages, duty-free beverages, shampoo, suntan lotion, toothpaste and other items of similar consistency. They can put these sorts of items in their luggage, and I would certainly encourage passengers who have any questions to talk to their airline, before they go to the airport, to make sure that the goods they are proposing to carry onto the aircraft will be allowed through security. Items excluded from the list of prohibited items include baby formulas and juice—if there is a baby or small child travelling with the passengers. Liquid medicines will need to be verified, so I would again encourage passengers to talk to their airlines and their doctors about what might be necessary to carry on flights of that nature.

I thank passengers, who I appreciate are being put to some inconvenience as a result of these extra measures. The measures are a requirement of the United States while their terrorism threat is high, and we need to do what we can to cooperate with them in ensuring that passengers travelling to and from the United States can do so in safety.

Fuel Prices

Mr BEAZLEY (2.25 pm)—My question is to the Prime Minister. Does the Prime Minister recall, in April 2001, his Treasurer rejecting David Trebeck’s fuel tax inquiry recommendation to place an excise on LPG? Does he also recall the Treasurer ruling out an excise on LPG in May 2002, announcing an excise in May 2003 and announcing a reduced excise rate and a deferred commencement date in December 2003? Will the government now guarantee Australian motorists that it will not change its mind again and increase that excise on LPG in the future? Given the government’s track record to date, why would Australian motorists believe the Prime Minister?

The SPEAKER—The Prime Minister need not answer the last part of that question.

Mr HOWARD—I do recall the Treasurer’s statements. I also recall, as I am sure the Leader of the Opposition does, the statements contained in the white paper—and what they lay out is that LPG, which is currently excise free, will remain excise free until 2011 and that from 2011 through to 2015 there will be a rise from zero to effectively less than half the excise on petrol. As well as recalling the Treasurer’s statements, I also recall the statements made by the member for Batman on ABC Radio National this morning when, in an interview with Fran Kelly, he followed the remarks made by the member for Hunter—and I recall his remarks, too. The member for Hunter was attacking the government’s excise regime for LPG; the member for Batman was praising it. You see, I listen to these characters very, very carefully—I keep an eye and an ear on them—and what I heard from the member for Batman was a refutation of what the member for Hunter had said and an endorsement of the government’s policy. Our excise regime provides a massive, ongoing incentive for investment in alternative energy.

I also recall—and I might have something to say about this in my statement after questions—that several years ago the worst possible alternative fuel that anybody could pos-
sibly contemplate, in the eyes of the Australian Labor Party, was ethanol. Remember? It was not the demon drink; it was the evil ethanol—and the last thing that you should have was ethanol. They tried to destroy it. The member for Hotham and, I think, even the member for Batman, who is normally the acme of responsibility amongst opposition sinners on this issue, lapsed into a bit of rhetoric, of which I will be pleased to remind him of in my statement. Yes, I remember all of those things, can I say to the Leader of the Opposition, and the thing that stands out is that we have got the right balance in relation to excise.

Mr Crean interjecting—

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

Mr HOWARD—It is a balance which encourages very heavy investment in LPG and very heavy investment in ethanol but is also sensible about the future revenue needs of this country.

Australian Defence Force

Mr BAKER (2.28 pm)—My question is addressed to the Minister for Defence. Would the minister update the House on the role of the Australian Defence Force in deterring terrorist activities in Australia and our region?

Dr NELSON—I thank the member for Braddon for his thoughtful question. I also recognise and welcome to the parliament members of the Australian Defence Force who are here today and thank them for their service to our country.

Too many Australian families, and our country, have been scarred by terrorist bombings in Bali in this decade, and by 2010 this government will have increased its investment in counter-terrorism by $8.3 billion. In the Australian Defence Force, there are a number of initiatives which we have undertaken to strengthen our security, domestically and throughout the region. And the reminder that we as Australians and the world were given with the interception of the terrorist plot in the United Kingdom is a timely reminder of the importance of these initiatives.

The government has established the special operations command, essentially for special forces, to enhance the coordination of the Australian Defence Force counter-terrorist capabilities. We have also established a second tactical assault group on the eastern seaboard. Our special forces presence in Swanbourne, Perth, is well known. They are now also established on the eastern seaboard. The Incident Response Regiment, comprising 300 Australian Defence Force personnel with specialist skills and equipment to deal with chemical, biological, radiological and explosive threats, has been established. In addition to that, there is a ready response force which is trained for short-notice response to domestic security incidents, including terrorist incidents and civil emergencies.

Throughout our region, whatever the economic, cultural and political differences between the countries in our region, we face a common enemy. That enemy is terrorists, many of whom have hijacked the Islamic faith for evil ends. We are working with the Philippines in intelligence training and annual hostage recovery exercises. We are also developing, with the Philippines defence force, an army watercraft capability to support the policing and patrolling of the riverine and marshland areas in Mindanao, where terrorists have growing support and are establishing training camps. The Australian Defence Force has also been working with specialist units of the Indonesian military on counter-hijack and hostage recovery training. We are working annually with the Singaporeans, on the chemical, biological and radiological explosives exercise, and their coun-
terpart unit. And across our region we are working with 15 countries in a Regional Special Forces Counter-Terrorism Conference, and those in the traditional Five Power Defence Arrangements are now moving their collective attention to non-conventional threats.

We as Australians are involved in what will be a generational activity: fighting terrorism. It is not something that is confined to our borders, nor indeed to our region. Everything that we do throughout the world needs to be done to see that the next generation is not left hostage to a force that it may never control.

Fuel Prices

Mr Martin Ferguson (2.32 pm)—My question is to the Prime Minister. Has the Prime Minister read the editorial in today’s Australian newspaper which backs Labor’s plan to establish a gas to liquids fuels industry in Australia as a means of reducing our dependence on Middle Eastern oil? Will the Prime Minister now support Labor’s amendment to the petroleum retail bill and immediately conduct a feasibility study into a gas to liquids fuel plant in Australia, delivering greater energy independence and long-term relief from high fuel prices?

Mr Howard—The answer to the first part of the question is yes. The answer to the second part of the question is that I think I see a good amendment of life in the member for Batman because the member for Batman is talking sense on energy— unlike the member for Hunter, with great respect—

Mr McGauran—Who is talking nonsense—nonsense.

Mr Howard—Who is talking nonsense. I have something to say about that issue but, if you really want to have a degree of bipartisanship on this issue, it would be a good idea if the views and the nostrums of the member for Batman on such things as uranium enrichment were absorbed by those who sit alongside him on the opposition frontbench.

Exports

Mrs Markus (2.33 pm)—My question is addressed to the Deputy Prime Minister and Minister for Trade. Would the Deputy Prime Minister inform the House how Australia’s manufacturers are performing in international export markets? What contribution are manufacturing exports making to our economy, particularly in my electorate of Greenway?

Mr Vaile—I thank the member for Greenway for her question. Of course, the member for Greenway would have recognised that the trade statistics that came out last week showed that in 2005-06 the overall output of our exports was $192 billion—a significant increase on the previous year— and that manufactured exports made a significant contribution to that: they had increased by 12 per cent on the previous year. So, out of $192 billion worth of exports of goods and services, our manufacturing exports increased by 12 per cent, to a record $39.5 billion.

There are a couple of examples from the member for Greenway’s electorate that contributed to that. Antec Engineering in Blacktown export furnace parts to markets such as Japan, and Circuitlink International in Seven Hills export electronic equipment for the automotive industry. They are a part of that record of $39.5 billion worth of exports.

Some of the other big performers in this category are as follows. Aluminium was up 28 per cent to a record $4.8 billion. Unworked copper was up 59 per cent to $2.1 billion. Motor vehicle exports increased 14 per cent to a record $3.1 billion. And medicines rose 18 per cent to a record $3 billion.

It is interesting that that area of high-tech manufacturing—the medications sector—
increased 18 per cent to $3 billion. I need to highlight one of those great success stories as far as medicines are concerned—one that is of personal interest to me—and that is Peplin Biotech Ltd, which produce a topical gel for treating non-melanoma skin cancer. They are exporting to the world a medicine that has been developed in Australia. The operation was opened on the Gold Coast by Ian Macfarlane—the industry minister Ian Macfarlane!—and there was no mistake by the staff at Peplin on who they had opening the plant. But, importantly, the point should be made that our exports are growing across the full sector and particularly in that biotech area. It is very important, and we recognise that.

So, since the coalition came to power, manufactured exports have increased by 53 per cent. I have seen the comments by the Leader of the Opposition, talking about how they grew under Labor, but we should recognise that they were right down on a low base. What they need to recognise is the fact—

*Mr Tanner interjecting—*

**The SPEAKER**—Order! The member for Melbourne!

*Mr VAILE*—that manufactured exports—

*Mr Tanner interjecting—*

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

*Mr VAILE*—have grown up to $39.5 billion. We have gone from $99 billion worth of exports in 1996 to $192 billion worth in 2006. There is a whole range of government policies that are assisting the manufacturing industries in Australia to export to the world, whether they be the sound economic management that we have given this country or the workplace reforms that we have introduced to ensure that they can remain competitive and produce more jobs in the Australian economy.

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**Fuel Prices**

*Mr FITZGIBBON* (2.37 pm)—My question is to the Prime Minister. I refer the Prime Minister to media reports that his government will offer subsidies of $1,000 for the purchase of new LPG cars and $2,000 for the conversion of existing cars to LPG. Can the Prime Minister explain why this is not simply fiddling at the margins—as Senator Boswell put it—given that LPG is not available in many parts of Australia, LPG conversions cost up to $3,500 and there are currently massive delays in booking an LPG conversion?

*Mrs Bronwyn Bishop*—Mr Speaker, I rise on a point of order. The standing orders preclude a question being debated. The information contained in that question is now pure debate. The question could well have been asked in the first sentence. It is now just debate that he is engaging in.

**The SPEAKER**—The member for Mackellar will resume her seat. She will not debate her point of order either. The honourable member for Hunter will come to his question.

*Mr FITZGIBBON*—You would think she would give it away, Mr Speaker. What is the Prime Minister’s estimate of the impact of his LPG policy on petrol prices and import dependency?

*Mr HOWARD*—I will be making a statement on these very matters after question time. In accordance with the courtesies normally extended, I have provided the Leader of the Opposition, about an hour and a half ago, with a full copy of the statement. Doesn’t he share it with his frontbench?

**Medicare**

*Mrs MAY* (2.40 pm)—My question is addressed to the Minister for Human Services. Would the minister inform the House
what action the government is taking to make Medicare rebates easier to claim?

Mr HOCKEY—That is a great question from the member for McPherson, and I appreciate her asking that question and recognise and appreciate her opening the new Medicare office in her electorate recently, at Elanora. The member for McPherson and all Australian families would welcome the announcement made by the Prime Minister and the minister for health yesterday—

Mr Howard—and you!

Mr HOCKEY—and myself. Thank you, Prime Minister. I was trying to be humble.

Mr Howard—I know you’re humble.

Mr HOCKEY—Thank you, Prime Minister. The announcement yesterday was that, from around the middle of next year, all Australians will be able to simply swipe their Medicare cards and swipe a bankcard and they will not have to go to a Medicare office in order to claim their Medicare rebate. Currently 80,000 Australians queue up every day in Medicare offices to claim back their Medicare rebate. There are about 14,000 doctors’ surgeries out there. Most of them already have EFTPOS machines. So commonsense would say that, if they can simply swipe their credit card or their debit card in the machine along with their Medicare card, why can’t we put the money straight into their bank accounts and save them going to a Medicare office?

We listen to the Australian people and we listen to Australian families and we are responding accordingly. It is a great win for people. I must say, not only in the metropolitan areas, where it takes an average of about 25 to 29 days for people to claim back their Medicare rebate. In the bush it can take up to 79 days for people to get their Medicare rebate. Under this new system, as soon as they swipe their bankcard the money will go into their bank account. They will be able to go down the road to their EFTPOS machine and claim the money back or spend it however they wish. So it is a significant step forward; it is a positive step forward for Australian families. The average cost to an Australian family of going and claiming their Medicare rebate is $10, and that does not include parking fees and a range of other charges that people have to put up with—so this is a no-brainer. It is a no-brainer that delivers real benefits to the Australian people, and it illustrates yet again, as my friend the minister for health would say, that the Howard government is the best friend Medicare has ever had.

Fuel Prices

Ms KATE ELLIS (2.42 pm)—My question is to the Prime Minister. I refer to the fact that, as a result of record high petrol prices, service stations around Australia are experiencing a greater number of drive-aways—people driving away without paying for their petrol. Is the Prime Minister aware that a 17-year-old schoolboy, Billy Schultze, works after school and on weekends at the Belair BP service station in Adelaide and, in addition to his other duties, must record the registration of every car that drives off without paying? Is the Prime Minister also aware that Billy has recently been suspended and punished financially for not noting down all of the registration details of drive-offs that occurred during his shift? Does the Prime Minister agree that this is unfair?

Mr HOWARD—in answer to the member for Adelaide, I am aware of some examples of people driving away without paying for their petrol. That is a product of high petrol prices, I guess, and the willingness of some in the community to avoid their legal responsibilities. I am not personally aware—and I think she would agree it is hardly reasonable that I should be aware—of the employment circumstances of everybody who
works at a service station. From two generations of my family’s experience, I do know something about what is involved in working at a petrol service station. In fact, one of my own sons worked at a BP some years ago, so I am very familiar. But all I can say—and I am not casting an opinion on this case as I do not know the facts and circumstances and it would not be fair of me, in relation to either the young man or his employer, to express an opinion—is that generally speaking, irrespective of what industrial relations laws you have, some employers do the wrong thing and some employees do the wrong thing.

Workplace Relations

Mr RANDALL (2.45 pm)—My question is addressed to the Minister for Employment and Workplace Relations. Would the minister inform the House of the latest figures showing the uptake of Australian workplace agreements and the benefits that flow from them?

Mr ANDREWS—I thank the member for Canning for his question. In direct response to him, I can inform him and other members of the House that more than 950,000 Australian workplace agreements have been approved.

Mr Howard—Was that 950,000?

Mr ANDREWS—It was 950,000, almost a million. The member for Canning would be pleased to know that some 21,000 have been signed by people living in his electorate—just a few more than have been signed by people living in Brand, the electorate of the Leader of the Opposition.

Why are so many Australians signing Australian workplace agreements? Part of the reason is that, according to the Australian Bureau of Statistics, people on AWAs earn 100 per cent more than people employed under awards. No wonder 21,000 AWAs have been signed in the electorate of Canning. These instruments have become an integral part of Australia’s industrial landscape: for example, they are an integral part of the massive boom in the mineral and resources industries in Australia. Just recently Steve Knott, the Executive General Manager of the Australian Mines and Metal Association, estimated that if Australian workplace agreements were abolished, as proposed by the Leader of the Opposition, it would cost the mining industry in Australia $6.54 billion. Some $6.54 billion would be the cost to the mining industry in Australia because of the decision, if ever implemented, of the Leader of the Opposition to rip up Australian workplace agreements.

Over the weekend, we saw more support and evidence for flexibility within the workplace relations system coming from the Chief Executive Officer of Qantas, Mr Geoff Dixon, who foreshadowed that Jetstar would also be making use of AWAs. Why is this? Let me quote from Mr Dixon as to why: We have created jobs, unlike just about every other airline in the world. We can continue to create jobs if we can change the way we operate further and we are going to do that. What we must do and I will say now, we will have to have a degree of flexibility in how we employ people. We’ve been virtually a union-held company for many many years. We have 16 unions; we have 45 enterprise bargaining agreements within this company and 20 of them, or 15 of them, are live at the moment, in other words, we are negotiating them.

I can understand why Qantas and Jetstar want flexibility. It is because they talk about 45 enterprise agreements.

Mr Tanner interjecting—

Mr ANDREWS—This is just one example of those 45 enterprise agreements—500 pages of prescriptive detail.

Mr Melham interjecting—

Mr ANDREWS—if you stack 45 of them up they will just about reach the ceiling.
The SPEAKER—Order! The member for Banks is warned and the member for Melbourne will remove himself under standing order 94(a).

The member for Melbourne then left the chamber.

Mr ANDREWS—This is why Qantas and Jetstar and hundreds, if not thousands, of businesses around Australia are seeking more flexibility—so that they can create more jobs. The problem with the Leader of the Opposition is that he has no attention to detail; otherwise, he would be supporting these changes.

Mr Adams interjecting—

The SPEAKER—Order! The member for Lyons.

Mr ANDREWS—The last thing you will ever hear from the Leader of the Opposition and the ALP is how to create more jobs in Australia.

Mr Adams interjecting—

The SPEAKER—The member for Lyons is warned.

Mr Adams—Not individual at all!

The SPEAKER—Order! The member for Lyons will remove himself under standing order 94(a).

The member for Lyons then left the chamber.

Mr Gregory Andrews

Mr KELVIN THOMSON (2.50 pm)—My question is to the Minister for Families, Community Services and Indigenous Affairs. Did the minister or a member of his office assist Mr Gregory Andrews to prepare for his anonymous interview on the ABC Lateline program in June this year? Did this assistance include coaching on the form and content of Mr Andrews’s presentation?

Mr BROUGH—I thank the member for his question. We had a similar question last week, which I answered in full. I say again: Mr Andrews did appear on that show. He did so with his face blacked out because he was concerned for his own safety. He did so because he had been threatened previously when giving evidence. In preparation for that interview, Mr Andrews sought and received assistance from the department on liability issues so that he would not either contravene the Public Service Code of Conduct or in fact make libellous comments. Those were the reasons.

He also provided the information of his notes to my office. My office did not coach him in any way. What he was referring to was not as a public servant of the Commonwealth; it was to his time as an officer working on behalf of the Northern Territory government in Mutitjulu. That is what he was commenting on in the Lateline program. What I find disturbing here is the Labor Party’s continual focus on a whistleblower, a person who wishes to lift the—

Opposition members interjecting—

The SPEAKER—Order! The minister has the call!

Mr BROUGH—The fact is that there were a number of very concerned Australian citizens, concerned about what has been going on at Mutitjulu, who reported in the Lateline program. I remind the House of some of the comments of those who reported, over and above Mr Andrews. There was Dr Geoff Stewart—

Mr Snowdon interjecting—

The SPEAKER—The member for Lungiari is warned!

Mr BROUGH—who, discussing those people with chlamydia and gonorrhoea, said: ‘The prevalent age group that we would see would be in the age of 12 to 14 years old.’

Ms King interjecting—

CHAMBER
The SPEAKER—The member for Ballarat is warned!

Mr BROUGH—‘There was a sort of cluster about that sort of age, but there were certainly isolated incidences in children much younger.’ STI levels in Central Australia particularly are certainly some of the highest rates nationally. On the same program—the one about which the member for Wills continues to attack the evidence of an individual, wondering why that person would come forward—Jane Lloyd, from the NPY Women’s Council, said this: ‘They also targeted children who do not have strong families, who come from dysfunctional families. He’—referring to the paedophile—‘has made threats against this office, the NPY, so Women’s Council had to withdraw all staff from there.’

Mr Snowdon—Mr Speaker, I raise a point of order on the issue of relevance. This question is about the relationship of the minister’s office with Gregory Andrews—

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

Mr Secker interjecting—

The SPEAKER—Order! I remind the member for Barker that he is interjecting from outside his seat. He is also warned. On the point of order: the minister is answering the substance of the question.

Mr BROUGH—Thank you, Mr Speaker. Jane Lloyd, from the NPY Women’s Council, also referred to the threats from the paedophile. But it is interesting that the member for Lingiari should get up and speak on this and take a point of order, because in an article in the Sydney Morning Herald by Mr Skelton on 5 August on this whole issue of Mutitjulu he refers to ‘the culture of cover-up’. This is what the paper had to say:

A prominent figure in Labor’s Alice Springs branch says: ‘The ALP has always depended on the land councils to turn out the indigenous vote. With more and more blackfellas voting it’s better to be seen to be defending indigenous communities than attacking them. Warren is just doing what he has always done.’

Members of this House congratulate Mr Andrews for having the guts to stand up and lift the scab off this appalling situation and to try to rectify the situation on behalf of the people of Mutitjulu.

Medical Education and the Medical Workforce

Mr VASTA (2.55 pm)—My question is addressed to the Minister for Health and Ageing. Would the minister advise the House of decisions made at the recent COAG meeting to provide more doctors and nurses and a better trained and more responsive health workforce? How might this help in my electorate of Bonner?

Mr ABBOTT—I can certainly understand why the member for Bonner is interested in this topic because, thanks to the Howard government, the number of publicly funded medical graduates a year in Queensland has increased from about 220 in 1996 to over 400 now. Thanks to changes announced by the Prime Minister at COAG, there will be a further 150 places in the great state of Queensland.

At COAG, the government announced a further 605 medical school places a year and 1,000 new nursing places a year. Also at COAG, the government announced more private sector training for medical specialists and a wider range of consultations available for practice nurses under Medicare. By 2012, thanks to this government, there will be an extra 1,000 publicly funded medical graduates a year, there will be an extra 3,100 nursing graduates a year, there will be an extra 486 psychology graduates a year, there will be an extra 297 pharmacy graduates a year and there will be an extra 110 dental graduates a year.
Already, since 1996, there has been a seven per cent increase in the number of full-time-equivalent GPs, thanks to the policies of the Howard government. Obviously, it is not enough yet, but it is significant and it is substantial. On a day of good news from the Howard government, this is more good news from the Howard government. It is further proof that, when it comes to the medical workforce, the Howard government is the best friend that Medicare has ever had.

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

PERSONAL EXPLANATIONS

Mr PRICE (Chifley) (2.57 pm)—Mr Speaker, I wish to make a personal explanation.

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

Mr PRICE—I do, grievously so.

The SPEAKER—Please proceed.

Mr PRICE—Last Thursday during question time, the Minister for Education, Science and Training claimed that I had complained about a lack of air conditioning in a school in my electorate and claimed that this was having an adverse effect on students’ health and their ability to concentrate. It is true that I wrote to the Prime Minister on 17 November 2004 to make representations on behalf of a group of students who had written to me from grades 5 and 6 in class S3M from Noumea Primary School. I did complain that, although there were details of how schools could apply for funding, this had not been released and an allocation had already been made for a school in the electorate of Greenway. My complaint was indirectly about pork-barrelling.

The SPEAKER—Order! The member will come to where he has been misrepresented.

Mr PRICE—There is another misrepresentation, Mr Speaker. The Minister for Education, Science and Training also accused me of failing to write to the state government. This is a gross canard. I wrote to the state member for Mount Druitt on 4 November 2004 about the same matter, and I received a response from the then Deputy Premier on 22 December 2004. I seek leave to table the letter from the students of S3M and their signatures, a copy of my letter to the Prime Minister and a copy of my letter to the Hon. Richard Amery, state member for Mount Druitt.

Leave granted.

QUESTIONS TO THE SPEAKER

Parliament House Security

Mr BEVIS (Brisbane) (2.59 pm)—Mr Speaker, in question time today, in answer to my question to the Minister for Transport and Regional Services, the minister drew a comparison between aviation security cards and the passes provided here in the House of Representatives. Will you advise the House as to whether or not, unlike aviation security cards, the passes here at Parliament House do involve a Federal Police and ASIO security check? In light of the minister’s comments, will you also advise the parliament whether there are any plans to institute Federal Police and ASIO security checks on Parliament House passes similar to those applying to aviation security passes, the analogy having been drawn by the minister, and whether they will apply to members, their staff and the press gallery?

The SPEAKER—I thank the member for Brisbane. He asked a detailed question, and I will seek further information and respond as appropriate.
MINISTERIAL STATEMENTS

Energy Initiatives

Mr Howard (Bennelong—Prime Minister) (3.00 pm)—by leave—I wish to provide the House with the government’s assessment of some key energy challenges and to announce a number of measures to assist hard-pressed motorists to better cope with very high petrol prices. Before turning to these issues, it is important to note the broader economic context. Australia’s economy continues to perform very strongly relative to other countries and in historical terms. This was amply demonstrated last Thursday by the fall in unemployment to 4.8 per cent, the lowest level recorded since August 1976.

The OECD said in its Economic Survey of Australia two weeks ago that Australia is one of a handful of developed economies to have averaged three per cent annual growth since the start of the millennium, a performance that is forecast to continue into 2006 and 2007. The OECD found that living standards in Australia have now surpassed those in all the major industrialised nations, with the exception of the United States. With a strong economy, Australians can plan for the future with hope, optimism and confidence.

This statement comes against a backdrop of high world oil prices and, in turn, high petrol prices. There is a degree of irony in the fact that Australia is a major beneficiary of the single most important structural cause of high world oil prices—namely, the re-emergence of China as a global economic powerhouse. Australia is more fortunate than other developed nations, all of which endure the pain of high fuel prices without benefiting nearly as much as Australia from China’s rapid economic growth.

Last month, I outlined the enormous opportunity this country has to build its global energy advantage in the 21st century if we think and act boldly. I stress the need to maintain policy flexibility at a time of growing international concern about energy security. Despite our substantial energy assets, most Australians feel the impact of soaring global energy demand not via a better job, a larger pay packet or a bigger share portfolio; they feel it at the petrol bowser. Today, I am announcing a series of practical steps that will give Australians cheaper fuel options, further develop our energy resources and help to underpin the nation’s long-term energy security. This total expenditure on these measures will be $1.576 billion over the next eight years.

In the last two years, world oil prices have risen to historically high levels, Australian families and businesses are hurting from the rise in domestic petrol prices of about 40 per cent over that period. There remains a spectrum of opinion on future oil price trends. Based on new production and refining capacity that will come on stream, the International Energy Agency expects some easing of high oil prices over the next few years. Even so, the best guess of the futures market is that prices will remain at or above $US75 a barrel through the first half of next year.

Many factors have contributed to high world oil prices. Geopolitical instability, especially in the Middle East, is one factor feeding heightened energy security concerns. The major cause, however, is to be found in market fundamentals. On the demand side, China’s rapid industrialisation, combined with a pick up in demand from India and a period of synchronised global growth, has prompted a rapid increase in oil demand. On the supply side, an extended period of under-investment in global exploration and refinery infrastructure has limited the capacity of the industry to respond quickly to the surge in world demand. One-off events such as Hurricane Katrina and the shutdown of North America’s largest oilfield in Alaska have added to supply constraints in recent times.
Since oil is a globally traded product, and Australia is a net importer of oil, there is no escaping the surge in oil prices. Changes in Australian petrol prices closely track changes in the world price of oil, notwithstanding the claims by many to the contrary. The facts speak for themselves: in the last 12 months, the world oil price has risen by 16.8 per cent and the price of unleaded petrol in Australia has risen by 15.7 per cent.

The Australian Competition and Consumer Commission has powers to protect consumers from unlawful, anticompetitive conduct and unlawful market practices through the provisions of the Trade Practices Act. The ACCC monitors the daily average retail prices of unleaded petrol, diesel and automotive LPG at roughly 3,600 sites across Australia. Last week, the Treasurer announced that the ACCC would extend its monitoring of fuel prices to include E10. Petrol retailers who engage in price fixing are breaking the law, and the ACCC has the power to take action against them. Last year, penalties of over $20 million were imposed on petrol retailers in two cases as a result of action taken by the ACCC. A further case is currently before the courts.

However, all price movements are not necessarily price fixing. ACCC monitoring of petrol prices shows that regular weekly price cycles occur in Sydney, Melbourne, Brisbane, Adelaide and Perth. In most of these cities, prices overwhelmingly tend to peak on Thursdays and trough on Tuesdays. The weekly price peak on a Thursday occurs whether or not there is a public holiday in that week. Evidence from ACCC price monitoring over a six-month period shows that the price variations that occurred before public holidays were in some cases below the average and in some cases above the average.

The simple, if unpalatable, truth is that the government’s capacity to alleviate the impact of high petrol prices on consumers is necessarily limited, and going beyond carefully considered measures consistent with our long-term national interest would be irresponsible. Let me illustrate: a petrol excise cut that would deliver a 10c per litre reduction in the petrol price would blow a hole of about $2.5 billion or more in the budget surplus and reduce our capacity to meet spending priorities in areas such as national security and health or to provide further tax relief. Given the volatility of oil prices, the benefit to the motorist of such an excise cut could be easily and quickly devoured.

As the House will know, excise is a volumetric tax so that Commonwealth revenue collections do not rise in line with higher petrol prices. It is true that GST collections, all of which go to the states and territories, will have risen, but even here there will have been a substitution effect at work. Revenue from the Petroleum Resource Rent Tax is higher due to increased oil prices; however, this tax is also a deductible business expense.

Though of no comfort—and I stress this—to Australian motorists, petrol prices in this country are relatively low by international standards—the fourth lowest in the OECD, according to the International Energy Agency. If we look at the price of unleaded petrol around the world, in France it is currently 58 per cent above what it is in Australia and in Germany it is 67 per cent higher. In the United Kingdom, the price of unleaded petrol—which is equivalent to more than $A2.30 per litre—is about 70 per cent higher.

The lower price in Australia largely reflects relatively low fuel taxes and the steps the government has taken to help keep petrol prices down. For example, when the GST was introduced, the level of excise on petrol and diesel was cut by 6.7c per litre. In March 2001, the government reduced fuel excise by a further 1.5c a litre and abolished half-
yearly indexation. This decision froze the rate of excise, removing an ongoing source of price pressure. If we had not taken this decision, the excise on petrol products would be about 8½c a litre higher than it is today.

Looking to the long-term, the energy white paper that I released in June 2004 established a balanced framework for supporting alternative transport fuels. Measures announced include significant ongoing excise concessions, a $1,000 grant for new liquid petroleum gas vehicles from 1 July 2011, and a $37.6 million capital fund to support new biofuels production capacity. Alternative fuels, such as LPG and ethanol, are currently excise free. The gradual introduction of excise between 2011 and 2015 will result in a transport fuel tax regime that is both efficient and fiscally responsible. In 10 years time and beyond, the excise rate on alternative fuels will still be at least 50 per cent lower compared with other fuels with similar energy content. Australia has access to potentially large sources of alternative fuels, and a diversity of energy supplies helps to ensure reliability, security and competition.

Working with market forces at a time of higher oil prices to encourage investment in alternative fuels is simply common sense. Today I am announcing new measures to further accelerate investment in alternative fuels and to provide Australian motorists with more and cheaper fuel options. Our largest alternative transport fuel is LPG. Australia has the capacity to produce substantial amounts of LPG given our natural gas and oil reserves. It is a product that has been in the marketplace for some time and is a familiar source of alternative fuel for consumers.

LPG is readily available through 3,200 service stations in Australia, and nearly half of them are in regional or rural areas. It is usually much cheaper than regular unleaded petrol and diesel due to a range of factors, including concessional tax treatment. The average LPG retail price across Australian capital cities in July was 40 per cent of the price of unleaded petrol.

To capitalise on Australia’s LPG resources, the government has decided to bring forward the previously announced rebate for the purchase of new LPG vehicles for private use. As of today, we will contribute $1,000 to the purchase cost of a new factory fitted LPG powered vehicle. In addition, the government will provide a grant of $2,000 towards the cost of converting vehicles to LPG for private use. In the past it has typically taken consumers up to two years to pay off the additional costs associated with purchasing or converting to an LPG vehicle. The new LPG rebates are expected to cut this payback period significantly.

Whilst savings will depend on fuel consumption and driving habits, the Australian LPG Association estimates that, on average, the fuel bill for a six-cylinder vehicle travelling 15,000 kilometres a year would be cut by $27 a week, or more than $1,400 a year, following the conversion. With these savings and the $2,000 rebate it would take only four months for the motorist to recoup the net cost of a $2,500 conversion. The Western Australian government is currently providing a subsidy of $1,000 on the purchase of new LPG vehicles or for LPG conversions. I encourage other states and territories to follow the lead of the Commonwealth and Western Australian governments in encouraging Australians to explore this cheaper fuel alternative.

I am also pleased that the board of the peak industry body, LPG Australia, has established a task force to address the future needs of consumers and the industry. The government will be working with the industry to provide advice to consumers on issues such as the suitability of vehicles to be con-
verted. Australian motorists will need to weigh up the costs and benefits of taking up the incentives which I am announcing today. The government will ensure that consumers have all the relevant information they need to make the right decisions. The estimated cost of the LPG incentives is $677.1 million over the eight-year life of the program. Taking into account revenue forgone, the total cost is more than $1.3 billion over eight years.

Ethanol blends can also make an important contribution to meeting Australia’s transport fuel needs. The government has spent $55 million to date in production grants to effectively offset the excise on ethanol production in Australia. We have already implemented a range of measures to help companies achieve a target of at least 350 megalitres of biofuel production in Australia by 2010. Substantial new investments are now underway. While there were 70 service stations selling ethanol in Australia in June last year, today the figure is about 260. BP plans to increase ethanol sales a hundred-fold over the next two years. Caltex plans to double the number of ethanol retail sites by the end of this year, and Woolworths is set to enter the market next year with 50 sites.

The government recognises that lack of access to distribution infrastructure remains one of the barriers to the uptake of ethanol. To address this issue I announce today additional expenditure of $17.2 million over three years to reduce the infrastructure costs to retailers of installing new pumps or converting existing pumps to E10 blends and to encourage sales of E10. The government will allocate up to $20,000 to the cost of converting retail petrol stations to supply E10. Up to $10,000 will be provided after the conversion is complete and an additional $10,000 after an ethanol-blend sales target is reached.

The additional grant on reaching a sales target will provide a clear incentive for retailers to discount the price of E10 fuel. Recipients of grants from the ethanol distribution program will be expected to sell ethanol blends at a discount and to display the price of ethanol blends alongside price information for other petroleum products. Because this government believes in consumer choice, we are not persuaded to mandate the use of ethanol. We will, however, continue to explore practical measures that effectively mandate the availability of cheaper ethanol blended fuels for Australian motorists.

This government has worked hard to restore confidence in ethanol after the disgraceful campaign waged by the Labor Party against this industry. Labor spent the better part of a year trying to discredit ethanol, criticising the government’s support for ethanol production in Australia, even targeting an individual company and its owner. The Labor Party deliberately set out to scare Australian motorists off using ethanol blended fuels. The former Opposition Leader, the member for Hotham, talked about motorists ‘having their engines wrecked by ethanol fuel’. It really pains me to say that even the member for Batman was up to his neck in Labor’s campaign to destroy consumer confidence in ethanol. This is what he had to say on 17 September, 2003:

We—

the Labor Party—

have still failed to see any demonstrated advantages in the subsidisation of the local ethanol industry.

... ... ...

The facts speak for themselves. Up to one-third of the 10 million cars in Australia will not operate satisfactorily on petrol containing 10 per cent ethanol.

That was wrong then, and it is wrong now. Ninety per cent of cars on the road in Australia can confidently run on E10, including all new cars. Ethanol has a future in this country.
because of only one side of politics, and that is the coalition. High oil and petrol prices do have an acute impact on regional and remote communities that rely on diesel for power generation as well as transport. The government’s Renewable Remote Power Generation program is designed to encourage the replacement of diesel generators with renewable energy sources for power generation and water pumping. In a good example of the success of this program, Bremer Bay, a small community on the south coast of Western Australia, is now being supplied by a wind diesel system, with a wind turbine providing an average 40 per cent of the town’s electricity. Diesel consumption has been cut by up to 340,000 litres a year, which equates to almost $480,000 a year at today’s fuel prices.

Today I announce that the government will spend an additional $123.5 million over four years to extend and expand this program. For the first time, funding will be made available for energy efficiency projects to reduce demand for industry support activities that encourage the uptake of renewable energy technologies in these areas. Encouraging further oil exploration in Australia is a very high priority for the government. Two-thirds of the world’s oil reserves are concentrated in the Middle East. The role played by the Middle East in world oil production is set to grow in coming decades. Australia must explore all avenues to reduce its future dependence on Middle East oil. While known oil reserves are declining, much of Australia has been explored only at a shallow level and large areas of remote frontier provinces remain underexplored. Current exploration activity is largely brownfields exploration rather than the higher risk greenfields exploration that is aimed at identifying new resource provinces. Australia has some 40 offshore basins that display signs of oil potential, and half of them remain unexplored. Encouraging further exploration could see the discovery and development of resources the size of those in Bass Strait.

In a high cost, high risk field, where global investment competition is fierce, governments have an important role to play in providing good geoscience information. Identifying and assessing Australia’s resources is the first step in developing them. To this end, the government will expand Geoscience Australia’s current program of seismic acquisition, data enhancement and access. At a cost of an additional $76.4 million over the next five years, this expanded program will focus on new frontier offshore areas to be chosen in consultation with the industry.

The government will also commit an extra $59 million over five years to identify potential onshore energy sources such as petroleum and geothermal energy. Using the latest geophysical imaging and mapping techniques, this information will help attract companies to explore in new areas by enhancing the chances of discovery and reducing the risks to investors. To secure Australia’s energy future in the face of high oil prices, the government will continue to examine a range of additional fuel and energy technology options. We are keen to explore how Australia might contribute to the development of more fuel-efficient vehicles, including hybrid vehicles, tailored to our market and to export opportunities. Our abundant coal and gas reserves also provide the basis for meeting future transport fuel needs should commercial circumstances and technology dictate their feasibility.

I therefore ask the Minister for Industry, Tourism and Resources, the Hon. Ian Macfarlane, to bring forward to cabinet a proposal for a dedicated fund to position Australia as a leader in gas to liquids and coal to liquids research. This is consistent with the approach we have adopted with the
Low Emissions Technology Development Fund. Like the Labor Party, this government is determined to build Australia’s energy advantage through leading edge technology and not sacrifice jobs—the jobs of Australian workers—and Australian exports through premature carbon taxes that would only cripple Australia’s coal and gas industries.

This is a difficult time for Australians faced with high petrol prices, and it is only appropriate that the benefits which accrue to Australia from our substantial resource base flow through beyond a narrow part of our society. Even so, we should not lose sight of the positive outlook for Australia as a major global energy supplier. Our natural resources and man-made assets are the envy of most other countries in the world, and the principles laid out in the energy white paper two years ago continue to provide a robust framework for meeting the nation’s energy goals of prosperity, security and sustainability. The measures I have outlined today will make a practical contribution to further developing and utilising Australia’s energy advantage for the benefit of all of the Australian people. I present the following document:

Energy Initiatives.

Mr Abbott (Warringah—Leader of the House) (3.30 pm)—I move:

That the House take note of the document.

I seek leave to move a motion in relation to the debate.

Leave granted.

Mr Abbott (Warringah—Leader of the House) (3.31 pm)—I move:

That so much of the standing and sessional orders be suspended as would prevent Mr Beazley (Leader of the Opposition) speaking for a period not exceeding 30 minutes.

Question agreed to.
triple whammy: rising interest rates, which themselves involve a massive breach of trust by the Prime Minister; increasing petrol prices; and now a substantial threat to their capacity to enjoy the rights they have in the workplace and the remuneration that they get from their jobs. They are feeling that pressure intensely, and some of that pressure seems to be emerging onto the Liberal Party backbench.

We welcome any relief at the petrol pump for Australian families because they are experiencing such considerable difficulty at this time. But this is not even a beginning. It might be the beginning of a beginning, but it is not even a beginning in dealing with the challenges that we now confront in order to render ourselves independent of Middle East oil or even a decent effort at giving some succour to the people who are experiencing those regular rip-offs at the petrol pump when they go away on weekends, on holidays or whatever. Meanwhile, the Treasurer persistently under questioning in this place says he is going to give no decent reference to and make no demands on the one protective agency that they have—the ACCC. I will say a bit more about that later on.

There is too little in these measures to uncouple us from the tyranny of overseas oil. There is no vision for the fuel industry we need—an independent Australian fuel industry—so we are not forever at the mercy of foreign oil cartels, so that overnight price spikes in Saudi Arabian oil do not spark a fault line in the family budget and the national economy. It has taken this Prime Minister far too long to act on this petrol issue. We in the opposition have been talking about a long-term plan for fuel independence since last October. That is when we released our blueprint on fuels—our plan to develop a diversified, home-grown fuel industry so we are not permanently held hostage to Middle East oil prices.

Today the Prime Minister announced that he is taking up some of Labor’s proposals and that he will look at a few others, but that is about it. In the national interest, I urge him to swallow his pride and adopt all of them, because, as the Australian says today:

... Australia has the capacity to break its dependence on imported crude oil. But this will not be done by political posturing and bandaid solutions.

This particular solution comes into the category of not quite the bandaid; taking the paper off the bandaid is the form this solution presents. In the interests of Australian families and in the interests of our economy, adopt Labor’s comprehensive plan to build an independent Australian fuels industry. To relieve the pressure on families today, immediately give the consumer watchdog, the ACCC, the powers it needs to investigate petrol pricing, not just tinker at the edges and not just look at the passing parade of prices; to get down to the serious business of investigating exactly how prices are arrived at and to have the ability to question them and obtain the documentation; and to get down to the job of ensuring that there is at least a watchdog with teeth to protect the position of Australian motorists now.

Today’s Australian reinforces what Labor has long maintained. It said:

Australia must seize the opportunity of a high world oil price to finally get serious about its long-term energy future. It backs up everything my resources spokesman, the member for Batman, has been saying, and I quote the Australian article again:

Opposition resources spokesman Martin Ferguson has raised the issue of gas or coal to liquids as the best long-term answer to the current oil price shock, and he is correct.
... the abundance of gas is the key to breaking our exposure to the increasing stranglehold of Middle East crude.

Given that the Prime Minister has seen all this and had months to deliberate on it—he has seen the consequences, in part because of the disastrous policies he has pursued in Iraq, of a rise in the price of oil emanating largely from the Middle East—I cannot for the life of me understand why he has not, in that period of time, got it into his noggin that we actually have a solution here. We are not asking that the Australian government break new ground in this area. Frankly, the technology here in relation to gas to liquid conversion already exists and is in operation in Qatar and Nigeria. It is simply a matter of getting the taxation regime right here and you will get it here. You do not have to invent anything else; it has already been invented. We can no longer afford to be complacent about either the supply or the cost of petrol. The Prime Minister must go further than the measures announced today.

Last year I released Labor’s Australian fuels blueprint. It sets a crucial goal to reduce our reliance on foreign oil and diversify the Australian fuels industry, because a more self-sufficient fuels sector will make Australia a stronger nation. Back then, talking about our dependence on Middle East oil, I have to say, was not fashionable, but after just 12 months of campaigning on the subject reducing our dependence on Middle East oil is now the dominant way of seeing Australia’s fuel problem. That is what I call effective opposition. We state the case, we state the problem and we identify it as a key strategic interest. In relation to the Australian economy and the Australian nation overall, we are mocked, ridiculed and ignored by the government and then gradually, slowly and without acknowledgment the government slopes and slouches towards our position.

**Mr Martin Ferguson**—Steals our clothes.

**Mr Beazley**—The honourable member for Batman says, ‘Steals our clothes.’ I do not actually think quite that. Perhaps they have cut one of the toes off our socks as they have long gone through this proposal. They have thieved that, because this $1.5 billion over the next eight years scarcely makes up a suit. The Prime Minister has finally acknowledged this problem today.

On the same day, the Howard government’s recent energy white paper, of which he is still proud, appears, from the remarks he has made here today, was labelled by commentators as all but redundant. That white paper, which he said was the be-all and end-all, was labelled today by all reasonable commentators who know something about it as being all but redundant—meaningless—in terms of the problems this nation now confronts. The evidence is overwhelming: Australia needs a comprehensive Australian fuel industry plan, with more fuels, more types of fuel and cheaper and cleaner fuels. At the heart of this, we need policies to increase the supply of Australian fuels, especially liquid fuels made from gas, because we have such bountiful supplies.

I want to speak first about the huge potential inherent in turning Australian gas into liquids. To encourage exploration—and this is what there should have been here today, not just a flick pass to the minister for industry: ‘Come back to us, Ian, and tell us a bit about what we ought to be doing’—I believe there should be petroleum resources rent tax incentives for developers of gas fields who provide resources for gas to liquid fuels projects, but there is no mention of anything like that in the Prime Minister’s statement. There should also be the selective use of flow-through share schemes in the gas, oil and mineral exploration industry. Why on earth
you would not do that to encourage exploration; I cannot fathom. I cannot understand, with the mining industry generally constantly approaching the government about this, why they would not do something serious about the flow-through share scheme. It encourages small explorers out there—gets them on the job—and backs up the big fellows. You can arrange it in a reasonable way so that it assists the big fellows as well. I would have this looked at across the whole of the mining industry; I once had an undertaking of that at a previous election, and it was a very sensible policy to encourage exploration. Further, there should be improved technology through a targeted funding scheme for fuels R&D.

To assist the construction of a gas to liquids plant we would develop a more favourable depreciation regime explicitly for it, examine a new infrastructure investment allowance for investment in Australian gas to liquids infrastructure, and work with industry to improve engine design and fuel quality standards, because both will need to change in the light of us increasingly becoming utilisers of the product of that gas to liquid technology. We would support the development of regional towns by building and supporting the infrastructure they need.

We also need to encourage Australians to buy cars that use alternative fuels. Today the Prime Minister has announced the government is adopting Labor’s proposal to subsidise the conversion of cars from petrol to autogas, or LPG, but it will take time to develop the infrastructure for the conversion of cars and the guaranteed supply of LPG from a network of distributors. Take-up could well be hampered by the availability of conversion workshops and LPG outlets. For example, in my home state there are now no conversion workshops in Karratha or Port Hedland, so vehicles are sent to Perth for conversion at a transport cost of $750. On top of that LPG prices in the bush are significantly higher, and what confidence can Australian motorists have that once they have made the switch to LPG the Howard government will not just up the tax?

In the last parliament alone the government changed its mind three times about the excise regime for LPG. If he is serious about fuel diversity, the Prime Minister should also take up Labor’s proposal to encourage a sustainable ethanol industry and he should ease regulation of biodiesel production on farms. There was nothing in this statement about biodiesel production on farms. Where was the National Party when this statement was being prepared? If you go around regional Australia now, they will nag you on this. They will keep telling you things like: ‘We’d love to and we do do a bit of production of biodiesel here, but every time we try to do anything with it we run into trouble. We have a regulatory regime which is utterly absurd.’

There was obviously no effort by the National Party for any serious input into this particular statement, because there is nothing in here that reflects the fact that there needs to be an easing of the regulatory regime around biodiesel on farms.

A long-term plan for an independent Australian fuel industry is essential, but the government should be doing so much more right now to give consumers confidence that petrol prices are as fair and reasonable as they could possibly be. It should support Labor’s move in the parliament today to strengthen section 46 of the Trade Practices Act to provide greater scope for dealing with abuse of market power. It should immediately strengthen the ACCC’s powers by giving the Australian Competition and Consumer Commission the power to: formally monitor petrol prices at the terminal gate, and wholesale and retail petrol prices; obtain all information from refiners, wholesalers and major retailers in the transport fuel sector relevant
to fuel prices, including costs, profits and margins; and conduct other inquiries relevant to the spiralling fuel prices.

That would be a serious mandate for the ACCC at this point in time. I would have thought that today, if the Prime Minister was going to at least eat a bit of humble pie in relation to the Labor Party’s proposals around ethanol, having the minister have a look at gas to liquids technology and about picking up suggestions we made about LPG car conversions—if he is going to eat that much humble pie—he could have extended it out a bit and made his Treasurer eat a bit of humble pie too. It has basically been his straw man Treasurer who has been doing most of the blocking in relation to propositions made in this place and elsewhere that the ACCC, which is under his authority, needs to start doing something about protecting motorists. I do not know what it is. It is a hard and difficult task I suppose—maybe they would need an odd extra staff member for it; I am not sure! There must be some reason beyond simply the fact that every member of parliament gets a fuel card why the Treasurer cannot be bothered dealing with this particular problem.

There is nobody out there who believes that more effort could not be made in regard to monitoring fuel prices to ensure that they are not being ripped off, because the sight evidence to them, week after week, is that they are. That is all there is to it. No Prime Minister or Treasurer can give them the assurance that they are not being ripped off if that Prime Minister or Treasurer is not prepared to see the ACCC properly monitoring what has been going on with regard to the pricing arrangements for people at the petrol pump.

The government has no real plans here for transport fuels. I pointed out at the beginning that the government in that eight years is going to make over $100 billion at today’s prices out of the fuel excise. This initiative, with a bit of cheating up in regard to an estimate of forgone revenue, makes $1½ billion over exactly the same period. The Prime Minister was proud to say, ‘Look, I don’t want to do anything about reducing fuel excise.’ That is $2½ billion a year if you take 10 cents off. That would be much better spent, I think he said, on education, on defence and I am not sure if he did not say on developing something in relation to the fuel industry. There is a hell of a lot of surplus left in that $100 billion in terms of the $1½ billion here that he has been talking about.

But I do want to pick up, before I conclude, on one or two of the false claims that the Prime Minister resorted to in relation to Labor’s fuel plan. The Prime Minister falsely claimed that the Labor Party support a tax on carbon emissions. The Labor Party have not ever supported a tax on carbon emissions. There is only one serious prospect of major carbon taxes in this country, and that is if the prime minister has his way, as he will have if he wins the next election, and develops a full-blown nuclear power industry in this country. I can tell you this: there is absolutely no way you can make the economics of a nuclear power industry in this country work unless you slap a massive tax on gas and coal to ensure that they are rendered uncompetitive with nuclear power when people come to paying their electricity bills. We are not talking here about the odd 10 per cent here or there; we are talking about taxes in the realm of about 100 per cent of the cost if we are going to make that work.

What the Labor Party have called for is a market solution on carbon emissions, the sort of market solution that is now appealing more and more to American states as they work around the blockage in Washington and make their own deals with the people in Europe who are interested in carbon emis-
sions trading regimes. That is a very different thing from a tax on carbon. That is a market based performance in bringing down our levels of carbon emissions, and an absolutely essential co-commitment with any serious policy related to dealing with the huge problems we now confront globally in relation to greenhouse gas emissions. This was not meant to be a debate or a discussion about greenhouse gas emissions, but the Prime Minister managed to bring it up in the remarks that he made in this place and to give us a gratuitous, deceitful and dishonest slap on the way through.

The simple fact of the matter is there are things that we need to do. In the same way we should be preparing Australia to be independent of Middle East fuel, we should also be preparing Australia to make a contribution to dealing with a problem which massively threatens great Australian values, not to mention all our coastline, the Great Barrier Reef and Kakadu—all of which, on the government's own conservative scientific analysis, will be effectively washed away within 20 years. That is not the report of some bug-eyed greenie out there in the bush who is communing with a rainbow; that is the assessment of Booz Allen consultants, which the Commonwealth government set up to advise them on that subject.

We do think we need to be in emissions trading, but we do not think, as the Prime Minister thinks subliminally, that we ought to be into carbon taxes, which will be absolutely essential if he is going to make that nuclear power of his work. He also had something to say, and I thought there was a real cheek to him here, about the value in a particular area of utilising wind as a mechanism of power generation. I mean, really, after that performance, that quite probably illegal performance, by the minister for the environment in Gippsland! There has been a lot of discussion around this chamber in recent weeks about the fowl yard and the presence of chickens and otherwise in the parliament, but this is a parrot—the thousand-year parrot: once in every thousand years a parrot may be flogged by a windmill working in Gippsland. On the basis of that, this government of geniuses, this government so basically concerned with the development of renewable energies and Australian alternative fuels and the rest of it, sees it vetoed by the minister for the environment. It does not go ahead.

This is a Prime Minister who has no track record of any decency at all when it comes to dealing with the critical issues this nation now confronts in getting itself energy independence—or for that matter in getting ourselves into a position where we make a serious contribution to bringing down levels of greenhouse gas emissions globally. He actually has some moral responsibility in both areas. His moral responsibility in relation to making us independent of Middle East oil is that he has made a small contribution to making it a great deal more expensive.

The simple fact of the matter is that though we are now three and a bit years on from the conclusion of the first phase of the hostilities in the Iraq war—to which the government committed us and unwisely and without patience argued that our American friends and allies ought to be committed to too, intervening in the debate inside the United States on whether or not the US should go to the Iraq war on the side of war against those in the State Department, like Rich Armitage and others, who were arguing patience—the production of oil from Iraq has averaged less than half what it was in its admittedly very straitened circumstances prior to then. Having become a byword in corruption through the oil for food program, their resolution of it was to commit acts that operated in such a way that there would be no oil at all.
The Labor Party has put forward a serious proposal with serious measures that needs to be considered by the government. There is an additional obligation to have those things considered when we look at the government’s take of excise at the petrol bowser. The Prime Minister came into this place and occupied the House for 30 minutes to talk about a scheme, all of which appeared in the Labor Party’s document. At least, the words appeared in the Labor Party’s document; of course, the Labor Party proposals, except in the area of LPG conversion, went way beyond anything that was suggested by the government here.

The Prime Minister rarely makes a statement in this place—he had to effectively have his hand forced to make a statement about the troops going to Iraq—and he never makes one of 30 minutes length. Today for 30 minutes he laboured mightily in the field to bring forth a mouse. With $100 billion raised, there will maybe be $1½ billion committed to this in that same period. Will there be independence from Middle East oil? No. Will there be monitoring of what has been going on in a way that would give ordinary Australians some satisfaction? No to that as well. It was a very disappointing statement indeed. It was definitely a Geoff Boycott innings. I suggested it might have been a Geoff Boycott century; I think it was a Geoff Boycott 99 not out—so not only is the crowd disappointed; ‘Geoff Boycott’ Howard ought to be disappointed as well.

Debate (on motion by Mr Turnbull) adjourned.

MAIN COMMITTEE
Ministerial Statement
Reference
Mr Turnbull (Wentworth—Parliamentary Secretary to the Prime Minister) (4.01 pm)—by leave—I move:

That the following order of the day be referred to the Main Committee for debate:
Energy Initiatives—Ministerial statement—Motion to take note of document: Resumption of debate.
Question agreed to.

NATIONAL PARTY OF AUSTRALIA: CHIEF WHIP
Mr Vaile (Lyne—Deputy Prime Minister) (4.01 pm)—by leave—I inform the House of the election of a new Chief Whip for the National Party following the resignation of the member for Mallee from that position at the end of the last sitting week. Our party room has elected the member for Riverina as the new National Party Chief Whip, which will be effective from today.

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 deten-
tion 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 Albanese (from 286 citizens)
by Mr Andrews (from 180 citizens)
by Mr Bevis (from 1,028 citizens)
by Mr Bowen (from 1,640 citizens)
by Ms Burke (from 342 citizens)
by Mr Cadman (from 533 citizens)
by Ms Corcoran (from 100 citizens)
by Mrs Elson (from 136 citizens)
by Mr Martin Ferguson (from 200 citizens)
by Mr Georgiou (from 19 citizens)
by Mr Hardgrave (from 1,011 citizens)
by Miss Jackie Kelly (from 1,198 citizens)
by Ms Macklin (from 120 citizens)
by Mr McArthur (from 99 citizens)
by Mr McGauran (from 142 citizens)
by Mr McMullan (from 1,420 citizens)
by Mr Melham (from 274 citizens)
by Dr Nelson (from 943 citizens)
by Mr Neville (from 20 citizens)
by Ms Owens (from 905 citizens)
by Ms Roxon (from 868 citizens)
by Mr Bruce Scott (from 100 citizens)
by Mr Tanner (from 258 citizens)
by Mr Kelvin Thomson (from 41 citizens)
by Mr Truss (from 265 citizens)
by Mr Tuckey (from 43 citizens)

Breast Cancer: Herceptin

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

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

- There are currently over 2,000 HER-2 positive breast cancer sufferers in Australia.
- Herceptin benefits HER-2 positive breast cancer sufferers by significantly reducing the risk of breast cancer recurring.
- Herceptin is currently available on the Pharmaceutical Benefits Scheme to advanced HER-2 positive breast cancer sufferers.
- Herceptin is not available on the Pharmaceutical Benefits Scheme to early stage HER-2 positive breast cancer sufferers.
- Herceptin can only be accessed by early stage HER-2 positive breast cancer sufferers at a cost of between $50,000 and $70,000. Therefore early Stage HER-2 positive breast cancer sufferers face a life and death financial dilemma.
- Safeguarding the lives of all HER-2 positive breast cancer sufferers and giving them the best treatments available is a national responsibility.

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

by Mr Byrne (from 11,414 citizens)

Breast Cancer: Herceptin

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

The petition of certain citizens of Australia draws to the attention of the House a treatment available for some types of Breast Cancer.

- Some breast cancers test positive for a growth factor or protein called Her2. This Her2 tells breast cancer cells how to grow.
- A drug called HERCEPTIN stops Her2 from working, so the breast cancer cells stop growing.
This means that Herceptin would help greatly in further reducing risk of future recurrence of breast cancer.

However, Herceptin is NOT supplied on the Pharmaceutical Benefits Scheme (PBS) for all stages of breast cancer and incurs a cost of $66,000 for 1 year.

This cost is prohibitive, meaning women either do not use this treatment, or they suffer tremendous financial hardships on top of their cancer struggle.

Your petitioners therefore humbly pray the House to include the drug Herceptin on the Pharmaceutical Benefit Scheme (PBS) for use by women at any stage of breast cancer who test positive to HER2.

by Mr Forrest (from 42 citizens)
by Ms George (from 450 citizens)
by Mr Melham (from 885 citizens)

Breast Cancer: Herceptin

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

The petition of certain citizens of Australia draws to the attention of the House a treatment available for some types of Breast Cancer.

• Some breast cancers test positive for a protein known as HER2. This protein is linked to the growth and reformation of breast cancer.
• Cancer sufferers exhibiting this particular protein generally have a worse outlook than those who test HER2 negative.
• The drug HERCEPTIN targets HER2 and aides in growth retardation.
• The drug has resulted in significant improvements in survival, disease progression and the quality of life for women suffering from breast cancer.
• Currently costing $66,000 for a single year of treatment the drug is out of reach for most sufferers of this insidious condition.

Your petitioners therefore request the House to include the drug Herceptin on the Pharmaceutical Benefit Scheme (PBS) for use by women at all stages of breast cancer who test positive to HER2.

by Mr Price (from 15,794 citizens)

Workplace Relations

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

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

The petitioners call upon the Howard Government to adopt a plan to produce a fair industrial relations system based on fairness and the fundamental principles of minimum standards, wages and conditions; safety nets; an independent umpire; the right to associate; and the right to collectively bargain.

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

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

by Mr Martin Ferguson (from 147 citizens)
by Mr Swan (from 443 citizens)
Workplace Relations
To the Honourable Speaker of the House and Members of the House assembled in Parliament:
The petition of certain citizens of Australia draws the attention of the House to the fact that Australian employees are worse off as a result of the Howard Government’s changes to the industrial relations system.
The petitioners call upon the Howard Government to adopt a plan to produce a fair industrial relations system based on fairness and the fundamental principles of minimum standards, wages and conditions; safety nets; an independent umpire; the right to associate; and the right to collectively bargain.
The petitioners therefore ask the House to ensure that the Howard Government delivers:
(1) Proper rights for Australian workers who are unfairly dismissed.
(2) A strong safety net of minimum awards and conditions.
(3) An independent umpire to ensure fair wages and conditions, and to settle disputes.
(4) The right for employees to bargain collectively for decent wages and conditions.
(5) The right for workers to reject individual contracts which cut pay and conditions, and undermine collective bargaining and union representation.
(6) The right to join a union and be represented by a union.
by Ms Roxon (from 49 citizens)
by Mr Tanner (from 78 citizens)

Mammograms
To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament.
The petition of certain citizens of Australia draws to the attention of the House that free Breast screen services are no longer accessible by breast cancer survivors despite the increased risk of breast cancer. Access to free breast screens is also limited for those women over seventy years of age. Your petitioners therefore ask the House to ensure that mammograms are free to all women regardless of age or medical history.
by Mr Melham (from 27 citizens)

Work Choices Legislation
To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament.
The petition of certain citizens of Australia
Since early last century, we have had a system of industrial relations in Australia that sought to balance the rights, needs and entitlements of employees with the aim of employers to enhance productivity and gain a return on their investments.
Conciliation and arbitration enacted through Industrial Relations Commissions have safeguarded employees’ rights through an award-based system. This system has served Australia well, as evidenced by the achievements of working people in the nation’s development to an advanced, prosperous economy and a stable, cohesive, democratic society.
The concept of ‘a fair go’ has underpinned this development.
It is this system that has now been abolished by the Howard Government.
In its place, we have federal legislation that enables employers to use contract-based employment to reduce employees’ wages and conditions of employment.
Your petitioners therefore request the House to repeal the Workchoices industrial relations legislation and restore a system that fairly balances
employees’ rights, needs and entitlements with the aims of employers.

by Mr Andren (from 534 citizens)

Millennium Development Goals

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

Your petitioners therefore pray that the House agree to a Goal for our Aid Program of 0.5% of gross national income by 2010, and 0.7% by 2015.

by Mr Andrews (from 11 citizens)

Medicare Office: Endeavour Hills

To the Honourable Speaker and Members of the House of Representatives Assembled in Parliament:
The petition of certain citizens of Australia draws to the attention of the House:
That the City of Casey is one of the fastest growing municipalities in the State of Victoria with a population of 218,574 persons;
That Medicare is a valued service of the community and the ability to access this service is vital to all people within the City of Casey;
That the residents of Endeavour Hills require a Medicare office within the Endeavour Hills Shopping Centre.
Your petitioners believe that the lack of a Medicare branch within Endeavour Hills has resulted in Endeavour hills residents being deprived of this important and vital service.
We therefore pray that the House will immediately consider a Medicare office for the Endeavour Hills Shopping Centre.

by Mr Byrne (from 530 citizens)

Small Business

To the Honourable Speaker and Members of the House of Representatives assembled in Parliament:
The petition of certain citizens of Australia draws to the attention of the House: The proposed changes from 1 July 2005 to the payment of employees superannuation will mean unacceptable amounts of paperwork for small business. We ask the House to exempt small business from these superannuation changes.

by Mr Fitzgibbon (from 3,207 citizens)

Health: Outer Metropolitan Doctors Scheme

To the Honourable Speaker and Members of the House of Representatives assembled in Parliament.
Request that the House take immediate action to address the chronic shortage of doctors in the Lake Macquarie and Hunter areas. Your petitioners therefore respectfully request that the House do everything in their power to ensure that the greatest effort is made, as soon as possible, to address the chronic shortage of doctors in the Lake Macquarie and Hunter areas.

by Ms Hall (from 16 citizens)

Medicare Office: Morisset

To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament.
The petition of certain citizens of Australia draws to the attention of the House: The proposed changes from 1 July 2005 to the payment of employees superannuation will mean unacceptable amounts of paperwork for small business. We ask the House to exempt small business from these superannuation changes.

by Mr Fitzgibbon (from 3,207 citizens)
Middle East Conflict
To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament.

The petition of certain citizens of Australia asks the House to demand of the government of Israel that it must:

(1) stop attacking Palestinians and their infrastructure
(2) stop its siege of the Gaza Strip
(3) stop construction of its illegal wall and its siege of the West Bank
(4) stop its ethnic cleansing in Jerusalem and the West Bank
(5) negotiate for peace with Hamas, the democratically elected representatives of the Palestinians.

by Mrs Irwin (from 248 citizens)

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

The petition of certain citizens of Australia asks the House to demand of the government of Israel that it must:

(1) stop its slaughter of Lebanese civilians
(2) stop destroying their homes, villages and cities
(3) stop attacking the civil infrastructure of Lebanon
(4) stop its unjustified, illegal and barbaric destruction of Lebanon.

by Mrs Irwin (from 254 citizens)

Defence: Shoalwater Bay Training Facility
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, to the permanent joint training facility with the United States of America Military Forces and the Australian Defence Forces located on Commonwealth land known as Shoalwater Bay, in the State of Queensland. We reject this proposal on these grounds:

• Increase pressure on unique and pristine environment
• A loss of sovereignty and control
• Concerns over use of sonar and military equipment effecting marine mammals
• A loss of access to safe anchorage’s
• A loss of professional and amateur fishing grounds
• The social consequences outweighing economical benefits
• The promotion of a culture of warfare in a safe and secure region

Your petitioners therefore pray that the House reject or rescind such a proposal for this facility at Shoalwater Bay. We would recommend if such a facility be deemed necessary for Australia’s security then it be located in Northern Australia and not Central Queensland.

by Ms Livermore (from 1,562 citizens)
- Be vocal in its support of all United Nations resolutions which relate to the Middle-East
- Take a non-partisan stance in relation to the Middle-East, and in particular, not support the U.S. Administration’s condoning and active support of Israeli aggression toward Lebanon
- Support direct negotiations between all the parties involved, directly or indirectly, in the conflict in Lebanon, Israel and Gaza
- Acknowledge that people will almost inevitably respond with violence to attacks and to the fear of attacks on them, and that therefore the cycle of attacks on Palestinian people as well as on Lebanese and Israelis can only be stopped by a political, rather than a military, solution.

by Ms Macklin (from 90 citizens)

Internet Websites

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

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

The common incidence of children being exposed to and damaged by Internet websites portraying explicit sexual images. These images may involve children/teens, sexual violence, bestiality and other disturbing material. Many such websites use aggressive, deceptive or intrusive techniques to induce viewing.

Many publicly funded libraries in Australia are proving unfiltered access to the Internet and public libraries are significant centres for internet access for children.

There is no national standard making internet pornography filters in public libraries mandatory. Most family day care centres and long day care centres have access to the internet but the Australian Government appointed National Childcare Accreditation Council has no quality assurance standard making internet pornography filters mandatory in child care services.

It is the primary duty of community and Government to prevent children being exposed to pornography by placing restrictions on pornographers and those distributing such material through internet pornography filters in all public libraries and child care services.

Your petitioners therefore pray that the House take legislative action so that Federal Government funding to State and Local Government that these Governments use to fund public libraries be tied to mandatory internet pornography filters being installed in public libraries and that Federal Government funding of Australian child care services be tied to mandatory internet pornography filters being installed in child care services.

by Mr McGauran (from 9 citizens)

Telstra: Cann River Public Phone Box

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

The petition of certain electors in the division of GIPPSLAND and including visitors to our area draws to the attention of the house, that the removal of Telstra’s Public Phone box in Cann River in particular and the Gippsland Region in General would be detrimental to the tourism industry in our region. Many tourists request accommodation information and use the public phones to make forward bookings. Mobile Phone black spots still exist along the highway. Hence the need to make urgent phone calls due to bookings, road accidents, storms, floods and bushfires, as residents and visitors can be locked in our area until the highway is reopened.

Your petitioners therefore request to the house that the phone box targeted for removal from Cann River, not be removed and that all three phone booths to remain in working order for the safety and wellbeing of all users.

by Mr McGauran (from 280 citizens)

Aviation: Sydney Airport Flight Movements

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

The petition of certain residents of the State of New South Wales draws to the attention of the House the refusal by the Federal Government to force Air Services Australia to reduce air traffic movements over Inner Western Sydney.
Despite its promises that Sydney Airport would not be sold until a satisfactory solution to Sydney’s aircraft noise problem had been found, the Federal Government has failed to ensure that fairer noise sharing arrangements have been implemented for long-suffering noise-affected residents of the Inner West.

We therefore pray that the House supports residents of Inner Western Sydney and call for the immediate review of the Federal Government’s Sydney Airport Master Plan which will double the number of flights in and out of Sydney Airport and over the Inner West.

by Mr Murphy (from 617 citizens)

Nuclear Reactors

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

The petition of certain electors in the seat of Bentleigh.

Points out to the House that we are worried citizens, who wish our voices to be heard, concerning the prospect of our federal government, placing nuclear reactors around our country.

Your petitioners therefore request the House to ask our Federal Government to earnestly work upon establishing other solutions to produce power, such as cleaner coal production and renewable energy sources with wind turbines and solar technology.

by Mr Robb (from 126 citizens)

Australian National Flag

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 to recent media about the act of burning the National Flag and selling materials necessary to carry out such an act. Your petitioners therefore request the House to take legislative action to protect the dignity and values of the Australian National Flag by making it an offence to burn or desecrate the National Flag or to sell flag burning kits.

by Mr Bruce Scott (from 3,086 citizens)

Dental Care

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

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

Your Petitioners therefore ask the House to:

- Re-introduce the Commonwealth Dental Scheme and restore funding to public dental health,
- Reduce waiting times for public dental health services, and
- Train more public dentists.

by Mr Swan (from 29 citizens)

In-Vitro Fertilisation

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

The petition of certain citizens of Australia draws to the attention of the House, the significance of IVF in our community, the opportunity that IVF offers to couples who would otherwise never have a family, and that 1 in every 35 babies born in Australia are as a result of IVF treatment.

Your petitioners therefore ask the House to ensure no changes are made to current Medicare funding of IVF treatments as proposed by the Howard Government.

by Mr Swan (from 13 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:

- Japan’s intention to seek an expansion of its whaling quota at the June meeting of the International Whaling Commission.
- 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 steps to prevent an increase in Japan’s “scientific research” quota at the International Whaling Commission meeting to be held in Korea in June 2005.

(2) 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.

(3) Challenge the legality of Japan’s abuse of the “scientific research” exemption to the ban on commercial whaling by taking a case to the International Court of Justice.

by Mr Swan (from 140 citizens)

Family Day Care Schemes
To the Honourable Speaker and Members of the House of Representatives assembled in Parliament:

This petition of certain citizens of Australia draws the attention of the House to community opposition against the Government’s proposal to cut funding to Family Day Care Schemes.

Petitioners draw attention to the unfairness of Minister Kay Patterson’s proposal to drastically reduce funding to Family Day Care Schemes.

In Particular petitioners:

- Oppose any reduction in the current level of operational funding for Family Day Care Schemes.

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

- Promise that no Family Day Care Schemes will be financially worse off under the proposed changes to the funding model.

by Mr Swan (from 67 citizens)

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

This petition of certain citizens of Australia draws the attention of the House the fact that there is currently no enforceable absolute requirement that food be labelled as to its country of origin.

Your petitioners therefore ask the House to act to ensure that consumers are able to identify the country of origin of the food they buy by requiring that imported food be adequately and legible labelled with the name of the country in which it was grown or produced.

by Mr Swan (from 3 citizens)

Education: After School Care
To the Honourable Speaker and Members of the House of Representatives assembled in Parliament:

This petition of certain citizens of Australia draws the attention of the House the fact that there is currently not enough Out Side School Hours Care places for parents on the northside.

Your petitioners therefore ask the House to remove the cap on Out of School Hours places to ensure there are more available places for parents to register their children and meet demand.

by Mr Swan (from 11 citizens)

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

This petition of certain citizens of Australia draws the attention of the House to community opposition against the Government’s proposal to build an Immigration Detention Centre at the Meeanjah Army Stores site at Pinkenba.

Petitioners draw attention to the unfairness of Senator Amanda Vanstone’s decision to purchase the site from the Department of Defence without providing proper consultation with the community.

In particular petitioners:

- Oppose the suitability of the site purchased – which is in a metropolitan area and close to homes and schools.
- The lack of consultation prior to the purchase of the site, despite assurances that a final decision on the locality of the facility would be made following the completion of a community consultation process.
• Draw attention to the commitment from the former Immigration Minister, Phillip Ruddock, that the Government has no intention of forcing a detention centre on an unwilling community.

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

• Adhere to their previous commitments that they would not force a detention centre on an unwilling community.

• Provide proper community consultation and inform residents about what the Government’s future plans are for the site.

by Mr Swan (from 232 citizens)

Military Detention: Guantanamo Bay

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

The petition of certain members and friends of the congregation of the Christ Church Cathedral parish Darwin, Diocese of the Northern Territory, Anglican Church of Australia, draws to the attention of the House the continuing operation of the United States military detention facility at Guantanamo Bay.

Your petitioners believe:

• the United States’ military detention facility at Guantanamo Bay exists in a jurisdictional void, denying detainees’ fundamental human rights;

• those suspected of any crime, including terrorist-related offences, have a right to a fair trial, to allow them an opportunity to defend all charges against them;

• South Australian David Hicks has been detained at Guantanamo Bay for more than four years

• in the absence of any effort to ensure the human rights of detainees, and following allegations of outright violations of these rights, the facility must be closed.

Your petitioners therefore request the House to support calls for the military detention facility at Guantanamo Bay to be closed.

by Mr Tollner (from 43 citizens)

Petitions received.

PETITIONS

Responses

The Clerk—Ministerial responses to petitions previously presented to the House have been received as follows:

Tariffs

Dear Mr Harris

Thank you for your letter dated 20 June 2006 attaching the Petition on the rejection by certain Australian residents of the concept of a level playing field and zero tariffs.

The Minister acknowledges receipt of the petition and has noted the views expressed.

Yours sincerely

Brad Williams
Chief of Staff

From the Minister for Trade, Mr Vaile, to a petition lodged on 19 June 2006 by Mr Ian Macfarlane (from 17 citizens).

PRIVATE MEMBERS’ BUSINESS

Kokoda Track

Mr CREAN (Hotham) (4.08 pm)—I move:

That this House:

(1) notes that:

(a) the Kokoda Track in Papua New Guinea is a place of great historical significance to Australia as the site of one of the great battles in the greater Battle for Australia in the Second World War where many young Australians fought and died in the defence of their country against foreign invasion;

(b) there are serious concerns that mining activities along the Track will damage and deface the landscape and deter visitors wishing to pay their respects to those who fought and died, supported by loyal Papuans and New Guineans; and

(2) calls on the Australian Government and the Minister for Veterans’ Affairs to:

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(a) work with the Government of Papua New Guinea to protect the natural environment and the historical integrity of the Kokoda Track;

(b) ensure the safety and enhance the significance of the Track for visitors and walkers by improving the amenities and interpretive materials, and protecting the memorials along the Track; and

(c) report back to this House within 12 months on progress in implementing these actions.

The Kokoda Track symbolises the battle for Australia in World War II. It must be protected. Nineteen forty-two was our finest hour: Australians stopped the Japanese advance at Milne Bay and Imita Ridge and pushed them back along the Kokoda Track. Here Australians fought and died for the first time not as allies in defence of another nation but for us, for Australia.

It was the Australians who inflicted the first defeat on land of the previously invincible Japanese army. On a previous occasion I called on the Australian government to recognise the ‘Battle for Australia Day’. I repeat that call. This would be a day on which we recognised the participants in major battles of that year. It would not be an alternative to Anzac Day or a public holiday; it would be a day when we and our schoolchildren discussed that part of our history.

Today’s motion, however, is more specific. It is to protect the Kokoda Track. I recently walked that 96 kilometre track. Other members of this parliament have also walked it, including the member for Griffith, who will speak later, as well as the speaker following me. Many Australians do walk it. I walked it with a group of friends, in part as a personal challenge but, importantly, to pay homage and to reflect on the heroism and sacrifice of those brave young Australians who were ill equipped and undertrained, fighting against the odds. It is a very hard walk. One can only imagine how hard it must have been for the men of the 39th, the 2nd/14th, the 2nd/16th and the 2nd/27th battalions. They were massively outnumbered by better trained opponents. They were fired on by snipers and artillery in thick jungle canopy, over precipitous drops, by fast flowing rivers and in constant mud and rain. They were diggers in desert fatigues fighting an army trained in jungle warfare.

Many personal stories of heroism and sacrifice occurred on the Kokoda Track. The diggers walked the track the hard way—during the war. One such person whom I have met on a couple of occasions visiting this place died only two weeks ago. He was 96. His name was Maurie Taaffe. He served in the Middle East, riding his motorbike along the murder mile in Syria through sniper fire. He was one of the diggers recalled to Australia when Prime Minister Curtin forged our independence from Britain, overruling Churchill and ordering our men back to defend Australia. He served in all the battles up the track. He was wounded, but as he used to tell his family he was one of the lucky ones—he came out. Others did not, like Bruce Kingsbury VC, whose heroism turned the battle of Isurava, and Butch Bissett, who died in his brother’s arms near the Surgeon’s Rock. To visit these sites is emotional. To reflect at them with friends is moving. Their stories are like so many others of great courage and selfless sacrifice for this country. They are reflected in the words inscribed on the columns at Isurava: courage, endurance, mateship, sacrifice.

There is a threat to the Kokoda Track from mining. This motion calls on our government to work with the government of Papua New Guinea to protect the track, to improve its safety and to enhance its significance. We must avoid the kind of destruction and bungled construction that has occurred at Gallipoli. It is interesting that, since putting this
motion on the *Notice Paper* last Tuesday, I received a briefing from the Department of Foreign Affairs and Trade on Thursday, the same day that the first interdepartmental committee was convened on this issue, and last Friday, the Minister for Foreign Affairs wrote to the PNG government, expressing concern and seeking information. On Friday as well, Frontier Resources put out a positive press release and they said that their work will not have an impact on the Kokoda Track. I welcome that assurance, but I have written to them seeking a meeting. We must save that which helped save us. The sacrifice demands nothing less. I commend the motion to the House. *(Time expired)*

**The Deputy Speaker** (Mr Wilkie)—Is the motion seconded?

**Mr Beazley**—I second the motion.

**Mr Barresi** (Deakin) (4.13 pm)—I welcome this opportunity to speak on this motion. In fact, this is the third time since I have been a member of this place that we have debated a private member’s motion on the significance of the Kokoda Track. Back in 2002, my nine-day track experience took me from Kokoda to Owers Corner just in time to attend a very moving ceremony on Anzac Day at the Bomana cemetery. To follow in the footsteps of the 500 Victorian men who formed the 39th Battalion is a truly humbling experience. It is humbling because we now know that when these men arrived in Papua New Guinea in 1942 they were ill prepared and underresourced for the task that lay before them. These brave men, who gave so much in sacrifice, were ordered to be the Australian line of defence against an approaching and until then—as the member for Hotham said—invincible Imperial Japanese Army. They were ordered to defend the line at all costs—not to retreat but to buy time, while diggers from the 2nd/14th and the 2nd/16th, returning from the Middle East, could be diverted to the track. In due course, many other units took their place in the bloody battles. In the past I have spoken about some of those battles.

When I returned from my trip to Kokoda, I lamented in my own private member’s motion that the heroism and deeds of the soldiers on Kokoda are the stuff of legends but that, sadly, we had not had as proud a record in honouring our heroes as had other nations. I said at the time that I could recognise the beginnings of a change in that area and that observation has been borne out.

The member for Hotham has moved that this House notes that the Kokoda Track is a place of great historical significance to Australia. The members of parliament and their constituents are doing just that in increasing numbers as they too walk the track. Every year more and more members of this place are participating in treks along all parts of the track. So far, it is my understanding that seven members of parliament have walked the track, including the Minister for Health and Ageing, the Minister for Families, Community Services and Indigenous Affairs, the Minister for Human Services, the member for Lindsay, Senator McGauran, the members for Griffith and Hotham and me. Some of us undertook the trek with less fanfare and media attention than others. No matter how we did it, the fact is that it was a gruelling experience for all of us.

All who undertake this activity are to be commended. They return from the journey strong advocates for the protection of the track, and its significance in our history. It gives those of us who sit here a better understanding of a part of Australian history that is so important, an event that has shaped our concept of self-identity, in the way that Gallipoli has done.

We would be right to be concerned if the environment surrounding the Kokoda Track
were to be disturbed to such an extent that the track became unrecognisable. Part of the benefit that is gained from walking Kokoda is drawn from the fact that you have to endure discomfort and difficulty during your time there. I have often commented that to walk the Kokoda Track is to understand one’s physical and mental resilience. It is a ‘psychological endurance test’.

I am asked whether I enjoyed the experience and what the scenery was like. I say that most of the scenery I looked at were my feet. Whatever discomfort we experienced, it can never compare to the pain and hardship suffered by those men who laid down their lives in the battle for Australia. Nobody was shooting at me. I had ample food. I had a satellite phone to use to get me out if I was in trouble. The soldiers of the Kokoda Track did it the hard way. A lot of them paid the ultimate sacrifice.

The PNG government is acutely aware of the significance of the Kokoda Track to Australians and to their own people. The people of Papua New Guinea and Australia stood side by side to defend that land, and that will never be forgotten. To assist in the long-term management of the track, the PNG government established the Kokoda Track Authority in 2004. On behalf of the Australian government, the Australian High Commission in Port Moresby assisted in establishing the Kokoda Track Authority. We continue to have a close working relationship with the Kokoda Track Authority.

Chief among the authority’s concerns is the safety of trekkers and provision of amenities on the track. Working in conjunction with local landowners this has been possible and was a memorable feature of my own experience. The warmth and generosity of the villagers as we passed through their land was greatly appreciated by weary and drained walkers.

In 2002, I outlined my belief that the Kokoda Track should be classified as a national memorial park. I remain convinced that this is the most appropriate course of action if we are to protect the integrity and significance of the land. I do however recognise the difficulty of such a classification, considering that Kokoda is in another nation’s sovereign land. It is important that the Australian government continues to provide interpretive materials at Sogeri, Isurava and at the Herbert Kienzle Memorial Museum at Kokoda. (Time expired)

The DEPUTY SPEAKER (Mr Wilkie)—Order! The time allocated 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.

Interest Rates

Mr BEAZLEY (Brand—Leader of the Opposition) (4.18 pm)—I move
That this House:
(1) notes that there have been three interest rate rises since the Prime Minister promised the Australian people in 2004 that, if re-elected, he would ‘keep interest rates at record lows’;
(2) notes that there have been seven consecutive interest rate rises since 2002;
(3) notes that the Howard Government has spent a billion dollars advertising itself, a billion dollars on the wrong war in Iraq, hundreds of millions of dollars on regional rorts and half a billion dollars on lawyers and consultants to implement its extreme industrial relations laws;
(4) notes that, despite spending billions of dollars on itself, the Howard Government has failed to invest in the drivers of national productivity including skills, infrastructure and innovation; and
(5) calls on the Prime Minister to immediately bring down a mini budget to redirect wasteful spending to invest in these productivity drivers necessary to build the economy’s
productive capacity and put downward pressure on interest rates.

The government must immediately bring down a minibudget to invest in the essential drivers of productivity—skills, innovation and infrastructure. Middle Australia is hurting but this government is so out of touch that it does nothing—nothing for Australian families, nothing for their future, nothing to boost our national productivity to make Australia a smart nation standing on its own two feet and competitive in the global economy. Instead of nation building, Australian families have copped three consecutive interest rates rises since John Howard promised to keep rates at record lows. There have been seven consecutive rises since 2002. Just this morning, we find that average home loan repayments for a first home have exploded past the $2,000 a month mark for the very first time, rising from $1,941 to $2,078 in the June quarter. That does not include this month’s interest rate rise. It reflects only the May increase, plus the impact of increasing housing prices. First home buyers now entering the market will have to spend almost 28 per cent of their income on mortgage repayments—dangerously close to the Housing Industry Association’s no-go zone. We are sure to be catapulted smack bang into the no-go zone when the August rate rise is factored in, but today this out-of-touch Treasurer is wandering about trying to shift the blame. Blaming the states is much easier than taking it on the chin. It is much easier to blame someone else than it is to do something yourself.

This is a very different story from last week, when the Treasurer and the Prime Minister were arrogantly claiming all the credit for increased householder wealth. They cannot have it both ways. If they take the credit, they have to shoulder the blame for exploding mortgage repayments. Howard and Costello need to roll up their sleeves and start doing the hard work to put downward pressure on interest rates. Low inflation is the key to low interest rates.

Australia needs a mini-budget now. We cannot afford to wait to see whether inflationary pressures abate. The government has spent a billion dollars to advertise themselves, a billion dollars on the wrong war in Iraq, hundreds of millions of dollars on regional rorts and half a billion dollars on lawyers and consultants to create their extreme IR system. John Howard should cut this wasteful spending and invest it in Australia’s future. We should invest in the problems identified by the Reserve Bank—the critical skills shortage, our crumbling infrastructure and our flagging levels of workforce participation. We need urgent action on the supply side of our economy. The longer John Howard delays, the higher inflation and interest rates will go and the harder it will be on families. A decade of neglect cannot be fixed overnight. We have to start now. For the sake of Australia’s future, we cannot wait nine months until next year’s budget.

This morning, when I spoke at the Australian Industry Group conference, I was fascinated by the little system they have—their equivalent of ‘the worm’, of debate fame—in which everybody there has a hand-held object which, when you press various buttons, registers a vote on the screen. They waited until the end of my speech, and then they put up a list of about eight things. They asked: what should be the priorities of the federal opposition? They had interest rates on the list; they had industrial relations on it; they had skills on it; they had infrastructure—they had the whole lot. There was an interesting result. Only seven per cent suggested that the federal opposition should be worried about doing something with its policies on industrial relations; 26 per cent, about skills; and 29 per cent, about innovation.
These are business men and women who are investing in the future of this nation, and they know what the priorities should be. They know that in these crucial areas which are imposing such capacity constraints on the economy—according to the Governor of the Reserve Bank—there is a critical need now for some nation-building investment. The time is now for reprioritisation. The time is now for spending in this area and not in the government’s favourite areas. We will need a mini-budget to do that. *(Time expired)*

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

**Mr SWAN** (Lilley) *(4.24 pm)*—I second this motion. It calls on the Prime Minister to immediately bring down a mini-budget to redirect wasteful spending to invest in the productivity drivers in the economy necessary to build the economy’s productive capacity and put downward pressure on interest rates. Those opposite simply do not get the new interest rate equation. The fact is that the proportion of household income being consumed by mortgage interest payments is higher today than ever before. Data from the Reserve Bank shows that mortgage interest payments, as a share of household disposable income, are higher than ever before. At the last election, Mr Howard promised to keep interest rates—

**The DEPUTY SPEAKER (Mr Wilkie)**—I call the member for Macquarie on a point of order.

**Mr Bartlett**—It is not a point of order, Mr Deputy Speaker. Isn’t it appropriate that it be one speaker on each side on the motion, notwithstanding the fact that the member for—

**The DEPUTY SPEAKER**—It is protocol that a seconder can second a motion and speak to the motion immediately, as the member for Lilley has done. It is entirely appropriate.

**Mr SWAN**—At the last election, the Howard government promised to keep interest rates at record lows. ‘Record lows’ was the commitment. Since that election, we have had three interest rate rises. These three interest rate increases have cost the average new mortgage holder $108 a month. The Prime Minister has presided over seven consecutive interest rate increases. These seven interest rate increases have cost the average new mortgage holder $250 a month. Of course, I know the member opposite thinks that we are being dramatic about this, but I can tell you that it does have a dramatic impact on the household budget.

Australians are now paying the highest interest rates of virtually any comparable country in the Western world. Last week Labor asked the government 10 times to explain their interest rate failures. First, Mr Beazley asked Mr Howard why he had broken the trust of the Australian people on interest rates. Of course, the Prime Minister denied that he had ever made any commitment, saying:

> Well I don’t seek to give guarantees ...

Well, he did give a guarantee of keeping interest rates at record lows. Capital L, capital O and capital W was the commitment that was given by the Prime Minister.

Secondly, I asked Mr Howard to at least admit that we all know that the Reserve Bank’s measure of debt servicing shows that a bigger share of household income is being consumed by mortgage interest payments today than ever before. Mr Howard responded that loans are larger today because the value of homes is higher—a very bright man, to make that observation, but it was a slippery deception to cover up the fact that a greater proportion of interest repayments, as a proportion of household disposable income, is now being paid than in 1989, which seems to be the reference point of this gov-
ernment in this House. It is greater now than in 1989. Following on from that answer, the next day Mr Beazley asked ‘Honest John’: Is the Prime Minister suggesting households could borrow even more just to pay their mortgage?

Of course, the Prime Minister suddenly understood that he had to be very careful in this terrain. Mr Beazley tried again, asking Mr Howard to tell the truth about interest rates and admit that, according to the Reserve Bank, a bigger share of household income is being consumed by mortgage interest payments on his watch than under Mr Keating’s. The fact is that not only is it a bigger proportion; debts are higher. Debts are certainly higher. The Prime Minister said, ‘Oh, well, assets are higher.’ He said, ‘People are comfortable; that’s why they’re borrowing more.’

We reminded Mr Howard the next day of this absolutely essential fact: household debt has consistently outpaced growth in housing assets, and the housing debt-to-asset ratio has increased from 10 per cent in 1989 to more than 25 per cent today. So, many people, far from being comfortable, far from being relaxed about this bigger proportion of payments, are actually being crushed by higher debt repayments and are under tremendous financial pressure. This is the equation that the government does not get: the fact that people are paying a higher proportion of their incomes than they were in 1989. What that really means is that there is no such thing as a small interest rate rise, because there is no such thing as a small mortgage. That is the difference. That is the new interest rate equation.

We then went on to ask the Treasurer to name any comparable country other than New Zealand that has mortgage interest rates that are higher than Australia’s. Of course, there is no such country. The next day I asked the Prime Minister why families in the US and the UK pay less mortgage interest than Australian families. Again, he was asked to admit that Australians are paying amongst the highest interest rates in the world. Mr Beazley asked the Prime Minister about Debbie Bridgman, who made the observation that she had actually gone out and borrowed more money as a result of the commitment that the Prime Minister made during the election campaign when he took personal responsibility for the level of interest rates in the Australian community. (Time expired)

Mr BARTLETT (Macquarie) (4.29 pm)—This is a desperate attempt by the Labor Party to try to get traction on the economy to somehow convince people of Labor’s economic credentials, to somehow try to convince them that black is white and that Labor have something worth saying on the economy. It is interesting, judging by the small handful of people sitting there behind the Leader of the Opposition, how even the Labor Party themselves do not believe this. This attempt to cut through on the economy is failing because the Leader of the Opposition has form. It is failing because Labor’s miserable record speaks a lot louder than the Leader of the Opposition’s spin on this.

Let me come to the specifics on interest rates. Interest rates are still at historical lows. At 7.8 per cent, they are 4.95 per cent lower than the 12.75 per cent we had under Labor. During the 13 years of hard times under Labor, interest rates averaged 12¾ per cent. Let us put aside the massive 17 per cent there: right through the 13 years, they averaged 12.75 per cent. Now, they are 4.95 per cent lower than that. This means that someone with a mortgage of $200,000 would be paying $9,900 a year more, or $825 a month more, if we had Labor’s average rate of interest applying now. The fact is that people with mortgages are substantially better off now, because interest rates are at historical
lows and they are still 4.95 per cent lower than the average that occurred during Labor’s years.

We are hearing this spin from the other side about bigger mortgages so they will hurt more. Yes, mortgages are bigger. But people’s houses are worth a lot more than they were before. Everyone knows that house prices rise almost inexorably over time because of the growing demand for houses and because of the limited land releases from the state government—and because, in the case of New South Wales, exorbitant taxes on land. Those land prices and those housing prices continue to rise generally, apart from some fluctuations, over time.

I do not know if the member for Brand is trying to say that he could do something about that. I do not know if the Leader of the Opposition is pretending that it would be good to get people’s asset prices down again. If we asked most people around this country if they would rather have a house worth $500,000 and be paying 7.8 per cent interest or go back to Labor’s time and have a house worth $300,000 and be paying 17 per cent interest, I know what most people would say. They would say, ‘We would rather have a more greatly valued asset and we would rather be paying only 7.8 per cent, not Labor’s 17 per cent on our home loan.’ The point is this: people with a mortgage are far better off now than they were under Labor. Their asset prices are higher and their interest rates are far lower, 4.95 per cent lower, than the average throughout Labor’s years.

Let me make two other points. One point is this: people now have a much better chance of servicing their mortgage because they have job security, because they have a job. We just saw last week record low unemployment of 4.8 per cent, the best for 30 years. Compare that with when Mr Beazley, the Leader of the Opposition, was minister for employment in December 1992, when we had unemployment of 10.9 per cent and when we had almost one million people out of work. How could people then afford to service their mortgage? The point is that people now have a much better chance of servicing their mortgage.

We have heard this nonsense from the other side about bringing down a mini-budget, that a mini-budget is somehow needed to try to address this situation. Let me remind the opposition that, if we had a mini-budget anything like the budgets that we had during Labor’s time, we would be in a worse mess. In their last five years, they had budget deficits totalling $68 billion, budget deficits putting upward pressure on interest rates.

Compare that with the record of this government: nine surpluses in a row, significant surpluses putting downward pressure on interest rates. The contrast could not be clearer. Labor’s deceitful fiscal policy, Labor’s incompetent fiscal policy, was a policy for upward pressure on interest rates. They could not contain their own spending. By contrast, this government’s fiscal approach has been to reduce the pressure on interest rates, and that is one of the reasons interest rates are so low compared with what they were.

On any indication, with lower interest rates, lower inflation, lower unemployment, no government debt and faster wage rises, people under this government are far better off than they were in those 13 years of hard times under Labor. This motion is nothing but humbug and hypocrisy from the Leader of the Opposition. (Time expired)

Mr CIOBO (Moncrieff) (4.34 pm)—In some respects I feel for the Leader of the Opposition when he comes to putting this motion before the House. I feel for the Leader of the Opposition because he not only has to make this debate in direct contrast to 13 years of poor form when he was a mem-
The fact is that the Leader of the Opposition comes in as the leader of the Australian Labor Party, a party that saddled this country with $96 billion of debt, a party that drove up interest rates to 17 per cent, a party that delivered a miserly 1.3 per cent increase in real wages over 13 years and a party that drove one million hardworking Australians onto the scrap heap of unemployment. It is those figures that hang around the neck of the Leader of the Opposition, and it is that track record that hangs around the neck of the Australian Labor Party.

Let us get back to basics: let us focus on the difference between the government’s performance and the opposition’s performance. When you look at those key indicators that I know the men and women of Australia on the street look at—unemployment, wages growth, the price of housing, their level of wealth, whether their children can get a job—people are better off under this government than they have ever been under the Australian Labor Party.

The Leader of the Opposition can come in here with all of his hot air, but it will not change the fact that he has a track record of failure that is only matched by the Labor Party’s track record of failure. If you want proof positive of the fact that the problem is bigger than the man—although that might sometimes seem hard to believe—look at what it is that is putting upward pressure on interest rates today. And do not take my word for it. I encourage you to look at the comments that the Governor of the Reserve Bank made. The Governor of the Reserve Bank has made it very clear that one of the principal drivers of upward pressure on interest rates today is the performance of the Australian Labor Party in every state and territory government, a performance that I would encourage the House to turn its mind to.

Collectively, the states are forecasting fiscal deficits of almost $5 billion in 2006-07 compared with a surplus position of $1.2 billion in 2005-06 and of $4 billion in 2004-05. We are moving from a position where state governments have a $4 billion surplus to the Labor Party running them all into the red to the tune of almost $5 billion. But it gets worse: the Australian Labor Party is doing an even worse job than what I am talking about. The forecast is that, from 2006-07 to 2008-09, state Labor governments will be budgeting for borrowings at around $43 billion. This is $43 billion of Australian Labor Party debt thanks to the state governments. All I can say is: thank goodness the Australian Labor Party does not control the federal financial benches. If the Australian Labor Party were here, instead of repaying $96 billion of government debt—which the coalition government has done, thanks to the Treasurer, Peter Costello, and the Prime Minister, John Howard—Kim Beazley and, before him, Mark Latham and, before him, Simon Crean would have driven the budget deficit of this country even higher than it is today.

The DEPUTY SPEAKER (Hon. IR Causley)—The member for Moncrieff will refer to members by their title or by their seat.

Mr CIOBO—I will do so. I apologise, Mr Deputy Speaker. The fact is that the Labor Party has form. Under the Australian Labor Party, interest rates were at 17 per cent and the average interest rate was significantly higher than it is now. For 13 years, the average interest rate under Labor was 12¾ per cent versus an average interest rate under the
coalition of 7.17 per cent, and today’s rate is 7.8 per cent. People are saving more money now than they would have under the Australian Labor Party.

The DEPUTY SPEAKER—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.

Freight Rail Network

Mr HARTSUYKER (Cowper) (4.39 pm)—I move:

That this House:

(1) notes the importance of rail in meeting the nation’s transport task into the future; and

(2) is of the view that:

(a) as a nation we remain focused on transferring more freight off road and onto rail—particularly on Australia’s east coast corridor;

(b) we continue to develop an efficient, integrated system, which reflects the necessity for inter-modal links; and

(c) strong competition on the freight rail network is encouraged and that competition between different transport industries is maintained.

Effective use of transport infrastructure is essential if we are going to prosper as a nation. Australia could not effectively participate in the current world boom in resources if we could not get our product quickly and efficiently to market. Australia’s transport task faces the challenge of great distance. We must also ensure that each mode of transport is achieving world’s best practice and that intermodal links, which bring together the different forms of transport, operate effectively.

Rail must play a greater role in the nation’s transport future, and AusLink recognises this. With the national transport task doubling by 2020, the federal government is working to ensure that we meet the challenge. This represents a stark contrast to the neglect of some state governments, which have allowed rail assets under their control to fall into disrepair—the New South Wales state government is a prime example of this phenomenon.

The Australian government is investing heavily in rail. Through AusLink and the Australian Rail Track Corporation, $2.4 billion is being invested in rail to 2009. On the east-west rail corridor, rail has achieved a market share in the order of 80 per cent, with a single freight train running between Perth and Melbourne replacing 450 semitrailers. An example such as this clearly demonstrates the role which rail can play in reducing congestion on our roads, improving road safety outcomes and providing positive environmental outcomes.

Whilst rail has been competing successfully on the east-west corridor, its share along the eastern seaboard is only 20 per cent. In response, the Australian government announced in June 2004 the investment of some $450 million to upgrade the east coast line between Sydney and Brisbane. In the 2006 budget, the government announced an additional $270 million for upgrading works between Melbourne and the Queensland border. What will these improvements mean for the movement of freight? They will mean that a super-freighter travelling between Sydney and Brisbane will be able to cut four hours from the trip, and between Sydney and Melbourne, two and a half hours.

The government has also commissioned Ernst & Young, backed by a team including ACIL Tasman and Hyder Consulting, to undertake a north-south rail corridor study to investigate future demand, capacity and options. The government is looking not only to rail but also to the wider issue of intermodal relationships as transport bottlenecks, when they occur, can stifle our economic growth.
We all remember the way this country was hamstrung by an inefficient waterfront. The price for this inefficiency was being paid for not only by exporters and importers but also by every Australian through a lower national product and, as a result, lower living standards.

The National Intermodal Terminal Study conducted by DOTARS was released in March this year. It identified Melbourne, Sydney and Brisbane as key potential growth areas for intermodal capacity over the next 20 years. The Australian government supports projects that enhance links between multimodal transport, such as targeting the flow from road to rail and to the major ports in our capital cities. A seamless flow of freight is vital to an efficient national transport system. Intermodal networking is critical to achieving that end, as is choosing the most appropriate mode of transport for a particular good or journey.

Rail has an important role to play for the people of my electorate at a local and national level. The freight volume being transported along the Pacific Highway is increasing rapidly. This is creating an adverse effect on road safety from the vast increase in the number of heavy vehicles, which is occurring at a rate far beyond the ability of this road to cope. It is also having an adverse effect on the environment from the increased noise and vehicle pollution. It is causing great concern to residents in my electorate. They see the tragedy and carnage from these all too familiar road accidents. Tragically, these accidents often involve heavy vehicles. Residents are also seeing the number of these heavy vehicles growing, virtually on a daily basis.

Despite the road being upgraded by the New South Wales government, with assistance from the Australian government under AusLink, these improvements are effectively being swamped by the ever-increasing freight volume. The proposed rail upgrade of the north-south corridor will remove 120,000 containers from the Pacific Highway and get them onto rail by 2011. The example of the Pacific Highway holds true around the country. If we do not maximise the use of rail, our road system will eventually clog up and our ability to move easily from place to place through the road network will be compromised.

Rail is vital to the future development of our nation and to the future of road safety. We must continue to upgrade rail. It is a mode of transport for the 21st century. (Time expired)

The DEPUTY SPEAKER (Hon. IR Causley)—Is the motion seconded?

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

Ms Hall (Shortland) (4.44 pm)—The contribution of the member for Cowper to this debate was disappointing, to say the least. He criticised the states and lauded the government’s achievements rather than arguing for a whole-of-government approach in conjunction with the private sector. The kinds of statements made by the member for Cowper highlight the reasons why there are problems in our rail network across the nation.

As a member of the House of Representatives Standing Committee on Transport and Regional Services I have learned how vital an efficient, well-maintained system is to the economic viability of our nation. Historically, rail has been of great importance to the development of regional Australia, and many of our great regional centres are located where they are because of their access to rail. For much of Australia’s history, rail has been the lifeblood of the nation.

The reports Tracking Australia, Revitalising rail and Progress in rail reform identify
key areas that need to be addressed to make our rail a system for the 21st century. I would like to highlight now some of the recommendations in the reports. There is a need for a more comprehensive land transport plan. I am currently involved in another inquiry by the House of Representatives transport and regional services committee which is looking at ‘the role of Australia’s regional arterial road and rail networks in the national freight transport task’.

One of the things that has been brought home to me most clearly is the need for a comprehensive land transport plan. It seems to me that there is an ad hoc approach to so many issues related to transport. If we are really serious about developing our land transport and about being economically viable, we must have that comprehensive land transport plan. The reports state that there needs to be additional investment in inter-state tracking—that is, the upgrading and straightening of rail lines. That is vitally important to our nation.

I have spoken about rail a couple of times before in this parliament and on both those occasions I identified the problem in relation to rail from Sydney to Melbourne. That problem still has not been fixed and Sydney is still a major bottleneck when it comes to rail. There is currently a proposal for an inland rail track between Brisbane and Melbourne. Whilst that sounds very good, and I am not opposed to it, I believe that what really needs to be addressed is the bottleneck around Sydney and the upgrading of the main freight line.

We need also to look at whether we need to have specially designated freight lines in our rail system. We need better management of access to national rail, competitive neutrality between private and government owned operators and neutrality in conditions that affect competition between the different modes of transport, especially between road and rail. These issues were highlighted in the committee’s last report, and they are coming up again in our current inquiry.

It is really important to highlight the competitive nature of road and rail and to highlight that every user in Australia pays for the transport of freight by road but for rail it is only the government that invests in the infrastructure and those companies involved in the investment of infrastructure. Rail has significant environmental benefits to our nation, and from a social aspect it also contributes to our nation.

An integrated transport system that recognises the role of all forms of transport—rail, road and shipping—will develop the best economic outcomes for Australia while minimising the social and environmental costs. Australia needs a comprehensive land management plan, and it is important that the government commits to this plan now and immediately recognises the importance of rail by increasing and immediately funding it through AusLink. (Time expired)

Mr Forrest (Mallee) (4.49 pm)—I want to commence by commending the member for Cowper for bringing this motion to the attention of the chamber. To have his support on great infrastructure matters almost tempts me to write to our great Institution of Engineers in Australia and have him entered as an honorary member. It is nice to have recognition of the challenges that confront the nation with regard to transport.

It is worth while reflecting on the legacy left to our generation by our rail system. It was developed in a colonial fashion, with the rail system radially heading into the capitals of each of our major states, and, worse than that, it was even deliberately established with different gauges. The founding fathers of the
day did not want the trade from other states impacting on their own markets.

Now we are paying an enormous price for that in that it has a negative impact on our economy, because it means that we do not have a rail system for our great continent that is north and south and east and west oriented in a network, such as you see in the economies of Europe and the United States. Even Europe had the foresight to at least establish rail systems that crossed what were then national borders, and they are much better positioned. Consequently we have far too much bulk freight on roadways, which of course creates other challenges to keeping our road system safe and capable of the huge load demanded of it.

It has been a great relief over the years to see the attention the government has been placing on creating what we should have had in the first place—that is, north-south and east-west freight routes—so that we can convey the commodities produced in regional Australia, which the member for Shortland made reference to. When you think about the way in which the rail systems were established 100 years ago, we have silos and railway stations with roughly a horse-dray drive separating them and around which communities developed. Those communities have become the villages, if you like, of regional Australia. So the member for Shortland has got that right, but we need to do much more.

It is a delight to see now that AusLink, which the government’s white paper established in 2004, is now getting to the stage of implementation with $2.4 billion to upgrade rail infrastructure before 2009. This massive injection of capital will overcome our timidity of years back when we, to the credit of the former government before the coalition, attempted to but did not commit the significant amount of funding that was needed. I can remember the conversion of the east-west Melbourne to Adelaide rail link. Included in that were substantial north-south links in my electorate to standard gauge, which gives the valuable freight of grain another option of two ports other than in Melbourne: in Geelong and Portland. But it was undercapitalised. Near $20 million was spent on those north-south links. To this day, the replacement of sleepers has not occurred. There was a transfer of the rail inwards of six inches to meet the standard gauge measurement. Nothing else was invested. That is now creating enormous pain in my part of the world because it was not done properly.

At least the commitments that now come through AusLink include significant capital and will entice partnerships with private enterprise across the nation. The member for Cowper has made reference to examples that are in his part of the world. The $2 billion worth of horticulture and produce that is produced in Mildura heads south for its first journey. Ultimately it has to go north to the thriving markets of Asia. The idiocy is that its first journey is south. We badly need those commodities—which are precious and need to get to markets as quickly as possible because they are perishable—heading north directly from Mildura, crossing the Murray River, all the way up to the ports. Darwin is a new port up there. So I am delighted to see this. I congratulate the member for Cowper for bringing up this resolution for discussion. I will be working hard to make sure that that particular ingredient of $2.4 billion gets well spent on rail. Of course, there is the additional challenge of the road system as well. (Time expired)

Ms BIRD (Cunningham) (4.54 pm)—I acknowledge the contributions of the members for Cowper and Mallee, which were by and large constructive without taking too many political points on too many occasions. I would also like to acknowledge the pres-
ence in the chamber of the member for Hinkler, who chairs the Standing Committee on Transport and Regional Services, of which, like my colleague the member for Shortland, I am also a member.

I want to take the opportunity presented by this particular debate not only because I agree with the proposed motion and its sentiments but because it quite nicely dovetails with the inquiry, which, as I have referred, the current House of Representatives Standing Committee on Transport and Regional Services is undertaking. Of course, I would not pre-empt the consideration of the committee’s report or recommendations but during the evidence presented to the committee there has appeared to be a wide consensus among industry and government that we should do more—much more—for rail investment in Australia.

This debate on transport and the advantage and disadvantage of freight handling by road or rail—or even, indeed, by sea—has been widely canvassed for many decades. We have all heard the statistics that Australia’s freight task is due to increase by an extraordinary amount. In fact, it will at least double in the next couple of decades. It will put tremendous pressure on Australia’s east coast cities, and we are already seeing that. Already, state governments are starting to consider what this means to traffic, congestion, the environment and urban infrastructure, and how east coast ports will contend with all this activity.

In New South Wales, the Labor government has reconsidered its ports infrastructure by establishing its Ports Growth Plan, announced in 2003. The Illawarra region’s Port of Port Kembla, which I share with my other colleague in the House the member for Throsby, will massively increase its own freight handling task. Since the 2003 announcement, the New South Wales government has spent $14 million extending the existing multipurpose berth. At the moment, it is spending another $60 million on building administration centres, and warehouses to handle general cargo and the import of cars.

We already know the port can handle the new freight task, because we did it during the 2000 Sydney Olympics when over 9,000 cars imported during those games came through the Port of Port Kembla to take pressure off congestion in Sydney, and we undertook that task with existing infrastructure. Estimates are that, starting in 2008, the Port of Port Kembla will handle more than 240,000 car imports each year. With this port growth development underway at the Port of Port Kembla, this magnificent regional economic asset, when fully fitted up, could contribute $400 million to the Illawarra economy, according to the National Institute for Economic and Industry Research.

When I was first elected and appointed to the House of Representatives Standing Committee on Transport and Regional Services, and indeed during the process of finalising the terms of reference for the current inquiry, I deliberately placed the completion of the Maldon-Dombarton rail link back on the agenda. The Maldon-Dombarton rail link is a 35-kilometre link to the Port of Port Kembla which is half completed. In 1983 the Wran Labor government started the planning and it implemented the enabling legislation. The Greiner government stopped the project to complete this most strategic line in 1988 at the Avon Tunnel. It paid out $4.5 million in compensation to the contractors at this point rather than finish the job. My colleague the member for Cook would know all about that because he was the transport minister for New South Wales at the time.

Lest I be accused of being partisan, let me say that since that time I have acknowledged
that all of the government and industry advice indicated that the completion of the Maldon-Dombarton was not considered viable at that time because the business model relied heavily on coal. But, as I tell my state parliamentary colleagues and others, in acknowledging this fact, the government and industry advice also contains some very significant qualifications. In 1994, the New South Wales department of transport advice to the then minister said, ‘at this stage’. The view of major industry in the Illawarra has also changed significantly. Indeed, the Port Kembla Coal Terminal has now indicated support for the completion of this link.

I also wish to acknowledge the untiring efforts of one of Australia’s experts on rail, Dr Philip Laird at the University of Wollongong, who has been a constant advocate for the completion of the Maldon-Dombarton link. Since I put Maldon-Dombarton back on the agenda, I have monitored with quiet interest the range of individuals and organisations that have now emerged to champion its completion. Indeed, it is often said that success has a thousand fathers but failure is an orphaned child. I can well see the evidence of that today. As the nation experiences a minerals and resources boom and the local Wollongong community continues to see the enormous investment going into the Port of Port Kembla, a major reassessment of the feasibility of the Maldon-Dombarton is taking place. (Time expired)

Mr NEVILLE (Hinkler) (4.59 pm)—I am delighted to support the member for Cowper in this debate on the freight rail network, which I believe is one of the most important issues in Australian transport today. We have to get used to a few facts of life. One of them is that we have a very poor rail system by international standards, and we are a country that could benefit from a really good one.

Although various experts will disagree with what are the exact time frames, it would be fair to say that by the year 2020 the freight task on road will have doubled. By the year 2030 it will have trebled. The problems we are seeing on routes like the Pacific Highway and at the entry to ports around Australia are going to magnify time and time again. Equally, we are falling behind in freighting. Despite the fact that the federal government is spending $2.4 billion upgrading the main trunk systems of rail, and despite the fact that 81 per cent of the freight between Perth and Sydney and 81 per cent of that between Perth and Melbourne is carried by rail, between Melbourne and Sydney rail freight is only 12 per cent and between Sydney and Brisbane it is only 19 per cent. If you take a theoretical direct line from Melbourne to Brisbane, although no direct line exists, it is 21 per cent.

On the best estimates, that is not going to improve beyond about 30 to 35 per cent. So we know that, through the most productive part of Australia and in linking up the major capitals of this country, we are going to have a problem in the very near future. I am pleased to see my colleagues who have been here today: the members for Shortland and Cunningham, both of whom have been great supporters of mine on the Standing Committee on Transport and Regional Services, which they spoke about, and the member for Cowper, as Cowper arguably has the worst road problems of any electorate in Australia.

While we were taking evidence in Sydney recently, Vince O’Rourke, who is arguably the best railway man in Australia, having held distinguished positions in both New South Wales and Queensland Rail, said this:

We are suggesting that we should build a modern railway line between Melbourne and Brisbane on the shortest corridor of about 1,600 kilometres to 1,650 kilometre west of the Great Dividing Range on the flat country with very low gradi-
ents, that it should cater for high speed freight trains up to 160 kilometres per hour and double-stack trains travelling at about 120 kilometres per hour.

The argument Mr O’Rourke put to us was that every time we fix up rail in Australia it is incremental. We patch up a bit of Sydney, we put in a temporary freight corridor and eventually it is taken over by a suburban line. We do this in all the capitals. We fix up a grain line from 40 kilometres up to 60 or 70 kilometres. But we are always acting incrementally. We are not going to the heart of the problem. He said, ‘Just for once, let’s build one to the highest international standards.’

He admitted that he was part of the GATR group. Another group also has a very fine proposal before government at present, in the report that has recently gone to Minister Truss—that is, ATEC. Both of those proposals illustrate the urgent need for a good rail system in this country.

Recently, the Gladstone Observer, which is one of my local newspapers, reported delays in loading coal at the Central Queensland Port Authority that cost mining companies such as Felix Resource, Xstrata, Rio Tinto and Wesfarmers millions of dollars. In the past six months, Felix Resources alone have incurred demurrage fees of more than $5 million, primarily as a result of port congestion. Company CEO Brian Flannery is on the record as saying that it is not just a matter of outdated port infrastructure but that Queensland Rail’s connectivity with the Port of Gladstone is also causing problems.

The point I am making is not a crack at the port authority in Gladstone—it is a very good port—but rather that all across Australia we have to improve our rail systems, our arterial rail systems and our connectivity to the ports. We have to get a culture of rail that removes a goodly portion of Australia’s freight task from road to rail. In that way, it will become a self-fulfilling prophesy that rail will become better and better. But we must make this first stance. I support the motion.

Mr HAYES (Werriwa) (5.04 pm)—I thank the member for Cowper for bringing on this motion, because it gives me an opportunity to speak on something I am very passionate about, as it relates to my electorate in the south-west of Sydney. As a member representing an outer metropolitan seat, transport infrastructure debates, particularly those contemplating the future of the east coast corridor, are of interest to me. Debates on the transport future of the east coast are not simply considered from the perspective of passenger transport. The future of freight transport, given that Minto and other areas in my electorate are designated as freight hubs, is of particular significance.

South-west Sydney—and particularly areas like Ingleburn, Prestons and Minto, as I just mentioned—is a significant contributor to Australia’s manufacturing industry. Nearly 50,000 people are employed in the manufacturing sector in the south-west of Sydney, so the sector has considerable economic significance for us and for the nation. In addition, the electorate of Werriwa ranks 10th in the country in terms of business involvement in the transport and storage industries.

The synergies and efficiencies between better integration of the manufacturing sector in the region and the means by which products get to its customers are key to the future prosperity of south-west Sydney. Naturally, it follows that the social, economic and environmental future of south-west Sydney cannot be considered in isolation from the consideration of the infrastructure needs of the region. The region is growing rapidly, and this growth needs to be enhanced and accommodated by the appropriate level of infrastructure. Local companies are good enough to compete on the world stage, and
many already do this. This should be supported and encouraged wherever possible. The best means to support and encourage such development is through the provision of efficient and effective transport links.

I was pleased to hear my colleague the member for Cunningham raise the issue of the Maldon-Dombarton rail link. This piece of infrastructure is an important one for the future of the Macarthur region, given the upgrade of port facilities at Port Kembla and the consideration being given to the development of a number of freight hubs in the south-west of Sydney. The decision of the New South Wales government to introduce a three-ports strategy, which includes considerable expansion of Port Kembla, offers the south-west of Sydney a unique opportunity.

However, given the cost of developing the Maldon-Dombarton rail link, which I understand will run into many hundreds of millions of dollars, the significance of that should be considered for what it is. It is a nationally significant piece of infrastructure and should be funded accordingly. Given the significant costs of modern infrastructure projects such as these initiatives, which obviously will have an impact on us, there is a role for state government; but the federal government cannot avoid meeting its responsibilities to provide the necessary financial support to develop those much needed pieces of infrastructure.

The motion before the House today also supports the continued development of the intermodal rail links. There is no doubt that intermodal hubs—one of which is in my electorate and is owned by the Macarthur Intermodal Shipping Terminal, which is located in Minto—are an important element of Australian transport’s future, particularly in and around Sydney, given the cost of land near port facilities. The Macarthur Intermodal Shipping Terminal is a significant business and I welcome the contribution it has made in reducing the number of trucking movements in and about local streets and also, for that matter, on the Hume Highway, because those pieces of road infrastructure are very much critical commuter corridors.

The rising cost of transport fuels, which we heard some discussion about earlier today—and which we will obviously hear plenty more about in due course—will drive a lot of the attention to efficient lines of transportation for businesses. Quite frankly, this should not be lost on people when we are moving to improve our domestic consumption of raw materials—(Time expired)

The DEPUTY SPEAKER (Hon. IR Causley)—Order! The time allotted for private members’ business has expired. The debate is interrupted in accordance with standing order 41. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.

GRIEVANCE DEBATE

Question proposed:
That grievances be noted.

Indigenous Communities

Mr MARTIN FERGUSON (Batman) (5.10 pm)—As we all appreciate, in recent months many members of the House have contributed to what is a very important debate: the debate about improving the lives and opportunities of our Aboriginal communities. It is a passionate topic and there can be no doubt that most Australians feel deeply about the dire situation of Aboriginal communities throughout the length and breadth of Australia. But the problems in these communities are ongoing and a great challenge to all of us. The recent flurry of media attention, which has also attracted some attention in question time, is important in raising awareness, but it also highlights the need for
a consistent and cooperative approach by government.

The proactive approach taken by the Minister for Families, Community Services and Indigenous Affairs is to be welcomed after a decade of neglect by this government. Perhaps there is some doubt in the minds of others about whether he is as sincere as he ought to be, but he is clearly acting on bad advice, which we believe is reactionary and divisive. The minister has called for a joint response but then berates the states and territories when they do not do as he pleases. So much for cooperation.

Reasonable people understand the need for greater services in these communities, whether they be for policing, health or education. But the minister’s quick fix, singular swaggering style is an anathema to the Indigenous communities he purports to be assisting. It is a one-size-fits-all approach imposed from on high, from Canberra. The transparent nature of this was revealed when the Minister for Health and Ageing called for a new form of ‘paternalism’ in Indigenous communities—a pretty unfortunate use of language that has quickly put Indigenous community leaders, and the Indigenous community at large, offside.

The reality we all appreciate is that there are no quick fixes to make up for the neglect of these communities by governments of all political persuasions at a state and federal level over an extended period. This is an increasingly complex area of social policy for government that must be addressed in a sophisticated way and with a long-term vision and commitment. After so many years crossing the divide between white culture and black ways, it is simplistic to assume that bringing in the troops, so to speak, or police, as in this case, will be the solution.

Research findings from the Indigenous Community Governance Project conducted by the ANU last year show that there are no one-size-fits-all solutions to these problems. The project found that building governance in Aboriginal communities must be based on local realities and opportunities. Minister Brough’s recent attempt to stamp out customary law in order to deal with abuse in communities ignores the importance of historical, political and cultural relationships that have shaped governance in Indigenous communities. Such governance must:

… resonate with traditional relationships, jurisdictions, laws, customs, and specific histories. In other words, there will be no single model suitable for all community governance.

Minister Brough might therefore be wise to take some advice from the project’s authors, who state that in Aboriginal communities:

Leadership is not the same as power. There are strong norms about consensus, negotiation and consultation associated with leadership—leaders are expected to come back to their community constituents to discuss information and ideas with them.

Aboriginal communities might have more faith in dealing with this government if it had consistently provided the education and health services so desperately needed. On this point, let the figures speak for themselves. We have social indicators which read more like the Third World than an industrialised, wealthy nation like Australia, currently receiving the huge benefit of a major international resource boom.

This leads me to the commitment given recently by the Leader of the Opposition, Kim Beazley, at Wadeye, in the Northern Territory. He stated that in the first two terms of parliament with him as Prime Minister he would do his absolute best to turn the problems of Indigenous health around. This is because, according to the Australian Medical Association, in 1999-2000 the life expectancy of Indigenous men was 56.3 years as opposed to 77 years for non-Indigenous men.
This effectively means that non-Indigenous men have a life expectancy that is between 45 and 50 per cent longer than Indigenous men.

For women the difference in life expectancy was 62.8 years as opposed to 82.4 years. Further, a report by the Centre for Remote Health, a joint venture between Flinders University and Charles Darwin University, has shown that between 1979 and 1995 one-fifth of all deaths amongst Indigenous people related to five chronic health diseases: kidney, or renal disease; diabetes; high blood pressure, or hypertension; and heart attack and related heart diseases.

There are obviously ways to build the social fabric of these societies, and they start with health and education, not police officers. Young Indigenous students are twice as likely as non-Indigenous students to have left school before completing year 10, and are half as likely to have completed year 12. That is why undertakings, such as that by the major resource company Comalco, at Weipa, are exceptionally important. Such an undertaking provides that if any Indigenous child completes year 10, they are guaranteed a job in the mining industry in Weipa. This is the type of leadership—in a practical way at a local level—we require to make progress on this huge challenge to Australia.

The figures on education are borne out not only with respect to those who complete school but also, unfortunately and obviously, with respect to university opportunities for Indigenous Australians. Indigenous Australians are less than a quarter as likely as non-Indigenous Australians to go to university. Moreover, the number attending university has unfortunately declined since 1999. For the first time since the 1990s, there has been a decline in the number of Indigenous students in vocational education, at a time when we have an absolute shortage of tradespeople in Australia.

In terms of economic opportunities for Australia, just think about why we should get vocational education right. Just think about where the mining industry is—in remote, rural and regional Australia—and think about the hospitality opportunities in similar areas. Getting the people in our Indigenous communities to remain at school, to undertake apprenticeships and to attend university is not only a good investment for the social fabric of these communities but is also a smart investment for the private sector, because Indigenous communities are a very valuable source of labour in areas where we are finding it harder and harder to attract people to work and live and create an opportunity for themselves and their families.

I therefore say that neglect of Aboriginal communities is creating—and we should all be ashamed—a pool of young, unemployed, drug-dependent men turning to crime. It is our responsibility, collectively, to put the politics aside from this debate and work out how the government—in a cooperative model involving state, territory and local governments in partnership with the private sector—can turn this around. It is important because servicing the problems that exist in these communities represents a waste of scarce taxpayer dollars.

As an example, let us go to the issue of crime rates. Interestingly, crime rates in Indigenous communities are not that different from some of the crime rates of the suburbs in the electorates we represent, where we have the same problems—no education opportunities and no employment opportunities. So it is a problem across Australia, not just in the Indigenous communities, and it points to a requirement to try to do something in these hard suburbs in our capital cities and our
regional cities and also in remote rural and regional Australia.

The opposition has therefore called on the federal government to commit to long-term, recurrent funding for measures to address violence and abuse in Indigenous communities. There are many instances where the Australian government has cut funding from programs designed to address the problems in Indigenous communities. For example, last year the Australian government unfortunately ceased funding the $20 million juvenile diversion program in the Northern Territory, which helped to fund police activities in Indigenous communities.

Family violence programs were also among those programs cut when the Howard Government slashed ATSIC’s funding in 1996. At Senate estimates sittings just a couple of weeks ago, the Labor Party learned that of $37 million allocated to family violence programs after the Prime Minister’s roundtable in 2003, only a small proportion—roughly $5 million, or 15 per cent—has been spent.

It was also revealed that the women of Wadeye sought help from the federal government to deal with the problems of violence, but they are still waiting for a response. It smacks of hypocrisy, therefore, for the minister to want to be seen to be doling out cash to resolve these problems when, at the same time, this government has been ignoring the cry for help from these communities.

It takes a series of abhorrent news images for this government to do something. But the response to date has been dogmatic, and a case of too little, too late. Let us make a few changes to try to work out a cooperative model involving the private sector. I believe that where there is a will there is a way, provided the minister is prepared to take the politics out of the debate. I believe that the premiers, chief ministers and local council representatives are prepared to do the same. I challenge the minister today to learn from the error of his ways. There is too much at stake for Australia, economically and socially. (Time expired)

**Women in Retirement**

*Mrs MAY* (McPherson) (5.20 pm)—Today I want to put on record some interesting facts about women in retirement. Women live longer than men but have far less superannuation savings so see us through our retirement years. Over the past decades there have been remarkable improvements in life expectancy, with Australians living longer than ever. At the beginning of this century, a newborn baby could expect to live more than 20 years longer than a baby born at the beginning of the 20th century. We now have males living to around 77 years of age and females to around 84 years of age.

With this increase in life expectancy come new challenges. One major challenge is the issue of ill health as a result of ageing. Another challenge is the need for retirement savings to sustain us in our retirement. As women live longer than men there is a need for them to have more retirement savings. Nevertheless, women continue to retire from the paid workforce with insufficient savings to ensure a comfortable lifestyle in later life. They retire with considerably less superannuation savings than their male counterparts.

Female employees have less than half the amount of superannuation savings of male employees. Why is this? There is a range of reasons; not least of all the fact that they spend considerably less time in the paid workforce, due mainly to caring responsibilities—the raising of children—and frequently earn less income than men, even if they are doing the same job. Considering women spend many more years as retirees, I believe
superannuation is probably the biggest financial issue facing Australian women today.

To put a figure on the amount we need for a comfortable retirement is open for argument, but the Australian Superannuation Funds Association suggests that, as a basic rule of thumb, in order to retire at the age of 55, the amount of savings required would be the desired income multiplied by 17, to retire at age 60 the multiplier is 15 and to retire at age 65 the multiplier is 13. Using this rule, a 65-year-old couple living in Brisbane who are maintaining a modest lifestyle living on, say, $25,000 a year, would have had to have saved $325,000. To maintain a comfortable lifestyle, living on, say, $46,200 per year, the couple would have had to have saved $600,600. For a 65-year-old single woman to maintain a modest lifestyle on $17,900 per year she would have had to have saved $232,799, and to maintain a more comfortable lifestyle living on $34,600 a year, she would have had to have saved $449,800. These figures do not take into consideration the age pension, and keep the capital intact, but nevertheless they show that considerable amounts of retirement savings are required for a reasonable lifestyle to be maintained in retirement.

The difference in men’s and women’s superannuation savings is stark. In the 25 to 44 age group, the median superannuation balance for men is double that of women. The median level of superannuation for women aged between 45 and 64 is around $30,000, compared with $66,000 for men between 45 and 54 years of age and around $86,000 for men aged 55 to 64. The next generation of female retirees has far less superannuation than males of the same age. Considering what is required for a reasonable standard of living in retirement, these are pretty sobering figures.

Amongst the Australian adult population, an understanding of superannuation and account balance appears limited, yet it is one of the most important assets we have, usually second to the family home. Often we put it in the too-hard basket, but I believe it is too important not to have a sound understanding of it, as it secures our financial future. I would strongly encourage Australians to come to grips with superannuation, as it is one of the most effective ways to save money to live on in retirement along with being one of the most tax effective investments you can make.

The ageing of our population gives us even more reason to be more proactive with our superannuation and to put in place a plan for our retirement. The ageing of our population is a term we hear a lot of and it is there in the way of background noise. But it is a phenomenon that will have a big impact on our lifestyles, particularly if we do not have a plan for our future. Basically, the ageing of our population has been brought about by the low fertility rates of the past 20 years resulting in a smaller proportion of younger people in the population when compared with older people. This is known as structural ageing. In addition, improvements in life expectancy are resulting in a greater number of people living to an older age. This is known as numerical ageing. The combination of the structural and numerical ageing is now commonly known as the ageing of the population.

In Queensland, our population is projected to increase from 3.6 million in 2001 to 6.4 million in 2051. Our infrastructure is already feeling the strain of being Australia’s most sought after state to live in. Nearly half of this projected increase will be persons aged 65 and over and a further 44 per cent of the projected increase will be persons of working age. In 1971, in Queensland, for every 100 persons of working age, there were
approx 17 persons aged 65-plus. By 2051, for every 100 people of working age, there will be approximately 52 persons aged 65-plus. That is a weighty statistic indeed—for every 100 persons, 52 will be aged 65 plus and 48 persons will be of working age.

On a national basis, Australia faces a pronounced ageing of its population over the next 40 years, with one-quarter of Australians aged 65 years and over—double the present proportion. Whilst it is anticipated that taxation revenue will largely track GDP growth, government expenditure is likely to rise more rapidly, placing budgets under considerable pressure, with government spending on health, aged care and pensions growing at a faster rate. The major source of budgetary pressure for Australia at this time will be our healthcare costs, which are projected to rise by 4.5 percentage points of GDP by 2044, up from 5.7 per cent to 10.3 per cent.

Health expenditure in 2002-03 was $43 billion and it is expected to reach $211 billion by 2044-45. Although Australia has world-class health outcomes, most of our health dollar is directed at the acute end, whereas prevention is the key to sustainability. I take the opportunity to urge Australians to make the most important investment of all—that is, to invest in themselves and to take good care of their health. Whatever steps you are taking to keep healthy, do more—a lot more. I firmly believe that the best thing we can do for ourselves and our families is to be mindful of our health, and that includes not taking things too seriously—after all, life is for living, not stressing.

As I have outlined, the ageing of our population is throwing up considerable challenges, and that is being brought home to us by the status of women’s retirement income. In Australia, women comprise over 60 per cent of the retired population and, in my electorate of McPherson, we exceed the national average with over 9,865 women living in the electorate who are aged 65 and over. In 2002, around 82 per cent of the population of age pension age received an age pension or similar payment and 67 per cent of age pensioners were paid the maximum rate of pension. The majority of age pension recipients are women. Women, on average, continue to retire from the paid workforce with insufficient savings to ensure a comfortable lifestyle in later life.

This is not a rosy outlook for baby-boomer females, many of whom have enjoyed financial independence in the past. These baby boomers will experience a fair amount of adjustment, particularly as their expectations of retirement lifestyles is far higher than those of their mothers, who are almost entirely dependent on the age pension. I have no doubt that women are disadvantaged in accumulating adequate retirement savings over the course of their working lives due to their working patterns. Nevertheless, it is never too late to start saving for a retirement.

I encourage women to educate themselves about superannuation and to consider increasing personal contributions. It needs to be remembered that one of the most effective ways to pay into super is to salary sacrifice. Salary sacrificing reduces your taxable income, and the money going in is taxed at a lower rate. Become super-savvy and use and understand this investment strategy.

It is a good thing to remind ourselves that saving for a comfortable retirement is a matter of individual responsibility and choice. The government is meant to be there as a safety net only. The Australian government has made sweeping reforms to superannuation, making it more attractive than ever be-
fore, and I urge all Australians, in particular women, to make the most of those reforms.

Workplace Relations

Ms BIRD (Cunningham) (5.30 pm)—I thank the member for McPherson for a very interesting contribution. She has certainly got me feeling quite nervous and anxious to go back and check my own circumstances. Indeed, as a divorced mother—and, therefore, a single woman—looking forward to my pensionable age, I think it is a very good point to have made. I appreciate the contribution that she has made—in particular, the fact that she made it to, with all due respect, Mr Deputy Speaker Adams, a largely female presence in the House as well, both elected and not elected.

I would like to take the opportunity in this grievance debate today to cover three areas that have caused me significant frustration over the last 12 months, or just over 12 months, in this House. On a significant number of occasions, important bills have been presented to the House and I have been denied the opportunity to put on the record the concerns of my electorate, and to give them the respect of putting on the public record my own views on those pieces of legislation, because the full debate has been gagged by the government in the House. So I take this opportunity, having felt fairly annoyed at the time that that had happened, to at least put on the record the concerns of my electorate, and to give them the respect of putting on the public record my own views on those pieces of legislation, because the full debate has been gagged by the government in the House. So I take this opportunity, having felt fairly annoyed at the time that that had happened, to at least put on the record, in a much briefer format, my views on those matters and why I still think it is important to have the discussions that flow on from the passage of those pieces of legislation—although, in one case, it looks like it will not be passed.

The first occasion on which I was gagged from presenting my views, as an elected representative of one of the 150 electorates in this country, was on the passage of the Work Choices bill. This particular piece of legislation has now been in place for a time—although not a great deal of time—and, as a member of the Labor Party’s IR task force, and having travelled to 22 electorates around Australia, I think that it is clear that the implications of it are starting to be felt.

Certainly, in my electorate I have had representations, by and large by young people—although through their parents, rather than directly by the young people—about circumstances that have caused them a great deal of angst. Sadly, on each and every occasion, whilst the parents are willing to speak up and, indeed, to do so publicly, the young people are not. Being a parent of a 22-year-old and a 17-year-old, I am more than conscious of how vulnerable young people can feel in their early years in the workforce.

On one occasion in my electorate, a particular fast food outlet had changed franchise owners. The new franchisee had come in and told all the staff not to bother coming back until he had made an assessment of what he wanted to do, and that he would ring them. Not surprisingly, none of them had heard from him again, and they had approached me about what exactly their rights were and what they could do.

Of course, under the current legislation they have no rights; they have no capacity to redress that situation. There were certainly less than 100 employees there. They were young people who, by and large, were doing casual work—many of them while they were studying at university—and they felt particularly bitter about the experience. Like so many young people in that age group—and I know people on both sides of this House have had children in that age group—they are trying to study and to do it by being, to some extent, selfsufficient and not relying on their parents, and they are fairly optimistic about their opportunities and the skills that they bring. So to have that sort of experience
is very bitter for them; and it is very frustrating for me, as their elected representative, to have to tell them that there is no fairness in the system and no capacity for them to seek some redress about that.

The Work Choices bill, in particular, in my electorate, has raised some significant concerns. Indeed, in fairness, I acknowledge that the member for Lindsay has also made public her concerns about this in regard to people from non-English-speaking backgrounds. Generally speaking they are of an older generation. Some of them in my area came out and worked in the steel works in the forties and fifties, and developed quite significant manufacturing based skills. Many of them of course were laid off during the great downturn—or the restructuring of the steel industry, as they called it at the time. They went out and established themselves with small businesses, got employment with contract cleaning companies and did that sort of work. A lot of them also have had to rely on their wives working as a result of that significant decrease in their pay. And they are particularly vulnerable. To have any sort of belief that people in that circumstance have any sort of choice when confronted with an AWA is simply to defy logical assessment of the situation.

If what you are saying is that those people should work on a below-poverty-line wage in order to create more job opportunities, then at least be honest enough with them to say that that is the sacrifice you are expecting them to make to achieve that outcome. But many that I have spoken with—and, indeed, many who attended various rallies and functions I was at on this particular bill—were very concerned that they would not have the capacity to get fairness out of the system under this legislation.

The second time that I was gagged in this place, and denied the opportunity to put on the record the concerns of my electorate and my own position and views, was on the Telstra privatisation bill. And what a success that has been so far! Indeed, my greatest concern with the proposal to sell the remaining 51 per cent of Telstra was that I had always found Telstra local management to be relatively keen to assist me, as the local federal representative, to get resolution of issues when I had concerns about their service delivery. I was a little bit cynical that you could get very quick resolution of the issues if you saw your federal member but, if you tried to go through the established procedures that they had in place, you got very frustrated. But, by and large, at least if people had the nous to get onto their federal member they could actually get their problems solved.

Since that bill passed, I have noticed a significant change in the attitude of Telstra management, locally and nationally, towards those sorts of problems. Nothing exemplifies that more than the experience of a group of students at my local TAFE who were told by the TAFE management that the payphone at the building that they attended was to be removed because it was a commercial payphone and the income it took in did not cover the maintenance costs. This particular phone is on the welfare and childcare studies building. By and large, about 90 per cent of the students attending classes in that building are women and are often in part-time or night courses.

In a nearby area—the university and TAFE are side by side—a few years ago sadly a rape occurred and many of the women attending those classes indicated to me that their partners and family were very concerned that they had safe transport. Most of them had set-ups whereby when the class was finished they would use the payphone to ring home to get whoever it was who was to pick them up to come out and do so. Quite often they did that on a reverse charges call.
Having a 17-year-old, as some of you would appreciate, I know that, if you are on a low income, or no income using reversing charges is a fairly standard method of making phone calls to family. They obviously had real concerns about this particular phone being removed.

There were two phones being removed from the TAFE campus. We did not have any problems with the other one. There were no particular access and safety issues about that, so there was no complaint. But students then subsequently found out that in order to register complaints they were put on a circuit of being sent from one person to another—in fact, recorded messages rather than actual people. Subsequently, it turned out when a memo from Telstra management was leaked that that system was purposely set up to make it virtually impossible to register a complaint about the proposed removal of the payphone. I acknowledge that the minister has since required them to put a more open and transparent complaints procedure in place, but that is absolutely an example of why the privatisation is going to cause us so much more grief in our local electorates.

Finally, in the last minute or so that I have I want to acknowledge that I would have— as I understand my colleague at the table, Ms King, would have—to have contributed to the debate on the proposed changes to the way we handle refugees in this country. I can only say that I am glad that the Migration Amendment (Designated Unauthorised Arrivals) Bill 2006 seems to have badly stalled and perhaps will not rear its head. In my area we are currently running very good community campaigns to integrate people from the sub-African continent into our communities and, when you hear the extraordinary tales of what they have survived and been through and you see the wonderful commitment to making them a part of our community, you can only commend it and oppose that bill. (Time expired)

Vietnam War

Mr ANTHONY SMITH (Casey) (5.40 pm)—I rise today in this grievance debate to join many other Australians in remembering this country’s involvement in the Vietnam War as we approach the 40th anniversary of the Battle of Long Tan. Forty years ago, in a rubber plantation about five kilometres east of Nui Dat base, Australian soldiers of D Company 6RAR struck a large company of Vietcong whilst on a patrol of the area. We are all very familiar with the history. What was to follow is remembered today as tough and heroic when in heavy rain just over 100 Australian soldiers turned away more than 2,500 Vietcong.

We know the Vietcong were hardy and experienced soldiers after years of conflict with the French forces, the South Vietnamese and later an ever-growing American force introduced by successive American administrations. But this week in 1966, 40 years ago, they were defeated in a battle that was to last just under three hours. It is a battle worthy of pride of place in Australian history, a battle which embodied the guts and determination of the original diggers—first on display on the shores of Gallipoli and later in the trenches and the fields of the Somme—fighting against the odds in a country unfamiliar to them and against a foe that had already killed some of their mates and so much of their youthful innocence. According to some, the odds of success in this battle were around 20 to one.

They were young, they were from all across Australia and they were fighting for their country in horrific and horrendous conditions. Unlike so many battles in previous conflicts, this one was a surprise where a hundred diggers literally walked into a wall of Vietcong. They were attacked with mortars and rifle and machine gun fire. When
reinforcements arrived, the battle turned the way of the AIF and the Vietcong sank away into the mist and darkness of the night. Amazingly, some 250 Vietcong bodies were found in the cruel light of the following day. Australia suffered 18 casualties, with a similar number wounded, in what was a seemingly impossible battle. It would be a long night for those wounded soldiers left on the jungle floor until the morning. I particularly commend the 60 Minutes program for highlighting some of this.

Those Australians served their nation proudly, as did the 60,000 other Australians who took part directly in the war or through logistical and support roles. Over 500 young Australians gave their lives and this had a real impact on the local communities where they had grown up, where they had gone to school and where they had formed part of the local community. In my own electorate of Casey many examples of grassroots commemoration will be occurring this week to commemorate the battle, whereby the RSLs in conjunction with local community groups will remember the sacrifices of those who fought in Vietnam. I am pleased to share with the House that the communities of Monbulk and Lilydale in my electorate, to name a few, will stop this Friday with services for Vietnam veterans. All of us would agree that we should remember the Battle of Long Tan and all of the other battles of Vietnam and we will do so in this House throughout the week.

However, I think it is now also time to remember and reflect on more. For whilst our Australian servicemen represented their country with faithful respect, the same is not true of the many Australians who chose not to thank our Vietnam veterans but rather to mock them, to abuse them and to humiliate them. We must remember and deal with this. We must remember the way some Australians disgracefully and appallingly treated returning Vietnam veterans, who were callously and shamefully attacked merely for doing their duty. In the sweep of Australia’s military history, we all know that our soldiers in Vietnam performed their duties in the best traditions of all of the Anzacs before them, but we cannot avoid the unpalatable truth that they were the first generation of diggers made to feel unwelcome and ashamed in their own country. As the Prime Minister said twelve months ago:

... the entire Australian community failed the servicemen when they returned from Vietnam.

Whilst it is clearly the case that, at a collective level, the nation failed our veterans, what must also be acknowledged and should no longer be avoided is that some Australians went out of their way to attack and offend our soldiers. A veteran I know well has told of the atrocious way his fellow diggers were treated when they arrived back by ship and how he was treated in the days, months and years afterward. The stories are well known: our veterans were spat upon, they had paint thrown on them, they were pelted with eggs, they were called murderers and baby killers, and they were called all of these things by their fellow Australians—and that is what hurt the most.

In 2000, The 7.30 Report interviewed a veteran who had shared his experience upon returning to Australia. He said:

We went out for tea one night and I was holding my son and a gentleman came up to me and asked me, “How dare I hold a child after fighting in Vietnam?”

The protestors and opponents of the war had a perfect right to voice their objections, but their argument was with the government and parliamentarians of the day. I have no difficulty with their passionate opposition to the war, but I say that those who decided that abusing soldiers furthered their argument or their cause took a shameful approach and walked a despicable path. Australian soldiers
did not decide to fight in Vietnam—the Australian government did. Some soldiers volunteered; many were conscripted. All of them performed the duties that were asked of them, and all of them deserve respect and gratitude for what they did for our country.

Those Australians who treated those returned service men and women appallingly will today, in most cases, be leading comfortable, middle-class lives. Not so the many veterans, who have not had the luxury of being able to simply forget the war in the same way that those who abused them have been able to move on from their actions. Those Australians know what they did, and in my view the vast majority know that what they did was wrong and that their actions contributed to the torment our veterans still feel. At an unconscious level we know this to be true, because none of those who threw the hatred and abuse today proudly proclaim their actions publicly. They do not defend what they did because they know themselves that it was wrong, and because of this they conceal it today.

However, this is of little value to our veterans who experienced it and live with the memories and the nightmares every day. That is why 40 years after Long Tan and 31 years since the end of the Vietnam War is a good time for those who treated our veterans so badly to make good, to apologise, to say sorry and, importantly, to thank them for the service they gave to our nation. It is time for those whose actions added to the emotional wounds of our returned soldiers to do their bit to help heal them. It is time for them to lift the spirits of those veterans who put their lives on the line for our country and to apologise and admit not only that what they did was wrong and hurtful but that the diggers in Vietnam were brave and acting in the finest of the Anzac tradition. A private word in a veteran’s ear this week or in the weeks ahead, thanking them, would be as valuable as anything any government could say or do. This is the week to remember Long Tan and the Vietnam War, but it is also not a bad time to remember those who went beyond the realms of decency and failed to keep their objections to the war directed at the government and for them to begin to act to embrace Vietnam veterans—a group who served our nation with distinction, a group who deserve some closure of their ordeal.

In the years ahead our nation will be relying on our Vietnam veterans to carry on the Anzac tradition and keep the memories of our history alive in our local communities and RSLs. Soon they will be handed the baton of leadership from our World War II and Korean War veterans. It is in our nation’s interest that every Vietnam veteran in Australia feel their contribution is valued and appreciated. If Vietnam veterans can be assured that their role is respected and that as a nation we have resolved never to treat our returned service men and women in that way again, a great deal will have been achieved and, for many of them at least, some long overdue healing will have occurred.

Gellibrand Electorate: Funding

Ms ROXON (Gellibrand) (5.50 pm)—I want to raise a number of issues today that relate to my electorate of Gellibrand, because I have some severe concerns—which, unfortunately, are growing with every letter I receive from a government minister—regarding a range of funding problems that seem to be occurring in my region. Decisions are being made by the Howard government where I have to question whether there is some systematic defunding or withdrawing of services that have, up until now, been funded either for long periods of time or successfully if they have been pilot programs and other things recommended by departments, which they are not putting to my electorate. So the question that I want to ask to-
night in the grievance debate is: is the Howard government systematically withdrawing services and funding from my region—the electorate of Gellibrand?

I have a couple of current examples that I can refer to, but these are just examples from a range of issues that we obviously could not cover all of today. However, one that has most recently come to my attention is the community partnerships funding which is provided to ethnic community groups that provide multilingual services to aged care providers. I know a lot of people in this House would be aware that often elderly people who spoke another language as children revert to that, particularly dementia patients, and the issue of dealing with people who do not speak English in our aged care facilities is a very difficult one. The government did provide funding that proved very successful, and in my electorate in the previous funding round the Polish services, CELAS for the Spanish-speaking community and the Maltese service all were successful in obtaining funding and ran incredibly successful programs.

I visited one where the Polish community organisation had worked with an aged care provider, and 35 per cent of the aged care population—the residents in that service—were Polish speaking. The staff indicated to me that learning a few simple words in a person’s language brought about changes that were amazing. To see a Filipino woman and a Vietnamese woman telling me stories about learning how to explain eating and caring requirements in Polish to their elderly residents was quite moving.

Unfortunately, all these services lost funding in this round, and others who had applied, like the Macedonians and the Filipinos, who had not previously received funding but had hoped to this time, were also excluded. When I got a list of the people and organisations who have received this funding, I found that large amounts of money had gone to regional areas where there are very small migrant populations. Some of them, of course, are well needed in regional areas and others are not. But I am very concerned that an electorate like mine in the heart of Footscray, Braybrook and Altona and other areas that have high migrant communities are not receiving this funding. Add to that the changes that the government has made in reducing migrant resource centre funding and CSSS funding. The Inner West Migrant Resource Centre closed in May 2003, the Westgate Migrant Resource Centre in Altona is now under threat and the Polish and Croatian services have lost funding in previous rounds or are losing funding this year.

I am very concerned that as individual ethnic groups are targeted for funding by the government we are losing the benefit of providing cross-ethnic groups with the fertilisation that occurred between the older migrants and the more settled migrant communities assisting others—the cross-cultural and cross-religious understanding that was achieved by having these migrant resource centres that were not targeted just to one community group. You had the Vietnamese, the Greeks, those of Middle Eastern background and the newest arrivals from Africa all sharing their experiences together, which seemed to me to be a much more advantageous structure if you are trying to help these people settle and, to some extent, integrate into our community. Now what we are doing is dividing and conquering—I think that is what the government believes. We have small, often very inexperienced community groups getting funding for one funding round. Maybe they are the newest arrivals, but are they being staffed by people with the most expertise to help them? We even see the government chopping and changing between them, so the groups that got funding last
round to service the growing Horn of Africa community in my electorate did not get it this time around. Just as people build up expertise, they lose their funding.

I have lodged some questions on notice to see whether all of this adds up. Is the government really just taking money away from migrant resource centres who are providing this service to a broader range of communities and targeting specialised groups or are they using that as a cover to divert funding to other electorates in less need—or perhaps to Liberal electorates instead of Labor electorates? I hope that I get the results to these answers. It is interesting that the minister is at the table, because no doubt he will pay particular attention to the answers he provides to make sure all this adds up. Has my region lost money or is the government redirecting it in a way that means, when all the figures are added up, that we are still getting sufficient services?

This is just one area. We can also look at the arts area. The Footscray Community Arts Centre is losing its federal funding through the arts council and is putting pressure on the state. In fact, the state has stepped in to try to pick up the tab of this shortage, but a community program which has run in our region for a very long time is now being stretched for funds. The area consultative committee is always pushing it uphill to be able to get the western suburbs up and funded. Again, they are going to regional areas instead—or outer regional areas rather than urban regional areas. The family relationship centres program is another one where the government’s own departmental advice said that there needed to be two family relationship centres in the western suburbs of Melbourne. Instead, we have got one. I am very pleased that we do and I hope that the Sunshine centre will do well. But having one centre for the large community that we service, instead of two, and having two centres in the northern suburbs of Sydney when only one was recommended seems to me to fit my concerns that the government is diverting money away from people in need to areas that meet their electoral needs instead.

I am very concerned that in our region it seems that the only governments that have been delivering are the state Labor governments. We need to go back to when Labor was in power federally to see some of the big infrastructure projects that were funded or to some of the local Labor councils to see some of the services and infrastructure. Imagine what the western suburbs of Melbourne would look like if we did not have the Western Ring Road, the Sunshine Hospital or the Victoria University. All these key infrastructure projects were funded by Labor governments, but we do not see any investment coming from the Howard government. What about the Maribyrnong Aquatic Centre, which has just opened, Scienceworks, the Tenix frigate project and taking the tolls off the Westgate? We had to fight tooth and nail to stop the Liberal government closing down Williamstown and Altona train lines and, of course, we see the government pouring money into private education and not providing money that is desperately needed for the local schools in my region. The state government has put in over $66 million already just to the schools in my area, but we do not see the federal government being prepared to hand over much money in my region.

If you compare the sort of infrastructure investment Labor has made at different levels of government over a long period of time with what the Howard government is doing in withdrawing its services and support and providing a lack of leadership in terms of infrastructure, you really wonder whether the Howard government is taking our region seriously at all. We are going to have a test with last week’s announcement about Telstra’s intentions not to go ahead with rolling
out its fibre to node broadband. We already have problems in my electorate, which is barely 10 kilometres from the CBD—Seaholme, Altona North, Altona Meadows—in that we cannot get decent broadband services. The government also has washed its hands of a very large—it used to be probably one of the largest—employer in my electorate, Bradmill Textiles. It was in the paper only today that the owners plan to sell off that site for housing developments. Over several years there have been concerns about what was happening at the site, particularly because they receive significant funding under the strategic investment program.

I wrote to Minister Macfarlane last year concerned about the rumours that were around and wanting to make sure that they were doing all they could to sustain the site and that the public money being put into it was being well spent. But the minister said that he did not get involved in business decisions of individual companies and just washed his hands of the issue. The warning bells were not ringing, and now we see today that that money may have been throwing good public money after bad.

But the government has a chance to fix this problem. I have another problem that involves a local business—Albright and Wilson—and this is a chance for the Howard government to take a more active approach in paying attention to my region. I have been working with this local business to ensure the future viability of their site, which employs 65 workers. Representations have been made to the treaties committee and there was a public hearing today. The company is seeking an exemption to changes to the rules of origin being proposed in an agreement between New Zealand and Australia. I urge the committee and the government to look for ways to exempt this business to ensure that the product continues to be used in New Zealand and those jobs remain in my electorate. (Time expired)

Mental Illness

Mr CIOBO (Moncrieff) (6.00 pm)—In March 2005 I had the privilege of meeting with a constituent, Jan Kealton, who met with me to talk about the tragic circumstances that led to the death of her son. Her son, James Henry Jacobs, a 29-year-old schizophrenic, had been shot dead by police on 25 March 2005. Circumstances transpired such that James was shot by a police officer whilst he was wielding a 30-centimetre-long hunting knife. Police were responding to a call of an attempted carjacking and James was the person identified as being responsible. When police approached him he was wielding this knife. Those officers, I am told, fearing for their own safety, shot dead James Henry Jacobs.

When I spoke with Jan it became very clear that, like any situation, there are a number of versions of the event. I do not intend to rake over this issue in the House tonight. I highlight it because it goes to the very core of an affliction in our community that this government has done something towards addressing but which still remains a very large problem with very many widespread ramifications and, unfortunately, still, a lack of action that will actually address it in the long term.

Jan Kealton highlighted to me that for someone with schizophrenia, seeing a police vehicle approach and being instructed by them was the very kind of activity likely to exacerbate feelings of paranoia and concern a schizophrenic would have. It was suggested to me that James Jacobs being confronted by police on that evening, as he was, would have led to—and reasonably could have been expected to have led to—the reaction that he had. Unfortunately, many police are simply untrained in how to deal with
those who are mentally ill in our community. Being untrained, they put themselves in harm’s way and, understandably, have a desire to protect themselves. No-one would dare to question that, but perhaps with a bit of extra training and perhaps with a more reasoned approach it might be possible to spare the lives of both police officers and those who are schizophrenic or are suffering some kind of other mental illness, such that situations like this, which occur far too frequently in the Australian community, could occur much less frequently and would result in far fewer deaths at the hands of police or others in these kinds of circumstances.

I took the time recently to meet with Jan Kealton to take her through the government’s recently announced $1.9 billion mental health package. Jan Kealton was quite buoyed. Finally she felt there had been some traction at a federal and a state level in dealing with these issues of mental health. Having cared for a mentally ill son, Jan told me of the circumstances that families have had to put up with, where there simply has been a lack of adequate services to deal with mental health for way too long. It is very clear that in Queensland mental health in-patient and crisis services are continuing to be placed under extraordinary strain. This package will go some way to addressing that, but it is still not enough.

Based on an ABS survey in 1997, we know that approximately 20 per cent of the Australian population will have some level of mental illness. That means that in a city like the Gold Coast, with a population of 500,000 people, approximately 100,000 people will have mental illness, whether over a prolonged period or for a short period of time. You can also reasonably assume that at least half of the Gold Coast population will in some way be touched or affected by mental illness either through a family member or someone that they know. We have a situation in this country where mental illness still remains the issue that a lot of people do not want to talk about. We can talk about cancer and about all other forms of physical ailment, but a lot of people still fail to address a problem that is widespread and that often does lead to tragedies and loss of life—the problem of mental illness.

I was touched recently reading an article in the Gold Coast Bulletin about the mother of a girl who had been injured when she was five years of age. This young girl had been hit by a car at five years of age and had gone into a coma for quite some period of time. She is now in her 20s. At the time of the publication of the article she had spent six months being restrained, sedated and locked down in the Gold Coast Hospital in Southport.

It really is an indictment of us and of state governments that this seems to be the best that we can offer Australians who have special needs with respect to mental illness. It is an indictment that the best we can offer a young lady who was growing aggressive because of her mental illness—even someone with a lay knowledge of mental illness, such as myself, would probably suggest it was from frustration, or something like that, from a girl who has an IQ of about 55—is to sedate them and to imprison them for six continuous months. She was placed together with drug addicts and schizophrenics and people like that who, according to this girl’s mother, have had a demonstrable impact on this girl’s behaviour so that, six months into it, her behaviour is worse than it was at the beginning. And why is this lady being forced to live like this? Because of an absence of services in the community that could provide her a transition to achieve the care that she needs, but also to live in the community if that was appropriate.
I welcome this $1.9 billion package from the federal government. It is very clear that when it comes to those areas of responsibility that the federal government has, this $1.9 billion will go a long way: increased access to psychiatrists and psychologists under Medicare to improve detection, treatment and management of mental illness; additional funding for mental health nurses to work with psychiatrists and GPs to better coordinate care and treatment; improved services for people with mental health problems that are linked to drug use; and funding for care coordinators to help people with mental illness to better manage their daily activities. The funding will ensure that we have improved mental health services in rural and remote areas and more telephone counselling and web based services to improve and increase the availability of support and information, as well as funding for new respite care places, particularly for elderly parents who live with and care for children, including adult children, who have a severe mental illness or intellectual disability.

But my concern is that at a time when the Howard government is putting some $1.9 billion into tackling this widespread problem in our community, rather than seeing state governments step up to the plate, rather than seeing matching increases in state government funding, what we actually see is a decline in state government services for mental health. And if the problem was not big enough already, now, at a time when the federal government is putting record funding into mental health, state governments turn and walk away. At a time when the Queensland state Labor government has more money than ever before, it is shirking its responsibility. To give you an example, an article from the *Courier Mail* in January this year said:

MORE than 150 full-time medical positions in Queensland’s mental health facilities are unfilled, despite the State Government allocating millions of dollars to hire more workers.

The vacancies are spread across the state and are nursing, medical and allied health positions, with the longest vacancies in Charleville and on the Gold Coast, where two allied health jobs have been unfilled for four years.

It is not good enough. State governments must match the funding increase the federal government has provided if we are truly going to start to make inroads into addressing this problem which afflicts so many.

**Middle East**

Mr DANBY (Melbourne Ports) (6.10 pm)—I grieve for the state of Middle Eastern studies in Australia, and the effect that some poor judgements and poor teaching have had on policy decisions as they affect decision making in Australia. This particular issue has been brought to mind by recent criticism of the pro-Israel lobby in Australia, by some critics who are perfectly free to make their criticism but who have argued that that lobby has distorted Australian debates. As I recently commented to Jon Faine, an ABC host in Melbourne, it is interesting to reflect on the fact that the ABC is far more balanced now than it was in the past, perhaps because of well-justified past criticisms of the ABC’s inadequacies. I can only praise Matt Brown and Mark Willacy, who are ABC reporters, and Tony Jones, who have been very fair on this very difficult issue over time. I think it is partially reflective of the public pressure that has been put, particularly on the ABC, to adopt a balanced stance over time on this issue.

We have seen that public and political pressure have a good effect on public affairs reporting in Australia, where you get both sides of the argument being put. Unfortunately, that is not the case in academia. This was crystallised by what I regard as an out-
of-touch remark from a serious academic, Dr Andrew Vincent from the Macquarie University Centre for Middle East and North Africa Studies, on Melbourne radio. He is the only person I know outside the Muslim Reference Group who joined them in demanding that the Prime Minister delist Hezbollah as a terrorist organisation. Frankly, I do not know where Dr Vincent was coming from, but if you look at the content of some of the commentary he has been making over the years, if you look at the nature of the speakers who are asked to speak to his faculty, if you look at the views of his colleague Dr Amin Saikal, you would think that only one view was being put in these august academic institutions.

In the *Sydney Morning Herald* in January 2003, Amin Saikal, who is at the ANU Centre for Arab and Islamic Studies, accused Israel of using disproportionate force ‘to contain what it calls terrorism, including suicide bombing’. I do not think many people outside the august halls of academe at the ANU regard suicide bombing anywhere as anything other than terrorism and something that all decent people would be opposed to. I know Dr Saikal is opposed to terrorism. He is a very learned man, but the impression is that suicide bombing being a form of terrorism was some peculiar thought of the Israelis, when I know it is something shared by all Australians and by most countries around the world. Dr Saikal has also argued:

… Iran has developed a sort of democracy which may not accord with Western ideals, but provides for a degree of mass participation, political pluralism and assurance of certain human rights and freedoms …

Let’s get this straight. In Iran there is mass persecution of minority religions, whether they are Zoroastrian or, in particular, the Baha’i faith. Let’s not have any equivocation or shilly-shallying about this: the torture of and the attitude towards the Baha’i in Iran are a disgrace to any country. Any objective analyst would cry out on behalf of the persecuted Baha’i of Iran.

Dr Saikal’s comment about ‘certain human rights’ also seems very peculiar to me in the context of the decision at the last Iranian elections to exclude 1,000 candidates, including some hundreds of sitting members of parliament, from being able to contest the elections. With that decision I think you can understand, Mr Deputy Speaker Adams, why the current Iranian government has adopted such an extreme international posture in calling for the elimination of certain countries. Recently, at the Islamic conference in Malaysia, the Iranian president, in the words of the supreme spiritual leader, Ayatollah Khamenei, canvassed the idea of a nuclear exchange between his country and Israel, saying: ‘We could eliminate all of the people of Israel; we would take tens of millions of casualties but we would survive.’ What a bizarre and monstrous idea to openly canvass the prospect of nuclear war. The lack of democracy in Iran is something that we should certainly be very critical of, despite the shoddy excuses from Dr Saikal.

Let me turn to some of the extreme statements of Dr Vincent, who leads the other Middle Eastern faculty that seems to be quoted a lot in the Australian media. He wrote in the *Macquarie University News*, the university’s own publication—and I am indebted to Ted Lapkin for bringing this out:

The Israelis quite possibly murdered Yasser Arafat.

This is one of the most bizarre conspiracy theories, which one reads only in the far left and conspiracy press around the world. That a serious university newspaper would publish such nonsense and that a serious university faculty teaching our students Middle Eastern studies would propagate this stuff is staggering and something that they should be held to account for. In 1990, I remember,
because I complained about this a lot myself at the time, Dr Vincent argued that Saddam Hussein had a legitimate case for his expansionist designs. It is no wonder that the New South Wales Department of Education and Training has decided to stop the distribution of this faculty’s education program through New South Wales schools because of its incipient bias.

In the context of the recent war in the Middle East, speakers at Macquarie University this year have included the Syrian ambassador, Robert Fisk, Peter Rogers—a former Australian ambassador to that part of the world who touched me up quite unfairly in the Australian Book Review recently—and Sheikha Lubna al-Qassimi, a United Arab Emirates minister. All of these people seem to be putting only one side of the debate. Their cover story would be the fact that there was a single Israeli legal scholar, Professor Eli Salzberger, an academic lawyer who is not political and does not speak about anything to do with the politics of the region, would be regarded by the faculty as some kind of balance. Dr Vincent’s biased course entertained Uri Davis and Ilan Pappe, who are well-known people with extreme views on this issue. To me Macquarie University is not providing balance for its students by having speakers, academics and propagandists on one side of the argument.

All of this would be of rather minor concern except for the effect on public policy in Australia that this has in the long term. It leads to a distortion of Australian public policy. We are going to see that soon—and I know it is a long bow to draw, but I am going to draw it anyhow—with the Cole commission. The Cole commission will bring down some very grave findings about how Australian policy concerning that part of the world is made. Let me say nothing more about the decisions of the inquiry than this: I believe that over many years a lobby has existed in this country that has led to serious looting, almost pillaging, of Australian taxpayers’ money to provide effective subsidies to countries in that part of the world which we knew at the time would never be repaid. We gave money to the Saddam Hussein regime through the eighties and nineties when we knew that that money would be used to feed the Iraqi people, yes, but it would enable the Iraqi government, who would never repay the money, to spend hard currency on armaments. This is the result of endless one-sided propaganda by university faculties producing graduates who move into the department of foreign affairs and other organs of this government with a one-sided view of the conflict in the Middle East. We need to have a balanced view on the issue of the Middle East. As pressure has been on the ABC, so should it be on these faculties of Middle Eastern studies. (Time expired)

Queensland Health

Mrs DE-ANNE KELLY (Dawson—Parliamentary Secretary (Trade)) (6.21 pm)—I rise to add to an address I made last week during the adjournment debate and to refer to the matter that I raised at the time—namely, surgeons at Mackay Base Hospital acting outside their area of competency and falsifying records to cover that. Since then the hospital has put out a statement, and I want to refer to that before I discuss the concerns I wish to raise. In their media release the hospital, through Queensland Health, said, referring to the surgeon in question:

The surgeon has not operated outside the scope of practice set by the hospital.

Further, they say:

The surgeon has not operated outside the scope of practice set by the hospital.

Major surgery he has performed has been supervised since restrictions were placed on him.

This is manifestly false. First, I will go the question of restrictions. The hospital placed limitations on his practice, so they assert, in their media release of August 2005, when
concerns were raised. However, that was not the first time concerns were raised. Let me go back to the information given to me by impeccable whistleblowers. In fact, the Director of Surgery in May 2004 placed a restriction such that Dr Khalifallah was not to undertake major surgery without supervision. The competency committee, which met in July 2005, placed another restriction, and a letter from the Director of Medical Services on 9 November 2005 stated, ‘No elective abdominal surgery or emergency abdominal surgery to be performed, unless consulting with senior staff.’ And in another restriction, the Director of Surgery wrote to the Director of Medical Services on 2 July 2006, when the restrictions were apparently going to be lifted, saying, ‘Restrictions stated for major surgery can be redefined,’ and ‘re-entry in full into the operating system’.

The reality is that there were many restrictions, but one fact cuts through all of this: this surgeon did operate outside the scope of practice set by the hospital. How do I know that? I saw the records that prove that the operating reports had been changed. Let me refer to a particular patient. A letter dated February 2006, signed by Dr Chris Pyke, from the Royal Australasian College of Surgeons, said: ‘A patient with definite bile leak postoperatively as demonstrated by CT and liver function tests. A blind supra pubic drain in the ward transferred to the upper GI unit Townsville.’ Dr Pyke’s letter went on to say that two records existed of the operation notes. One stated that the supervising surgeon was present and Dr Pyke put in inverted commas ‘false’. So the Royal Australasian College of Surgeons was well aware that the operating notes for that particular operation were false. I saw both sets of operating notes. There was a handwritten operating note dated 16 June 2004, which indicated that the surgeon, Dr Khalifallah, operated alone. I was then shown a computer-generated operating note of 3 August 2004, which had been changed to say, ‘The supervising surgeon was called and attended.’ This, of course, is the note referred to by Dr Pyke that is false.

This raises many questions. If, as Queensland Health asserts, restrictions were in place in August 2005, why was it necessary to change and falsify operating records back in 2004? If at that time there were no restrictions on Dr Khalifallah and he was working within his restrictions, why was it necessary to falsify surgical records? Those falsified records implied that he was supervised when plainly he was not, and we know that not only from the two operating notes I was shown—and I can vouch for having seen them—but also from the letter that Dr Chris Pyke wrote in February 2006 saying exactly the same thing. So why falsify the records? Because he was already under restrictions, had operated unsupervised and needed to show in fact that he did have a supervisor present, which was manifestly untrue.

But you will not get any comment from the Beattie government through Queensland Health about falsified records. The Queensland Health media release said, ‘He is on call for surgery but only operates once he has consulted with and received approval from his superiors.’ We cannot rely on that any more. We know that in 2004, when he was under supervision, he worked unsupervised and falsified records to cover it. Furthermore, the Queensland Health media release said, ‘The hospital placed limitations on his practice in August 2005 when concerns were raised.’ This is false in two ways. We know that concerns were raised in fact by the Director of Surgery in May 2004. The whistleblowers told me that. A restriction was placed then, so it goes back much earlier. In fact, the restrictions were not in place in August 2005; they went back much earlier.
A much more serious allegation has been raised following the media release that Queensland Health put out. They said: ‘A review of the surgeon’s practice has shown three cases of concern. These involved post-operative complications from which all patients recovered.’ If only that was so. I now want to refer to patients who have not recovered. A number of people have contacted my office, and I want to commend their courage and dignity, as they have agreed to have their particular cases put forward. It is certainly a great tribute to the fact that they want to be civic-minded citizens and encourage others to come forward. Mrs Eileen Bath in 2004 was operated on by Dr Khalifallah for a hernia. She still, nearly two years later, has an open wound, which she dresses every night herself. As a pensioner it costs her $60 a fortnight to buy the bandages. She has been back to the hospital to ask them to assist her and has been turned away with the statement, ‘It’ll close up in time.’ I think two years is long enough. The blue nurses come and check on her. She would like to have private surgery to rectify it, but she will not go back to the hospital.

Mrs Bath’s situation is very similar to Mr Jack McDougall’s, who was in the Courier-Mail and was quoted this weekend—and he was also in the Daily Mercury. He is a gentleman who had to go private to get a surgeon to rectify his botched surgery on a hernia. But there are others. Mr Michael Pilcher, who had a hernia operation in March 2005, is in a situation very similar to Mr McDougall. Through an ultrasound, he has now found that netting is bulging in his stomach. He is in constant pain. He is worried about the base hospital. He also got golden staph as a result of his hospital period and had a month off work. He is in a great deal of pain and wants to have his hernia operation corrected.

Sandra McGuigan has spent $25,000 to try to get a satisfactory outcome from an operation on her knee. She is now totally disabled and dependent on her daughter, who lives nearby. She spent 17 weeks on crutches. She is reduced to trying to get the Mackay Base Hospital to give her some just outcome, but to date has had no outcome at all. There are others. I will refer to them soon.

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

That grievances be noted.
Question agreed to.

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

TRADE PRACTICES AMENDMENT (NATIONAL ACCESS REGIME) BILL 2006

Returned from the Senate

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

PETROLEUM RETAIL LEGISLATION REPEAL BILL 2006

Second Reading

Debate resumed from 10 August, on motion by Mr Ian Macfarlane:

That this bill be now read a second time, upon which Mr Martin Ferguson 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:

(1) calls on the Government to require the Department of Industry, Tourism and Resources to report to the Parliament annually, commencing in August 2007, on the measures taken and the progress made to:
(a) increase market penetration of ethanol and biodiesel, LPG and CNG, including the number and location of service stations and the names of the companies offering these products on their retail sites;

(b) secure new investment in biofuel, LPG and CNG production and supply infrastructure in Australia; and

(c) secure investment in new alternative transport fuel industries in Australia, including gas and coal to liquids;

(2) calls on the Government to review, in 2009, the proposal to introduce excise on ethanol and biodiesel, LPG and CNG in 2011, and consider whether or not there is a case for delaying the introduction of excise, depending on the progress made:

(a) in increasing market penetration of biofuels, LPG and CNG;

(b) in securing new investment in biofuel, LPG and CNG production and supply infrastructure in Australia; and

(c) towards achieving the 350 million litre biofuels target in 2010;

(3) criticises the Government for:

(a) its tardiness in moving on petrol retail reform;

(b) bypassing due parliamentary process in introducing a regulation to “undeclare” companies under the Sites Act;

(c) failing to introduce amendments to the TPA to implement the 2003 Dawson and 2004 Senate recommendations for reform; and

(d) failing to act to reduce Australia’s dependence on foreign oil and improve its transport fuel security;

(4) calls on the Government to immediately conduct a feasibility study into a gas to liquids fuels plant in Australia, including:

(a) consideration of Petroleum Resources Rent tax incentives for developers of gas fields which provide resources for gas to liquid fuels projects;

(b) examining a new infrastructure investment allowance for investment in Australian gas to liquids infrastructure; and

(c) developing a targeted funding scheme for research and development in this area;

(5) calls on the Government to immediately embrace Labor’s Fuels Blueprint proposal to:

(a) make alternative fuel vehicles tariff free, cutting up to $2000 off the price of current hybrid cars; and

(b) grant tax rebates for converting petrol cars to LPG; and

(6) calls on the Government to immediately embrace Labor’s Fuels Blueprint to find more oil and use more gas by:

(a) re-examining the depreciation regime for gas production infrastructure;

(b) allowing the selective use of flow-through share schemes for smaller operators.”

Mr HAYES (Werriwa) (6.32 pm)—Prior to the interruption of the debate on the Petroleum Retail Legislation Repeal Bill 2006 I was speaking about the restructuring of the petrol retail industry. This process is set to continue, regardless of the structures governed by the operations within this industry. However, it is appropriate that the ongoing framework is appropriate in the future as the restructuring is resulting in a greater concentration of market power, particularly with respect to the falling number of service stations. The entrance of the major supermarket chains into the petroleum retail sector has permanently and fundamentally changed the industry. They have brought with them obviously discounted petrol, which is levied against their retailing outlets, but they have also been able to set about snapping up a great number of outlets.

To enter with this level of market strength, outside the existing regulatory structure, during a time of significant industry restructuring can only favour the supermarket chains,
and there needs to be a restoration of the competitive relativities between all operators in this sector. The Oilcode will bring about some uniformity in applying a mandatory industry code of practice that will for the first time, as I understand it, cover all sectors of this industry. That has to be a welcome position for all operators—from those at the service station end of the retailing sector through to the peak bodies and motoring advocates within the industry.

I am sure the implications of the actions of the government when it comes to levelling the playing field in the petrol retailing sector will not be lost on small business operators. This government continues to talk big but does very little when it comes to amendments of the Trade Practices Act that will do something to relieve some of the pressures on small business. It continues to resist all calls to introduce the amendments to the Trade Practices Act that will deliver the recommendations of the 2003 Dawson report and the 2004 Senate inquiry. Small businesses are generally suffering as the march of the major supermarket chains continues. Not only are small businesses facing the loss of market share but they also regularly face predatory behaviour.

As I mentioned prior to the interruption to this debate, the net effect of the repeal of this bill in conjunction with the introduction of the Oilcode will be that market participants will no longer be subject to different protections and regulatory requirements. All market participants, no matter their ownership structure or market strength, will be treated relatively equally. Sure the Oilcode could be improved by the strengthening of section 46 of the Trade Practices Act, but if we all waited around for that to occur then many other businesses would go to the wall.

Small business operators throughout the country are suffering at the hands of major retail chains. We have many examples of that. I certainly see that from day to day within my own electorate. They simply are not able to compete on fair grounds. They are strangled by unfair business practices and predatory behaviour by some of the market giants.

Major supermarkets such as Coles and Woolworths currently have between them approximately 80 per cent of the dry grocery market. They are dominant players, and they are now becoming significant players in the petrol retailing industry. Recent estimates indicate that, between them, Coles and Woolworths already have 50 per cent of the petrol retailing market. This is probably unsurprising to most, given the fact that both supermarkets offer fuel discount schemes and that they have rapidly expanded the number of petrol stations they operate either themselves or in conjunction with the existing retailers.

At a time of a rapid increase in the price of petrol, petrol discounting schemes offered through more than 1,200 locations throughout the country give you a pretty good head start when it comes to establishing your position in the petrol retailing market. Add to that the fact that, between them, Coles and Woolworths currently operate petrol retailing networks of more than 1,000 outlets themselves, and that gives you a fair indication of the degree of dominance which is being shown by the retailing sector in this area. When you can set up retail sites and networks like this as rapidly as the supermarkets have been able to do, that certainly delivers you great clout within the petrol retailing market.

Of course, the major supermarket chains are not stopping just with petrol. Progressively, supermarket chains are using their market dominance, sometimes in conjunction with quite predatory behaviour, in other sec-
tors. Demands on small business—and often what we see as the destruction of small business—in many sectors have led to the reduction of competition. I have to say that everything I see indicates that this will continue. Many small business operators, not just petrol retailers, are the focus of efforts to reduce the amount of competition generally, but this bill will at least, for the first time, try to level the playing field to ensure that there is no difference between businesses of different ownership structures as they apply their trades throughout the petrol retailing sector of the market. It does seem that, under the Oilcode, the playing field from hereon in will be somewhat more balanced and that small operators in the petrol retailing sector will be protected from the misuse of market power.

The government might claim that it has attempted to improve the lot of small business by trying to introduce industrial relations reforms. I have to say, after talking to a number of small businesses in my electorate of Werriwa, that plenty of them do not want what is on offer, and they certainly do not like what they are being asked to do by this government. No matter how much the government might not want to hear it, quite frankly, reform in industry is not a one-way street.

This government has rammed through changes to industrial relations that have impacted on the labour side of production, yet it sits on its hands when it comes to reform involving business. It does not see itself as responsible for amending the Trade Practices Act, particularly to strengthen the sections on the misuse of market power, to assist small business. Yet, when it wants to talk about industrial relations, you would be forgiven for thinking that all of this has taken place simply to accommodate the wish of small business. It is a pity that the minister has not been out there—as I have been—listening to small business, because this is not what they are after. Small businesses want some protections from predatory behaviour, loss-leading behaviour, behaviour that is designed to effectively destroy the ability of small business to compete within a marketplace. That is what they want from this government, and that is what they have been denied. As a consequence—and it is not just in the petrol retailing sector—we are seeing a greater tendency now towards the emergence of duopolies or even worse in many industries. As I said, it is not just in this sector or throughout the retailing sector generally.

Productivity reform should be driven by competition. Competition produces better outcomes for all market participants. However, this government continues to condone bully-boy tactics, loss-leading behaviour and the use of sheer market strength to stamp out competition. If this trend continues, innovation will be stifled, no doubt competition will be decreased and choice for consumers will disappear—and obviously that will have an effect in industrial relations by slashing wages as well. Competition is a great regulator. Small business operators in every sector deserve the opportunity to compete on a fair basis, and this government continues to resist implementing any changes that will facilitate competition in many of our Australian markets.

In the time I have left, I would like to say a little about petrol prices. Ultimately this bill is designed to address the regulatory aspects of the industry but, at the back of people’s minds—and certainly the minds of people in my electorate—is: ‘What effect does it have on my family? What effect is it going to have on petrol prices?’ I have said on many occasions here that, having regard to the significant reliance on imported crude product, I accept that there are issues beyond our control when it comes to setting petrol prices. However, that does not mean that the
government is excused from doing anything to try to protect the public.

It was only last week that I seconded a motion by the member for Hunter that called upon the Treasurer to refer the necessary powers to the ACCC, to not simply monitor petrol pricing but enable it to examine all relevant elements that come into play as companies set petrol prices. That is what people want. They do not want to see the ACCC just use a database and simply go through an exercise of working out changes in petrol prices. They want to be assured that there is some transparency in petrol pricing when they are paying for petrol at the pump. Further, if we are going to be serious about it, we should have the ACCC at our disposal. It should not be left with the Treasurer. He has shown that he was not prepared to sign a letter giving back the powers that this government has stripped away from the ACCC to examine petrol pricing. *(Time expired)*

Mr BOWEN (Prospect) (6.45 pm)—The Petroleum Retail Legislation Repeal Bill 2006 repeals two outdated and anachronistic pieces of legislation which have outlived their usefulness. Indeed, the government has already acted by administrative fiat to neuter the legislation in the acts that are being repealed under this bill. However, the new system to be put in place by the government will not do enough to support small business operators in the petrol industry, and the government should be strengthening the Trade Practices Act to provide for better protection.

The bill will repeal the Petroleum Retail Marketing Franchises Act 1980 and the Petroleum Retail Marketing Sites Act 1980, which were originally designed to control oil company ownership and operation of service stations. Under the existing laws, oil companies can directly own and operate about five per cent of service stations. However, supermarket chains such as Coles and Woolworths, which operate outside the existing regulatory system, now control over 50 per cent of the petrol retail market. So the acts’ effectiveness has been substantially reduced. They are pieces from another time.

Generally speaking, I am not a supporter of blunt economic instruments like ownership restrictions. They are quite Brezhnevin in their character and they are, as I said, a leftover from another era. They do not, in my view, usually achieve the noble reasons for putting them in place. And that is the case with these two pieces of legislation that are being revoked in this bill.

Since the laws came into place, 30 per cent of Australia’s petrol stations have closed. Of course, when the laws were introduced, petrol stations were owned by either oil companies or independent operators. As I said, that is no longer the case. There are other players, primarily large supermarket chains that control over 50 per cent of the petrol market. So the Petroleum Retail Marketing Franchises Act 1980 and the Petroleum Marketing Sites Act 1980 are now more ineffective than ever in protecting small business from predatory behaviour.

There is a much better way of protecting small business, and that is to strengthen the Trade Practices Act. This was recommended by the 2003 Dawson review and by a Senate committee in 2004. My attention has also been drawn to support for a strengthening of section 46 of the Trade Practices Act by Professor Frank Zumbo, Associate Professor in Business Law at the University of Technology, Sydney. Associate Professor Zumbo has argued for an ‘effective’ section 46 of the TPA to deal with anticompetitive, below-cost pricing; anticompetitive cross-subsidisation; claims of unconscionable conduct; and unfair contractual terms. The professor said:

Without appropriate safeguards, in the areas outlined above, any small business operating after
the repeal of the Franchise and Sites Act would struggle to survive as a distinct competitive force in petrol retailing, which would be to the detriment of Australian consumers.

I endorse those remarks. Labor has been calling on the government to beef up section 46 of the Trade Practices Act for years. I acknowledge the efforts of honourable member for Hunter, who is in the chamber tonight. He has been talking about this for years and pushing the government to beef up section 46 of the Trade Practices Act.

Of course, protecting small business is a worthy end in itself. But in the case of petrol, in particular, it is vital for the consumer. There is a fair argument to make that independent petrol retailers play an important role in keeping petrol prices lower than they otherwise would be. It is basic economics. A fully competitive market is better for prices than an oligopoly. The government’s failure to beef up the Trade Practices Act to protect independent petrol retailers from anticompetitive behaviour is entirely consistent with the government’s failure to do anything about petrol prices.

We have always said on this side of the House that petrol prices are a worldwide phenomenon. We have always said that the main driver of petrol prices is world oil prices, but where we differ from the government is that we have said that that does not mean the government can sit on their hands and do nothing. It does not mean that the government cannot make changes to improve the situation for consumers.

This government has, up until today, done absolutely nothing to re-examine the depreciation regime for gas production infrastructure; nothing to allow the selective use of flow-through share schemes for smaller operators; nothing to allow the selective use of flow-through share schemes in the gas, oil and mineral exploration industry; nothing to make alternative fuel vehicles tariff free, cutting up to $2,000 off the cost of hybrid cars; nothing to work with state and local government to give city traffic and parking advantages to these types of vehicles; nothing to conduct a feasibility study into a gas-to-liquids fuels plant in Australia; nothing to offer petroleum resources rent tax incentives for developers of gas fields which provide resources for gas-to-liquid fuels projects; nothing to examine a new infrastructure investment allowance for investment in Australian gas-to-liquids infrastructure; nothing to develop a targeted funding scheme for research and development in this area; nothing to work with industry to improve engine design and fuel quality standards; nothing to ease the regulation of biodiesel production on farms and encourage a sustainable ethanol industry; and nothing, up until today, to encourage the granting of tax rebates for the conversion of petrol cars to LPG.

Today, we saw the Prime Minister come into this House and press the cut and paste buttons. He went to Kim Beazley’s speech of October 2005 on fuel alternatives, and he cut and pasted. He pressed the ‘cut’ button and cut bits out of Kim Beazley’s speech—not all of it, but some of it—and then he pressed the ‘paste’ button and pasted bits into his own speech. But he left out bits of Kim Beazley’s speech.

Finally, after a tense party room meeting last Monday—where backbenchers said: ‘Prime Minister, wake up. This is an issue. People are hurting. We’re losing votes’—we saw the Prime Minister come into this House and do something about petrol prices. Even today, there was nothing about monitoring petrol prices or giving the ACCC real power. There was nothing to direct the ACCC to deal with the situation that the Chairman of the ACCC has described as ‘fishy’.
The honourable member for Hunter and the honourable member for Werriwa gave the government the chance last week. A letter was even written. Again, it would have been an easy cut-and-paste job. The government are prepared to do the cut-and-paste job on petrol prices today but they are not prepared to do the cut-and-paste job on the letter that the honourable member for Hunter prepared last week, directing the ACCC to deal with this.

There is nothing in this legislation to investigate the system which has been criticised by the government’s own backbenchers. Again, I am drawn to the comments by Senator Humphries—comments I endorse. He said:

The relatively opaque nature of petrol prices means there is an opportunity for parties in the supply chain [to make] discretionary decisions about how much to charge to exploit motorists. He is dead right. We all agree with him. This side is in the white heat of agreement with Senator Humphries. His own side is doing nothing about backing up those comments with real action.

We are not pretending that by punishing price gouging there would be a miraculous reduction in petrol prices overnight—of course there would not be; of course it would not happen—but, if we can reduce petrol prices by even a small amount by taking out anticompetitive practices and by taking out price gouging, we will have made a contribution. I am sure people who are paying $1.40 and $1.50 at the petrol pump would appreciate even a bit of relief that this government could offer through getting the ACCC to do a bit of fair dinkum monitoring and enforcement of proper pricing practices and competition.

I also agree with the NRMA, which last week issued a press release. It is a lengthy press release but a worthy one, and I am going to share it with the House in some detail. In this press release, the President of the NRMA is reported as saying:

BP announces that in the coming weeks it will be shutting down its Alaskan oil fields for repairs and the price of oil jumps to a record $77 per barrel—surely that’s all the proof we need that we must develop an alternative fuel industry now.

This is not the member for Hunter or the member for Prospect; it is the President of the NRMA. The press release continues:

The future of Australia’s energy supply is being held to ransom by the highly volatile nature of international oil prices. It is motorists that bear the brunt of this and we must accept that something can be done about it now.

Mr Evans said that as a first step the Federal Government must give the ACCC the powers it needed to ensure that oil companies aren’t using leaky pipelines in Alaska as an excuse to gorge on record profits.

“At the time of Hurricane Katrina last year oil companies were helping themselves to record profit margins—this must never be allowed to happen again,” Mr Evans said.

He continues:

“However, the long-term security of energy in Australia can not be assured by keeping a lid on prices today.

“Australia needs to act now to develop an economically sustainable alternative fuel industry. This needs to include but not be limited to the production of ethanol in this country.”

“Apart from ethanol, we must also consider a range of options such as other bio-fuels, liquid petroleum gas, natural gas and renewable options.”

“… … …

“It will strengthen our economy by creating a new export industry and could generate much-needed job growth in regional areas.

“Australia is falling behind much of the rest of the world in securing alternative fuels for the future—it’s time to catch up.”
That is the view of the NRMA. That could have been a cut-and-paste job. Those could have been the comments of the member for Hunter. He has been saying it for 12 months. The Leader of the Opposition has also been saying exactly that for 12 months. The government has been deathly silent. I endorse the comments of Mr Evans. It was a very good press release. As I said, it states things that the Labor Party has been talking about for 12 months.

The government’s failure to introduce proper protection for small businesses and independent petrol operators in this bill will make the situation described by the President of the NRMA worse. The government says that it is the friend of small business, yet we see very little in this legislation to protect small, independent petrol operators continuing in business.

Today the Prime Minister reminded us of his heritage in a small, independent petrol operation. He reminded us that his family had been involved in the industry. It should be more of a reminder to him to take a more proactive role in protecting small business by strengthening the Trade Practices Act. The Senate has called for it, an independent review has called for it and Labor has called for it. It is time for the Prime Minister and the government to do it. If they do not act now, small business will suffer, and Australian consumers will also suffer through ever-increasing petrol prices.

Mr HATTON (Blaxland) (6.57 pm)—I am happy to follow my colleagues in this debate in endorsing the fundamental approach taken in the Petroleum Retail Legislation Repeal Bill 2006. The stance that Labor has taken in 2006 is not the same as that taken in 1999, when a bill that was almost exactly the same as this one was under consideration. Indeed, it was under consideration in 1998, and it has taken eight full years for a virtually identical bill to it to reach this place.

In those eight years, much has changed within the petroleum industry—not so much in the refining but certainly in the marketing and ownership and the effects of those on franchisees and people on commission. But the dramatic change has been the entry of the two major supermarket chains, Coles and Woolworths, into this market.

This legislation has been a long time coming. The reason it was not introduced in 1998 was that the participants could not agree on an outcome, so the government pulled back. As Labor indicated in our report to the Senate, the fundamental and critical thing missing in the legislation in 1998-99 was the establishment of an oil code. If the two regulatory mechanisms were to be taken away—the sites act and the franchisee act—then an oil code needed to be put in place to provide some protection for those franchisees, for people on commission and for the independents.

The fundamental problems faced by the operation of these acts over the last number of years go to the question of the dramatic changes we have seen right across the industry. If you go back to that period in time when the acts were put in place, in 1980, I think Australia had in the order of 25,000 service stations. I stand to be corrected on that. We are now down to about 7,000 service stations, and that number is declining. There has been a massive concentration of the numbers of service stations Australia wide. That concentration and diminution in numbers has continued apace and the expectation is that there will be fewer service stations available in Australia and fewer opportunities for people who are franchisees, independent operators or commission agents to get the best sites. Take the situation in 1980, when the oil majors dominated the market
and when franchisees argued that there had been an abuse of market power. This proposed act does in fact return us to a pre-1980 situation where the oil majors are freed from a restriction on the number of sites they can have and freed from a number of other restrictions.

The reason that has happened is the entry of the other great factor: the two supermarket chains and the fact that, in the case of Woolworths, they have undertaken to do a deal with some Caltex service stations that are close, geographically, to Woolworths outlets to include them in their shopper docket scheme to give 4c off per litre of petrol. We have also seen Coles do a deal with the whole of the Shell chain. That of course leaves out Mobil and BP. Most of BP’s operations have involved major contracts and understandings with government agencies and other large companies, and they are looking to that market, so they are not looking so much to the normal retail and domestic retail as they are to that broader fleet market, and their discounting is directly to them.

The changes here are in fact the greatest. As the member for Prospect indicated, and as the member for Hunter previously informed me, the situation here is different from what it was then because the government has already moved to 'vitiating the sites act. By regulation the government has said, ‘The sites act that operated from 1980 on does not really apply anymore, because we will just take those designated sites and pull them away and recognise the fact that the whole industry has dramatically changed.’ So we are faced with a return to the pre-1980 situation, a return to the potential dominance of the oil majors.

But the major factor that we have on the other side is the dominance of the retail chains Coles and Woolworths as a potential counterbalance to the power that the oil majors have exercised. What we are offered under this legislation, known in shorthand as the Oilcode, are three key things. The second reading speech and the explanatory memorandum run out the three policy initiatives in this way: (1) to establish minimum industry standards for fuel re-selling agreements between wholesale fuel suppliers and fuel retailers; (2) to introduce a nationally consistent approach to terminal gate pricing arrangements to improve transparency and wholesale pricing and allow access for all consumers; and (3) an independent downstream petroleum dispute resolution scheme to provide the industry with an ongoing cost-effective dispute resolution mechanism as an alternative to taking action in the courts.

These things one hopes and trusts may be of some help or assistance and they may lead to a more efficient operation of the industry. After more than eight years the oil companies have come forward and said that they will accept what is being proposed here and they in fact welcome the government’s legislation.

Mr Deputy Speaker Scott, you will not be surprised to hear that a number of independent operators, people working on commission and those who are franchisees do not welcome this legislation because of the impact they fear it will have on them. They see the potential for the situation they complained about in 1980, when they saw an abuse of power by the oil majors, to happen here. Labor, in demanding that there be an oil code before this legislation can properly come before the House, has argued quite sensibly that, if you do not have a beefing up of section 46 of the Trade Practices Act and if you do not protect other people in the industry from a potential abuse of power by the oil majors, you have not gone far enough and you do not have a balanced enough system to deal with.
Indeed, given that we have the situation where there is an inequality between franchisees and those people operating on commission—and that is why there is a distinction in the franchisees act that a person who has a direct franchise with an oil major is offered some protection—it is argued quite properly in the brief from the library that there is always a cost to those sorts of arrangements. In doing away with it there will be the potential for greater efficiency within the industry. The oil majors think this is a good thing and they say the introduction of this act is ‘essential to ensure that costly and overly prescriptive regulations are removed and that all participants can compete effectively in the evolving petroleum market.’

As I indicated previously, if you go to those most affected by this change—to the Motor Trades Association of Australia, which represents service station operators—they have a different point of view. The reason they have a different point of view is that, in being released from the constraints of the sites act—officially here when this legislation goes through both chambers but unofficially because it has already been done away with by regulation—the oil majors will be able to pick and choose which sites they operate. So franchisees can expect that they will be on the receiving end of a notification. But, having had the franchise, they will not be continuing that because it is going to be taken back by those oil majors. Indeed, I understand from the member for Hunter that in this regard a number of BP service stations—in fact, the majority—have had their franchise agreements terminated. They were not renewed. So the expectation is that BP and others, as oil majors, will make the choice of the best sites for themselves. Those franchisees will lose out. They will be run directly by those oil companies. What is left will be the sites that are not so good, the sites that are second-rung, third-rung or lower. It will be harder for people to make a living. So the people on the receiving end of this say that they are ‘extremely disappointed that the government has introduced legislation.’ They say:

Service station operators believe that the proposed code is defective because it will not ensure a level playing field that will allow small service station operators to be able to compete fairly in the market with the large supermarkets and oil companies.

I will quote this in full because I think it is the most substantial argument that has been put forward. They further argue:

The outcome of the Government’s proposed changes will be:

- the closure of more small franchised and independent retail outlets—meaning in rural and regional areas, in particular, motorists will have to drive longer distances to obtain fuel;
- increased dominance of the retail petroleum market by the two supermarket chains;
- loss of competition in the retail and in the wholesale market as independent importers will struggle to find sufficient retail outlets necessary to sustain a viable import business; and
- detrimental to motorists in the longer term as smaller competitors exit the market and the large chains gain a greater share of the retail petrol market leading to less price competition.

Finally, they say:

Service station operators wonder where the benefits to motorists and the Government are in these proposed reforms. The only winners here would seem to be the oil majors and the two supermarket chains.

You could argue that, for those who face the brunt of this change, where it is perceived that there has been so much change since 1980, particularly in the last decade, this legislation simply endorses the fact that there has been that change and that the efficiencies
sought will be at the expense of those people who have tried long and hard.

In my electorate of Blaxland, a large number of people operate independent retail outlets. Some people work on a commission basis, some as franchisees. Given the difficulties previously with regard to ethanol, one of the operators in my electorate who had an independent oil operation was forced to go to BP and take up a concession with BP. They will now be in a position where they will not know where they will stand—whether BP will stand by their current arrangement or whether they will be forced again to face a great deal of loss as a result of changes made. Bankstown is a very important part of the distribution service because the Hume Highway, Canterbury Road and Milperra Road run right through it. Particularly up the Hume Highway, there is some of the cheapest discounted petrol in Sydney. If you compare it to a range of other areas in Sydney, the people who operate those service stations will come under a great deal of pressure as a result of this.

Likewise, the Chief Executive Officer of the Service Station Association Ltd, Mr Ron Bowden, said that he expects 1,000 to 1,500 service stations will close, another 200 franchisees will probably leave the industry in the next two years and the market power will be left in the hands of a few large companies, which could lead to higher prices. There could be other deleterious effects. Looking at the broad scheme, something that was mooted in 1998 has now come to pass, not because of the franchisees or the independent contractors or those on a commission arrangement—they are not the ones who have driven this—but because of the oil majors and the fact that the supermarket chains have moved into it. Given the government’s determination to carry forward with this, Labor in this situation, as announced by the member for Hunter in April 2006, said: Labor supports the repeal of the antiquated Petroleum Sites and Franchise Acts but wants both the proposed Oilcode and section 46 of the Trade Practices Act strengthened as part of the package. You cannot have one without the other. Currently the government is giving us one without the other. They are giving us the change without any of the protection needed for those smaller operators. It may be more efficient and maybe the distortions are taken out of it but the end result will be fewer people independently owning those petrol stations and fewer people able to make a viable living out of it. It may well be, as has been indicated, that you end up with higher prices in the end because competition will be dramatically reduced as the oil majors and the major supermarket chains constrain what happens. Having driven so many independent operators out over many decades—down to 7,000 or so now and being driven down to another 1,000 to 1,500 or possibly more—that leaves one to think that it could be a lot worse.

I just want to speak briefly at the end of this speech about the amendments that Labor has put forward. The series of amendments are very far reaching, and I wish to congratulate the shadow minister and the team that has worked on them. What this demonstrates is that the government have taken eight years to get to this point to say that they recognise there has been a great deal of change in the industry, that they will simply move to put the oil majors back in the position they were in prior to 1980, that they recognise that there are two new entrants—Coles and Woolworths—and that there will be a consolidation of the industry but they will not move to put in any protection under section 46. Labor’s amendments are extremely far reaching. They are far reaching because Labor understands that the whole question of fuel availability in Australia goes to whether or not you understand Australia’s industrial needs, whether or not you understand our
needs in terms of resource exploitation and whether or not you have a commitment to take the enormous riches that Australia has and actually direct them towards the benefit of the country in a proper way. So we call on the government to report to parliament annually on measures taken and the progress made to:

(a) increase market penetration of ethanol and biodiesel, LPG and CNG including the number and location of service stations and the names of the companies offering these products on their retail sites;

(b) secure new investment in biofuel, LPG and CNG production and supply infrastructure in Australia; and

(c) secure investment in new alternative transport fuel industries in Australia, including gas and coal to liquids;

We saw today the Prime Minister, under immense pressure, come up with a statement in relation to energy and fuels. He gave a nod to what we have been pushing for with regard to LPG conversion and said that the government is now willing to undertake that. He said that he would have a look at Labor's proposals for gas to liquids, but I could not really see much enthusiasm with regard to that. We argue very strongly—and there is a fundamental nationalistic approach at the very basis of this—that we have great resources that could make us more independent of the vagaries of world pricing in relation to petroleum products. We could develop our own resources and therefore not be on the end of the string of supply coming from overseas, which, as we know, can be interrupted in part, not only because of the problems in Iraq with the ongoing war and what we face in terms of the dissolution of that country into three separate entities and because of the problems we face in relation to the situation with Iran—one of the major oil producers in the world—but also because of the uncertainties throughout the whole of the Middle East because of the problems that not only are evident there now but also will continue to bedevil relations in those areas and put a giant question mark over the availability of petroleum worldwide.

We think it is in our national interest to develop our own capacities, to really go hard in terms of alternative fuels, to go hard in terms of gas to liquids and to go hard in taking an Australian approach to secure ourselves against the vagaries of world supply and to secure ourselves from being in a position where we cannot be sure that we can sustain ourselves properly in a world that is changing greatly. So, while the government has taken eight years to get to this point, there is an enormous amount of work to be done. The complexity of the amendments we have put indicate how much thought has gone into Labor's approach to this. We see clearly what needs to be done and what has not been done by a government that really does not understand that you need to grapple with these things and put a proper plan in place. *(Time expired)*

Mr CREAN (Hotham) (7.17 pm)—I rise to support the member for Blaxland and others on this side who are in support of the amendments to the Petroleum Retail Legislation Repeal Bill 2006 moved by the member for Batman. This is important and timely legislation because the soaring price of petrol is putting enormous financial pressure on Australian families. The families that are feeling the biggest burden are those in rural and remote Australia, as you would be aware, Mr Deputy Speaker Scott. It is a financial pressure that is compounded by the third interest rate hike since this government was elected—an interest rate hike the government promised would not happen.

The Reserve Bank's measure of debt servicing shows that mortgage interest repayments now consume a higher proportion of
household disposable income than ever before. They now consume 11 per cent of household disposable income, compared with 9.3 per cent when interest rates peaked in 1989. Reserve Bank figures also show households now have more debt as a proportion of their income. Household debt is now equivalent to 150 per cent of household disposable income, compared to 60 per cent in 1989. This comes to complete the triple whammy as the government’s unfair industrial relations laws put further pressure on families by forcing a race to the bottom on wages.

The bill itself is a belated response to the problem of spiralling petrol prices—but it is not enough. The Prime Minister says that there is nothing he can do when the family budget is being stretched by this triple whammy of higher petrol prices, even higher interest rates and uncertain job security. Many people wonder how they will be able to visit their family, get the kids to school and make ends meet. Of course, the government simply washes its hands and says there is nothing it can do. The government is wrong.

We on our side of the parliament do acknowledge that price hikes are a reflection of global prices, but there are some things—important things—that the government can do. Repeal of these acts is only part of that response. Labor support the repeal of these two acts—in fact, we proposed it seven years ago, but then subject to two conditions: that an oil code be drafted and agreed between the parties in the sector to address important market issues and that the Trade Practices Act be strengthened to increase competition and support independents. The repeal of the acts only meets one of those conditions. It does introduce an oil code which ensures all participants, including independents, are subject to the same regulatory requirements, including a nationally consistent approach to terminal gate pricing, but it does nothing to strengthen the Trade Practices Act. I will come to this later.

So here we are, seven years after Labor proposed this course of action. The government is acting, but only in a half-hearted way. It could have been different. Seven years ago the price of petrol was 69c a litre. Hard as it might be to believe in this current environment, that is where it was seven years ago. Firming up the regulatory regime and giving the ACCC stronger powers to deal with predatory pricing could have been an important factor. It would have led to lower prices at the bowser now had the government acted.

As minister assisting the Treasurer and with responsibility for the Prices Surveillance Authority, I remember that during the first Gulf War when world oil prices were rising sharply we used the role of the ACCC to restrain the timing and extent of their impact on Australian motorists. So the government can make a difference if they have the will. They have the power to influence, but today the Prime Minister argued that that power is limited. I say that it has been made more limited by the failure of this government to act. We gave the ACCC the opportunity; this government will not. The member for Hunter even drafted a letter to the ACCC to give it the power to investigate petrol prices without the Treasurer’s consent. All they have to do is to sign that letter. Interestingly, the Prime Minister does not deny that he has the power; it is just that he said he will not sign the letter. It is also interesting that in his response in the parliament he added the proviso ‘not at this stage’. So, if the Prime Minister has the power, why won’t he act now? Why wait? Why give motorists more pain? The government can act; the problem is that they will not act.
I support the amendments moved by the member for Batman. They are necessary amendments and will strengthen section 46 of the Trade Practices Act to develop a comprehensive approach to petrol retail pricing and provide greater scope for dealing with market power abuse. Amendments to section 46 of the Trade Practices Act will clarify the sort of behaviour that constitutes an abuse of market power, and it will provide a line in the sand to defend small business. The amendments proposed by the member for Batman will also lower the threshold for the ACCC to provide that abuse of market power has occurred and will ensure that recoupment of losses is not seen as an essential for market abuses to occur.

These amendments were recommended by the 2003 Dawson inquiry and by the 2004 Senate recommendations for reform, yet the government fails to act. It is another example of a wasted opportunity. Australian motorists are slugged, the Prime Minister cries crocodile tears and says he cannot act, but these amendments demonstrate that he can. In our view, they will have an impact. So the question is: how long will it take this government to address the problem of potential abuse of market failure?

This is an abuse that has been reinforced in recent court decisions. If Labor is elected, we will legislate, but the truth is that we could get progress now if the government were prepared to accept the amendments or the thrust of them. Labor has succeeded, importantly, in getting the issue of petrol pricing referred to a Senate inquiry. Again, the Prime Minister posed the question: why is another petrol inquiry necessary? We say it is necessary because it will examine the relationship between the wholesale price and the retail price and the regional differences. What is clear from the inquiry hearings to date is that the ACCC cannot formally investigate anticompetitive behaviour in the petrol market. They can look at prices; what they cannot do is look behind them. So, when the Prime Minister says, “What can the government do?” there are three important areas in which they could act.

The first area is that of the powers of the ACCC. The ACCC must have greater powers to formally monitor petrol prices and demand information from oil companies and retailers. It is well within the powers of the Treasurer and he must take responsibility. The second thing the government can do is to reduce our dependency on foreign oil—and it is interesting that we had a statement from the Prime Minister attempting to go down this route today. The truth is, though, that it has no real plan to do it. Its proposal to subsidise car conversions to LPG is plain theft of Labor policy. Any measure to encourage the use of alternative fuels is well overdue. But the government has failed to address what it says is the root cause of rising petrol prices and improved transport fuel security. The government has had 10 years to do something about the problem, and it has failed at every point.

Labor, on the other hand, has a plan to reduce our dependence on imported oil and to put in place new policies that can encourage alternative energy use. Labor has proposed important measures, including, firstly, finding more gas and oil in Australia by re-examining the depreciation regime for gas production infrastructure; secondly, allowing the selective use of flow-through share schemes for smaller operators; thirdly, conducting a feasibility study now to convert gas into clean diesel in Australia; fourthly, promoting the use of alternative fuel vehicles and making alternative fuel vehicles tariff free, cutting up to $2,000 off the price of current hybrid cars; fifthly, granting tax rebates for converting petrol cars to LPG; and, sixthly, implementing what we have termed Labor’s ‘green car challenge’ to get competi-
tive value-for-money green cars on the road. Labor has also called for the protection and promotion of ethanol, biodiesel, LPG and CNG through a 2009 review of the government’s plan to levy excise on these fuels. This will determine whether a deferral of the excise is required. Ethanol and biofuels have the potential to develop regional industry and jobs and to start addressing the problem.

The Prime Minister today had a go at me and the member for Batman. No doubt in the course of time they will also have a go at you, Deputy Speaker McMullan, because we were very critical of the government’s approach to the ethanol industry at the time. Bear in mind that this was a government that got elected in 1996 promising to keep Labor’s ethanol bounty and in their first budget scrapped it. So do not give us this hypocrisy about Labor not supporting the ethanol industry. It was the government that attacked the ethanol industry and then rearranged the support so that effectively only one person, Mr Dick Honan, got the benefits of the ethanol scheme. The Prime Minister’s statement today quoted me, as the then leader of the Australian Labor Party, as talking about:

... having their engines wrecked by ethanol fuel.

The Prime Minister often says that you have got to read the statements quoted by the opposition in context. Let us have a look at his quote of mine in context. That statement came from a question I asked him in this parliament. I was criticising the government for failing to put a cap on the amount of ethanol going into petrol—a 10 per cent cap; what is now called E10. We were saying that you had to put a cap on ethanol because the automotive manufacturers and the motoring authorities were saying that if you did not and it exceeded 10 per cent it ran the risk of wrecking those vehicles. That is where the words came from.

But, as we now know, there was that infamous secret meeting that the Prime Minister’s office had with the proponents of ethanol. My question to the Prime Minister was why he would not agree to a 10 per cent limit. He had said there was no way he was going to agree to the limit if it affected the operations of Manildra. That was the cause of our complaint against the Prime Minister—that he was protecting a mate and protecting him in the worst of possible ways. So I reject the Prime Minister’s assertion that we in the Labor Party have not been serious in supporting ethanol as an alternative.

The third area we have to address in the question of the impact on motorists is the taxation regime on petrol. The government continues to claim credit for freezing petrol excise. That was never its intention when the GST was introduced. It was forced by public pressure to act following a campaign spearheaded by Labor. The government promised that petrol prices would not rise with the introduction of the GST. It said that it would reduce the excise by 6.3c a litre to compensate for the GST. That was when petrol was 69c a litre. It would have offset any impact of the GST, but the arithmetic shows that it only worked if petrol was priced at 77c a litre or less. This is certainly not the case nationally today. It was not the case then and never would have been in the bush. We argued that the government could never deliver on its guarantee that petrol prices would not rise because of the GST, particularly in the regions. That was when the government came up with the solution called the Fuel Sales Grant Scheme. We said at the time that it would not work. It did not. But the problem has got worse because the government has run up the white flag. It scrapped the scheme, but it put nothing in its place. As a consequence, people in the regions now have to pay up to 3c a litre more for their fuel.
The other guarantee that the government made was that there would not be a tax on a tax when the GST came in. Of course, there is. Yes, the excise is frozen as a result of a campaign that Labor spearheaded, but it continues to attract the GST. It is a tax on a tax and something the government said would never happen. The GST take gets bigger the higher the petrol price. It is the new indexation. So there is no point coming in here seeking virtue in freezing excise when the GST is a movable feast.

The Senate inquiry which I have referred to also gives the opportunity for this issue to be looked at in detail. What can be done to ease the price differential between city and regional areas and ease the burden on regional motorists? The Prime Minister’s argument is that the solution is not through cutting indirect taxes but through direct tax cuts. The trouble with this response is that the government has increased the price of petrol in regional Australia by up to 3c a litre with no compensation in tax cuts for people living in those areas. The regions are paying more in indirect tax on petrol, but they do not get any more than metropolitan areas in tax cuts. So why not provide a targeted tax rebate to regional Australia? The low-income tax offset contained in this year’s budget shows that the government is prepared to embrace the notion of targeted relief—in this case, to low-income earners—but there is no targeted tax rebate for regional and remote Australians who have been slugged with even more fuel tax.

The government could also review the tax zone rebate and see what opportunities exist for targeted relief. These are all options open to the government. It is nonsense to suggest that there is nothing the government can do. It puts the lie to the claim that another inquiry into petrol pricing would not achieve anything. Let us make the inquiry work and come up with some solutions to alleviate the city-regional price differential.

As for the revenue saved by scrapping the Fuel Sales Grant Scheme, the government says it will all go to roads. But there is no guarantee that the $810 million saved from the scheme will actually go to roads in regional and rural Australia. Think of it: it is only the motorists in regional and remote areas who have to pay the extra 3c, but motorists in regional and remote areas are footing a huge proportion of the bill with no guarantee that it will go to their roads.

Repealing these acts is an important start. The government should have acted seven years ago. It is long overdue, but it is a half-hearted response. The government does not go far enough. Let us strengthen the Trade Practices Act, let us use the Senate inquiry to look at solutions to alleviate the differential, let us revise the unfair tax on petrol, and let us implement a comprehensive plan to reduce Australia’s reliance on foreign oil. Labor stands by its long-standing policies for national mandatory terminal gate pricing. I say to the government: adopt our amendments, do something in a constructive way to help struggling motorists. (Time expired)

Mr RIPOLL (Oxley) (7.38 pm)—It is always a pleasure to speak on bills in this place. Although I think they are all important, some are more important than others. The Petroleum Retail Legislation Repeal Bill 2006 is particularly important because it goes to the heart of many of the problems that are facing ordinary Australians today and to the heart of the financial problems that they are facing in meeting their day-to-day living expenses. Before I begin speaking on the bill, I note that the Prime Minister made some sweeping statements and policy announcements today—all of which are pretty much an adoption of Labor’s policies, although not all of them, which we have had
on the table for a number of years and which we have been working very studiously on. It is always good to see the government adopt some of the opposition’s policies, even if only a little bit and very, very late.

The point I wanted to make in particular is that so excited was the government’s back-bench, the Liberal and National party members, that none of them are going to speak on it. None of them are prepared to front up. None of them are in the House at the moment to speak on this bill and I believe none have put their name down to speak on this bill. So excited, so enthused, so well connected and in touch with the community, they just do not bother to speak. Maybe they have nothing to say on fuel retailing. Maybe they do not understand just how much pressure fuel prices put on ordinary families. I do not want to say too many words about it, but maybe they are like the member for Wentworth, who unfortunately made a gaffe by not understanding the real pressures that ordinary people face, whether it be their mortgages, their health-care costs, the education costs for their kids or simply the price of petrol.

It is a bit disappointing we are not going to see anyone from the government stand up and defend their position or explain why it has taken them 10 long, long years to come into this place and do something. You would not have to be too cynical to make the judgement that the only reason the Prime Minister came to the dispatch box today to announce a very welcome but very belated move to do something about petrol prices, fuel and the fuel industry in this country is that he is feeling the blowtorch of political heat, the community heat that is out there. People are angry, people are saying, ‘Do something about it.’ The government have refused to do anything for so long, they really must not have thought it was an issue at all, but they finally came into this place and did something.

Before coming down to speak on this bill, I was looking through my many hundreds of emails, as I am assuming everybody else does from time to time. I got a very interesting email from a member of the public in Tasmania. I will paraphrase a few of the comments he made as I think they are particularly relevant today. He said that back in 1996, during the TV leaders debate—the famous debate where we had John Howard and Paul Keating debating issues of the state of the nation—John Howard made some interesting remarks at that time. In his concluding remarks, he said that the Keating government had been in office for 13 years, that it was arrogant and remote and that there was a widening gap between rich and poor. He said that we had the worst current account deficit in the world—and I will forgive you if you start to laugh as I go through these, Mr Deputy Speaker McMullan—and that there was a growing social division. He said that you could not separate leadership from what happens and that on that basis Keating had failed.

Isn’t it funny that the words he said all those years ago are coming back to bite? Those famous words John Howard said back then, and which I am sure helped him to win the election, are now coming back to haunt him in a really horrible way. That is not only the situation that people face today, but it is even worse. After only 10 years, this government is more arrogant; it is more remote; it does not understand about interest rates. It does not understand the kitchen table issues. It does not understand the pressure of fuel prices. It does not understand how bad the current account deficit is and just how big that gap is between the haves and the have-nots. The government talks about a low number for interest rates but, when you compare it to the rest of the world, it is quite high. It talks about a low number for interest rates but, when you
compare it to the actual amount that people pay in interest payments, it is higher than it was at its peak in 1989 at 17 per cent.

How does that add up? It adds up because this government has not been doing its job. It has not been doing its job on interest rates, and it has not been doing its job on petrol prices. It is oh too easy to blame the states; it is oh too easy to blame everybody else and do nothing. This is a do-nothing government and it has consistently refused to do anything at all about high petrol prices or the pain that ordinary Australians are feeling. The government thinks it can get away with it by saying to people, ‘You’re richer.’ But, if people are asset rich, why are they so financially poor? Why are they struggling today? Why is it that, in every newspaper I pick up, there are reports of credit card debt blowing out? It is now $36 billion. That is private debt. It is not debt from people buying new cars or new furniture—it used to be, once upon a time; you could borrow the money, service the debt, pay it off over a period of time. It is debt from people being forced into borrowing to live.

Because of high petrol prices, because of this government’s inaction on fuel retailing and its refusal to reform the fuel industry, people are actually borrowing to live. They are borrowing to buy food; they are borrowing to pay the electricity bills; they are borrowing to pay for their kids’ education; they are borrowing to pay for their healthcare costs. That is the danger we face today. It is a very real danger. Today on average, in real terms, individual Australians—there are 13 million cards in Australia, by the way—are $2,000 more in debt than they were a decade ago.

That message just does not seem to be getting through to the government. The government just keeps waxing lyrical about how asset-rich people are even if they are struggling to buy bananas. They are struggling to buy bananas because they cannot afford them; they are struggling to buy fresh fruit and vegetables because they cannot afford them. A whole range of issues tie into the Petroleum Retail Legislation Repeal Bill 2006. Labor has been consistently and insistently arguing for these changes for quite some time. This is important change. What we are seeing with this bill is the government finally having some spark of awakening. After years of the opposition beating the drum and making all the necessary noises about these very vital issues, the government has finally sat up and listened.

I give my support to the second reading amendment proposed by the member for Batman, Martin Ferguson, and I want to discuss some important parts of the bill, particularly in reference to the explanatory memorandum. This bill seeks to address a number of regulatory failures, particularly some inequitable application of the current petroleum legislation. The bill repeals both the Petroleum Retail Marketing Sites Act 1980 and the Petroleum Retail Marketing Franchise Act 1980. The repeal of this legislation is necessary because the current system has failed—a point which Labor has made very well. Under the current legislation, additional costs are imposed on the oil majors which prevent them from achieving increased efficiency. That is not something we would want to prevent. I think the oil majors should be increasing their efficiency; they should also be responding effectively to changing market forces and providing consumers with fair, equitable and competitive prices. I am concerned that the oil companies are not doing everything they can to reduce the cost of fuel at the bowser.

The reform package, which includes the repeal of both these acts, will bring the intro-
duction of a new industry code which will be called the Trade Practices (Industry Codes—Oilcode) Regulations 2006. That will be mandated under section 51A of the Trade Practices Act 1974. Most importantly, this will establish standard contractual terms and conditions for wholesale supplier and fuel retailer reselling agreements for both franchise and commission agency arrangements. These standards will build upon and strengthen relevant provisions in both the franchise act and the more general Trade Practices (Industry Codes—Franchising) Regulations 1998. This will provide a greater level of certainty and protection for all parties to fuel reselling agreements.

I want to make a couple of points about that because I think it is important that we understand and acknowledge that, for consumers to have confidence at the bowser and believe they are getting the best possible value and not being gouged on prices, we need to have fair, open, competitive, transparent competition in the industry. The independent fuel retailers and the small players must have the same access and be protected from predatory pricing practices and the practices of major oil companies that would drive them out of business through economy of scale or sheer market size and presence in the industry. I think that is important. We have already seen too great a loss of the independent fuel retailers and the small franchisees and service stations—the mum and dad service stations that have literally disappeared from sight. We now only see the really big players such as BP, Caltex, Shell and so forth in the market. In fact, in the last decade or so we have lost something like 10,000 to 20,000 small and independent retail fuel outlets, which is a real travesty.

Through the introduction of this nationally consistent approach to terminal gate pricing, known as TGP, these arrangements will improve transparency in wholesale pricing and will allow access for all customers, including small businesses, to petroleum products—something I think is very important—whilst not negating the ability of the entities to negotiate individual supply agreements nor preventing them offering discounts or other schemes. The application of this new legislation should provide more competition in the market and, hopefully, a better outcome for consumers.

Also—and I think this is very important for the industry—it will establish an independent dispute resolution scheme to provide the industry with a cost-effective alternative to taking action in the courts. If you think about it for a minute, that is a very important move because the small retailers literally cannot afford the time or the expense to go to the courts to take on the major companies. The majors have an unlimited source of revenue. In the past they have litigated or remained in the courts in dispute for years on end, driving small independent retailers out of business, and they would be prepared to do so in future. There needs to be a better system and it is good to see that these changes will bring that about.

These regulations will facilitate a more effective regulatory environment for the industry. They will also mean that consumers get some better protection. As we have heard from other speakers on the Labor side, who seem to be the only people prepared to speak on this very important issue, there needs to be a balance. We must protect individual consumers and make sure that they get the best possible value through open competition, create a transparent process where wholesale and retail prices are reflected in what consumers actually pay, and ensure that independent fuel retailers are not driven out of business by large companies.

This is a very important change. Labor has been consistently saying that the government
ought to be doing a number of things to make the fuels industry more competitive. We need long-term energy security in this country beyond the small amount of resources that we have and our reliance on other countries for our energy needs. For a number of years every other country in the world—I refer to China in particular but also to India, Russia, the United States of America, Brazil and a whole host of countries—has been strategically working on energy security and fuel independence. They have tried their best to develop policies and budgets which reflect a growing independence. That has not been the case in Australia, and I think that is a great shame. As yet, we have not seen from government a real move in that direction. There were some small movements in that direction today with the government announcement’s of a liquid to gas policy, but as yet we have to see how that would work. We have been calling on the government to require the Department of Industry, Tourism and Resources to report to the parliament on an annual basis, commencing next year, on measures taken to progress, in particular, the increased penetration of ethanol and biodiesel—two very important fuels—in our energy market and the increased market penetration of LPG and CNG, including the number and location of service stations and the names of companies offering these products on their retail sites. We are also calling on the government to secure new investment in biofuel, LPG and CNG production and supply infrastructure in Australia and work towards achieving the 350 million litre biofuel target by 2010.

We are also critical of the government—and you cannot walk away from this—for its tardiness in moving on petrol retail reform. What has to happen in this country before the government moves? You have to drag it kicking and screaming to the table. It takes record fuel prices—incredibly high fuel prices—and people suffering before the government moves even an inch. We are also critical of the government for bypassing due parliamentary process in introducing a regulation to undeclare companies under the sites act and for failing to introduce amendments to the TPA to implement the 2003 Dawson and 2004 Senate recommendations for reform. This government has steadfastly sat on its hands while Australians have continued to pay more and more for their fuel. This is something that could have been done years ago. It should have been acted upon but was not. We are also critical of the government for failing to act to reduce Australia’s dependence on foreign oil and improve its transport fuel security—something that we keep raising with this government. Hopefully, if today is any indication, it will start to take up more of Labor’s policies in these areas.

Labor is also calling on the government to immediately conduct a feasibility study into gas to liquid fuels plants in Australia. That would include the consideration of petroleum resources rent tax incentives for developers of gas fields, which provide resources for gas to liquid fuels projects. Labor is also calling
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on the government to examine a new infrastructure investment allowance for investment in Australian gas to liquids infrastructure and to develop targeted funding schemes for research and development. Labor is also calling on the government to immediately embrace Labor’s fuels blueprint policy, and not just some of it but all of it—all of it because it is good, sensible and will work. As I said, the government has at least come part way in that direction, which is good.

We need to re-examine the depreciation regime for gas production infrastructure and allow the selective use of flow-through share schemes for small operators. The amendments seek to give effect to Labor’s plan to, in particular, find more oil and use more gas in Australia. We will do that by re-examining the depreciation regime, allow selective use of flow-through share schemes, as I have said, and conduct some feasibility studies in converting gas into clean diesel.

In the few minutes I have remaining, I want to make a couple more comments on promoting the use of alternative fuel vehicles, which is an important thing the government should be doing. It should make using alternative fuel vehicles tariff free, cutting up to $2,000 off the price of current hybrid cars. If you are going to encourage consumers to buy these vehicles, give them an incentive more than just the fuzzy, warm feeling they get inside for having done something good for the environment and mankind. We also need to look at granting tax rebates for converting petrol cars to LPG—again, one of our policies which the government today announced. I am always happy to see the government announce Labor policy. It is a great thing and we saw that today.

We need to protect and promote the growth of ethanol, biodiesel, LPG and CNG properly. We need to adopt the proper processes to do that. It needs to be transparent. We also need to strengthen the ACCC’s powers to investigate petrol prices. We need to remove the requirement that they cannot do so without the Treasurer’s consent. The Treasurer has been flapping his wings on a whole range of issues, but right now we need to see the government give them—

Ms Gambaro interjecting—

Mr RIPOLL—You are right: I could not help myself; it will be in this place for a long time. As I have said to many people: one small fluffy toy but a huge reaction from government. Why is it so? We also need to strengthen the Trade Practices Act to give greater scope for dealing with abuse of market power. I will end on this point: about six years ago I was a customer of LPG and I went to great expense to convert my car. But, like so many other people, I got disillusioned that the government would not assist and that LPG kept getting more expensive and, proportionately, became uneconomical as a fuel to use. It was cheaper to buy fuel, which is what I started doing. I was driven out of LPG, and I know many others were. Not only was I driven out but the people who installed my gas conversion were also driven out. The government needs to do more about this. (Time expired)

Mr JENKINS (Scullin) (7.58 pm)—The technical issues of the Petroleum Retail Legislation Repeal Bill 2006 have been well canvassed in debate so far. Suffice to say, these are important amendments that are being made that will repeal the Petroleum Retail Marketing Franchise Act and the Petroleum Retail Marketing Sites Act and put in place a regime about petroleum retail issues that is much more contemporary. For instance, if you look at the nature of the way that retail sales of petrol have changed so rapidly over the last few years with the two major supermarket chains entering into the sale in this sector, you can see that it is a
very important measure that is being taken by this legislation. As members on this side have indicated, it is a measure that really should have been taken much earlier because a lot of what has been spoken about, in terms of the reasons for these amendments, has been known. It is only that we have got to the point where we have something like 50 per cent of the industry by volume of sales in the control of supermarket chains Coles and Woolworths that we see some action. I do not think that this would be heartening news for those very many franchisees and independent operators that have already hit the wall and perhaps could have been saved by earlier action such as that intended by these pieces of legislation.

One of the extraordinary aspects of the debate is that there has been only one backbench contribution from the government. One backbench member has decided that they would step forward and come up to the plate to support the minister on this piece of legislation. That leads us to ask whether, at a time when the retail price of petrol to consumers in Australia is at a record high, those that sit opposite actually understand that this is a problem. This is a problem with a capital P and, as the song says, ‘P rhymes with T; and that is trouble.’ Trouble! This is trouble for the thousands of Australian families that are trying to come to grips with the hardship that is placed on their budgets by the increase in fuel prices at the same time as increasing interest rates. In conjunction with the amount of money that they are paying off their mortgages, this has sent the family budgets into record levels.

For those whom I represent on the northern urban fringe of Melbourne—basically people who are dependent upon an employer-employee relationship—the devastating effects of Work Choices and the way in which workplaces operate are also of concern, because there is a bottom line. Since the new industrial relations legislation, the families that are being most impacted on by the increases in interest rates and petrol prices are lacking in certainty about the continuation of their jobs. This is not addressed by the way in which those opposite have taken this debate so lightly.

Last Thursday, when the debate started, they were scurrying around, there seemed to be nothing on the horizon and they were not sure whether the boss was going to do anything or if the Prime Minister would actually understand the problem. Straight after question time, the Prime Minister gave his second prime ministerial statement in two days—his second this year, I might add. They were the only two prime ministerial statements for the whole of 2006. He spent half an hour on issues related to petrol price increases. These issues are germane to the intentions of this bill because this bill and the second reading introduction by the Minister for Industry, Tourism and Resources talked about the gains to consumers of a more efficient petroleum retail sector.

In his statement today the Prime Minister indicated that part of the reason for his statement was to announce a number of measures to assist hard-pressed motorists to better cope with the very high petrol prices—cope! I would have thought, given this grand display—$1½ billion of new money to be spent on this issue—that someone would scurry out of the rabbit holes that the members of the coalition have gone into. Surely they think that this small piece of legislation is a step forward, plus that the Prime Minister’s statement would give them a bit of courage to come forward—or perhaps they have decided that, again, what the Prime Minister announced today was lacking in substance and was smoke and mirrors.

I might be a little charitable about the Prime Minister’s statement in that perhaps it
indicates that he has started to define the questions and problems that his government needs to address. I do not know whether he bothered to have different people throughout the departments or his department come up and list those problems, but I would suggest to him that—if he just bothered to read the second reading amendment that has been moved by the member for Batman and seconded by the member for Hunter, who have carriage of issues to do with not only resources but also the petrol market—he would not have needed further investigation, because many of the issues that he raised in his prime ministerial statement are included in the second reading amendment, where we say that they need to be addressed.

Regrettably, whilst there may be some acknowledgement of the questions and problems, the solutions offered fall far short of the mark. One has to ask whether this grand statement made today is really just something of a gesture: the running of a small flag up the flagpole, saying: ‘Oh, yeah. We know there is a problem. But, look! We’re doing something.’ I believe that while some of the people who are still struggling out there in the real world will be appreciative of some of the measures and will use some of the measures, in the main they will really ask, ‘What is this all about?’

Some work done at Griffith University by a couple of researchers, Jago Dodson and Neil Sipe, has been of interest to me. Late last year, under the Urban Research Program, they put out research paper No. 8, July 2006, entitled Shocking the Suburbs: Urban Location, Housing Debt and Oil Vulnerability in the Australian City. This shows clearly that the regions in major Australian cities that are crying out as a result of increased petrol prices are on the outer urban fringes of the major Australian cities. These areas are characterised by a lesser coverage of efficient mass public transport. They are characterised by great distances between services, which a family has to contend with.

The popular press seems to understand these things. For example, under a headline today in the Melbourne Herald Sun, ‘Luxuries gone as fuel hits’, it says, ‘Petrol soars, pay stays the same’. These are the types of things that are being talked about around the kitchen tables in many family homes throughout Australia. But, on the outer urban fringe, they absolutely know the hardships that these double whammies are causing them. For instance, on Saturday in the Melbourne Age, there is the story of a teacher who lives in an outer urban area in Gisborne, who travels 60 kilometres each day via the suburb of Bundooora, which I represent, to drop her son at school and then on to work in Thornbury. The real problem for this person is that filling the tank costs about $70 a week. This is not discretionary spending; this is necessary spending. I would think that, in this family’s case, living in an area beyond the fringe like Gisborne or on the outer urban fringe is partly for lifestyle but in many cases it is because of economics. It is where the housing that is affordable is located.

You have that contrast where people make decisions to go to areas where the public transport is not as great, on the basis of being able to afford the price of housing. But, when the pressures of increasing interest rates plus increasing fuel prices come to bear, these are difficulties. They are then locked into a cycle where they cannot change jobs because they are uncertain whether, if they change jobs and go to another equivalent job, they can be guaranteed to come to a similar agreement with a prospective employer under the new IR regime of this government. These are real examples. These are not scenarios that we raise just as things that we are conjuring up. They are real, practical things that people have to confront in their day-to-day lives.
That is why for years we have said that there need to be reforms to the petrol retail sector. If you are going to talk about competition, you have to make sure that those who are competing are playing the same sport, under the same rules, and that it is all level pegging. This has been a sector where, for too long, that has not been the case. Why is that so? It is of course because the oil companies—the people who are involved in the refineries—are also involved in retail. They are involved in retail directly. They are involved in retail through some of the franchise arrangements that happen—but, as I said, many of the pressures that have been placed on franchisees have meant that many people who thought that they could see a working life as a petrol-retailing franchisee have not had the opportunity. That was made a lot different when, as I have said from the outset, the decision was made by Coles and Woolworths to enter petrol retailing.

Hopefully, the principles in this piece of legislation and the Oilcode that flows and the other regulations that will flow from it will in fact produce the level playing field which will not only lead to greater competition—

Mr Katter interjecting—

Mr JENKINS—for those who are the retailers but hopefully will give some real competition in the pricing levels of the product. I know that the member for Kennedy will be indicating to us plenty of other examples where competition was going to be the be-all and end-all of bringing relief but where it did not happen. I understand that, and he understands that that is my starting position. But, regrettably, the only game in town from governments not only of the persuasion opposite but sometimes from the persuasion of Labor has relied on competition.

I have acknowledged that, under the legislation that is to be replaced by this bill, the competition was not level. Hopefully the detail in this bill will lead to a greater competitive market, a fairer market, a market where especially the independent operators do not have the same hurdles that they had to confront in the past to get access to the product, because that is one of the great problems: the way in which the gate to the refinery can so easily be shut.

The other aspect was mentioned by the Prime Minister today in defending his decision not to touch petrol excise in any way. What he does not contemplate is that the income tax cuts that were so championed—it was not a case of, ‘If we have these income tax cuts, we won’t be able to spend on education, health and defence,’ or whatever the Prime Minister was talking about—were skewed to areas where the vulnerability to the price of petrol is the least. This study by Dodson and Sipe goes to that. The people who can most afford—the people on high incomes who got the greatest rate of personal income tax cut—tend to live in suburbs of the major cities that are under the least stress as a result of increasing petrol prices. And the reverse is absolutely true, because those at the lower income levels are the people who live in the outer urban fringes of our major cities. They get less relief in comparison but confront greater costs in the prices of commodities such as petrol.

What the government could do is get their departments to look at whether in fact a return to the excise is a fairer form of tax. I am only contemplating this, but that is what we have to look at. On the basis that our income tax system remains a progressive form of income tax and the excise on petrol is a flat tax based on usage—and most flat taxes are recognised as being regressive—I have a feeling that there would be some worth in looking at that type of relief as against other forms of tax relief.
I am disappointed that members of the coalition have scurried away and have gone missing in action on this debate, especially those from the western suburbs of Sydney, the great champions, the ones who are supposed to have brought across the Howard battlers—those from the electorates of Macarthur, Greenway and Lindsay. Where are they? Where are they to champion those people who, because they live in the outer suburbs of Sydney, travel great distances to their employment, to their places of training and to take their kids to child care so that they can go to work—that is, if they can find the child care? Even if they want to crawl to the Prime Minister, like they usually do, why aren’t they in here defending those people and saying, ‘Mr Prime Minister, it’s wonderful—$1½ billion—but you should do more.’ Somebody has to get into his ear and tell him that there is a lot more that needs to be done. He should not be churlish and dismiss the ideas that have been put forward by Labor over a number of years.

We see today that the Prime Minister has finally found an area that Labor has talked about as being one of the ways that we could take some of our competitive advantage because of the resources we have—to invest in new technologies such as gas to liquids and coal to liquids, something that might add to our ability to be independent of overseas and global interests in our fuel dependency. Suddenly the light switched on and the Prime Minister said, ‘We’re in it.’ But as our spokesperson, the member for Batman, said on Thursday, he simply recalls that when Paul Keating was the resources minister, not the Treasurer, he was a great advocate of that type of technology—gas and coal to liquids—over 20 years ago.

This government wants to give the impression that it does something. It is a great government about the spin. Mr Deputy Speaker McMullan, you have suffered because of the spin over ethanol when, in fact, at the end of the day anybody who is a fair observer of our position on ethanol can see that what is happening now is proving our point. When you go to the petrol station now, they tell you that it is E10; they tell you that it is up to 10 per cent. The car manufacturers are advising consumers that, in the operation of their car, as long as it is E10 it is all right. But we were criticised because we raised this. We simply said that the consumer should make informed decisions. This government has to make decisions that make sure that Australia’s renewable energies are sustainable and that Australia has an energy system that is sustainable into the long term. (Time expired)

Mr PRICE (Chifley) (8.18 pm)—I am pleased to speak on this extraordinary day when we are debating the Petroleum Retail Legislation Repeal Bill 2006 and when we have had a ministerial statement about fuel. I just want to pick up on comments made by the honourable member for Scullin, because he has pointed out that, clearly, the Prime Minister believes that his ministerial statement has gone some way to relieving the angst amongst members of the public about high petrol prices. I am staggered to find today that only Labor members and, of course, Independents are rising in this debate to talk about the issue that I think is hurting Australians so much, certainly those in my own electorate.

It is very interesting that people are suffering not only from high petrol prices but also from a rise in interest rates. In fact, the proportion of household income going to service interest payments on home mortgages has reached a record high of 28.2 per cent. That contrasts with the situation in 1989, when they were 25.8 per cent under Mr Keating. A greater proportion of household income is now going to service home mortgages. At a time when the Prime Minister promised the
people of Australia that he would keep interest rates low, lo and behold, what has happened? We have had two interest rate rises since the budget, and many commentators are speculating that the market has already factored in a third interest rate rise. This is hurting the hip pockets of Australians, particularly those who are paying off a mortgage and those who have recently moved into houses, particularly young families.

In addition to interest rate rises and their effect on the hip-pocket nerve, we have seen record amounts of household debt. Again, in 1989, household debt as a proportion of income was 60 per cent. In 2006, it not only has doubled but stands at 150 per cent. No wonder people are very sensitive about increases in the price of petrol. I want to make the point that, when the Prime Minister was asked in question time about interest rates—that is, the interest rates that mums and dads are paying on their home—and that in Australia they are higher than in any other comparable country apart from New Zealand, he did not want to answer it. However, in his ministerial statement, he was at pains to point out that petrol prices in Australia are the fourth lowest in the OECD. The member for Kennedy would never have tried to explain to his constituents that petrol prices, notwithstanding their high price today, are by world standards very low. It means not one jot to people when they pull up in the family car and spend $60, $70 or $80 to fill up the petrol tank.

The Prime Minister also said in his ministerial statement that there are many factors beyond the control of the government. I would like to quote from a 1986 matter of public importance debate on fuel prices, in which a member states:

When he—

that is, the Prime Minister of the day—talks about complexity, difficulty and problems and asks the Australian public to understand the difficulty of the Government, I say to him and to the Treasurer on behalf the Opposition and the Australian public that if there is any complexity, difficulty, pain or problem, it is all the Government’s own making.

I have given the person away by mentioning the date, 1986. The honourable member for Bennelong said that. It is a quote from him. I suspect that we ought to keep him at his word. Again, on 11 February 1986, he said:

When one looks across the whole gamut of policies being followed by this Government, one finds again the again actions taken by the Government that are damaging the living standards of average Australians and their families. We find it with interest rates, taxation and petrol prices ...

I agree with him on that about this government—his own government.

Today the government announced an important initiative on LPG. They are going to offer two subsidies—$1,000 towards a new car fitted with LPG and $2,000 towards the cost of converting a vehicle to LPG. It sounds like a very sensible measure, and I am happy to support it. It will be good for the community. But the Prime Minister’s statement included no estimate of the number of people who will be able to take advantage of these subsidies. Why is he running for cover? Why won’t he say to the Australian people that, over four years, he expects so many people will be able to take advantage of them. There is a figure of 230,000 people taking advantage of this new initiative on LPG—one, I might say, that was advocated in a blueprint by Mr Beazley, the honourable member for Brand and Leader of the Opposition.

I am pleased for those people who can take advantage of this. I say to the honourable member for New England and the honourable member for Kennedy that, when you work the figures out, it means that in 12
months 383 of the constituents in your electorate will take advantage of it. But, as always, there is a catch. They need to have money in the hand in the first place to pay for the conversion, to get the rebate.

Mr Windsor interjecting—

Mr PRICE—And the honourable member for New England, as he always does in these debates, makes a very sensible observation—that is, the availability of LPG. In my electorate, I will be pleased if 383 people take advantage of the government’s initiative. There is no harmonisation and no extra assistance to get the quota up in my electorate, the electorate of Chifley—or in the electorate of New England or in the electorate of Kennedy—if only 200 or 300 people take advantage of it. Those who can afford it can take advantage of it.

But if you are an apprentice and you own a car, because you need it to travel to and from work, but you do not have $2,500—and some say it could be more than that—you will not be able to afford to make the conversion. If you are a single mum who has a car and you want to get back into the workforce and you want to reduce your costs, how will you apply for it with the punitive operation of the taxation and social welfare system that applies to those people who want to re-enter the workforce? You are not going to have a lazy $2,500 or $3,000 lying on the kitchen table that you would be able to grab and take advantage of this initiative. I do not want to quibble about it. We have advocated it—it is in the blueprint—and it is being introduced, but I do not think it goes far enough.

One of the most important things in the amendment moved by the honourable member for Batman relates to the Australian Competition and Consumer Commission. In his ministerial statement, the Prime Minister said:

The Australian Competition and Consumer Commission has powers to protect consumers from unlawful, anticompetitive conduct and unlawful market practices through the provisions of the Trade Practices Act. The ACCC monitors the daily average retail prices of unleaded petrol, diesel and automotive LPG at roughly 3,600 sites across Australia.

That is true, but in his statement the Prime Minister does not refer to the question that the shadow Treasurer, the honourable member for Lilley, asked the Treasurer:

My question is to the Treasurer. I refer to the Treasurer’s numerous assurances that the ACCC is constantly monitoring petrol prices to ensure that consumers are not being gouged by oil companies. Treasurer, is it the case that according to a letter from the ACCC Chairman, Graeme Samuel, this price monitoring is limited to collecting incomplete data from oil company websites and filling in the gaps with six-month-old data? Treasurer, do googling and six-month-old data constitute effective monitoring? Will the Treasurer now instruct the ACCC to engage in formal price monitoring to enable them to demand and collect relevant data?

What the member for Lilley was referring to was wholesale prices. We have seen time and time again that the Treasurer answers the question on the basis of retail prices. So no Australian listening to this debate can be reassured that the ACCC is bringing to bear a full amount of authority and undertaking comprehensive price monitoring at a time when petrol prices are hurting Australians. It is something the government has refused to do and slip slides around in implementing. It is also the subject of the amendment moved by the honourable member for Batman. Last week in question time the honourable member for Hunter had a prepared a letter, and all it required was a signature from the Treasurer to implement this wholesale price monitoring. That is all it required.

An opposition member—Is that all?
Mr PRICE—That is all it required; you are quite right. I want to refer to two problems. When prices peak on a Thursday and trough on a Tuesday, people are suspicious. They do not understand and nor do they believe that this is demand driven. They believe that the petrol companies are taking advantage of consumers.

Mr Katter—How cynical of you!

Mr PRICE—I think they might be on the mark, and I think you might agree with me that they are on the mark. There is a problem that I want to refer to, and I must say that I have only recently been made aware of it—that is, petrol companies actually own the petrol that is in the storage tanks of the retailers. Now I am not saying that I want to put an extra burden on the retailers, far from it, but I do say that while the petrol companies own the petrol in those petrol station storage tanks they will have ultimate control of the price. You will not get a free and fair market. I am very keen for the NRMA in their petrol summit in October to have a look at that and to get some advice and see what can be done about overcoming this anomaly.

The other issue I want to raise is ethanol. Mr Deputy Speaker, you know that when it comes to rural industries the National Party will always offer them a ‘funeral option’. What do I mean by that? I mean that when they are in trouble they will always get people out of the industry or they will pay them to get out of the industry. I know the honourable member for Kennedy is very close to the sugar industry, and I say to him: when prices were so low just a few years ago, what a pity we did not have an ethanol initiative then rather than the $600 million to buy people out of industries they had been in for generations. They did it in dairy; they do it in all the industries. They can never get it up over the Liberals in here so all they do is offer the funeral option: ‘Goodbye, you’re finished. We don’t want to know you anymore. Get out of the industry.’

I am keen about ethanol and I always have been. One thing I will say about giving Australian consumers more choice by spending some $17.2 million to allow service stations to have or convert storage tanks into ethanol storage: it is a good thing. I know that in my electorate there is not one petrol station that sells ethanol. Surprise, surprise! Why would that be so? It is that, although the Labor Party many years ago supported the establishment of this industry, we have kept that very minute. I would like to see it a lot stronger. I sincerely hope this measure works, but I do note that there is no monitoring in this, there is no control and there are no targets. There is a total absence of targets.

When there is talk about mandating ethanol, people run up a lot of arguments. I think we ought to look at mandating. I hope the NRMA conference in October gives mandating a good look, if for no other reason than this press release from BP in which they talk about rolling out E10 and which says:

This initiative is due in no small way to the policies of the Federal and Queensland Governments. By incentivising ethanol instead of mandating it, they are ensuring that the benefits will be passed on to consumers.

In my electorate we would just like to have the opportunity to buy ethanol! Notwithstanding the measures in this prime ministerial statement, there is no guarantee that we will see ethanol being offered at one of the service stations in the electorate of Chifley. I say to petrol companies: when you say that you do not like mandating it makes me a bit suspicious. I have never in this House been an advocate for petrol companies. I realise they are necessary bodies and they provide a most important ingredient for my constituents and for the economy but I am inherently instantly suspicious, as any good person
from Western Sydney is, of petrol companies.

I read with interest an article about the Holden car company in Australia. They are now manufacturing engines that are capable of taking up to 25 per cent of ethanol. Isn’t that marvellous? Isn’t that wonderful? But the problem is that they are not selling them in Australia. They are exporting them. How ridiculous is that? The honourable member for Batman and the member for Hunter talk about the new technologies, and I totally support their views on that. But what I do say is this: ethanol we have already. There are many people who want to get into producing ethanol and we have to make sure that we have the policy framework right. Last but not least, if the Prime Minister’s target of 350 megalitres of biofuels is achieved by 2010 it will constitute just one lousy per cent of our production. How is this helping our current account deficit? How is this helping sustainability? It is a lousy target. I am sure that we as a country are able to do a lot better than that.

Mr KATTER (Kennedy) (8.38 pm)—The Independents—the three of us—went to Michael Delaney’s group, the Motor Trades Association of Australia, and we found out that they had formed a fair trade council. I think it is only proper to put before the House the solutions that have been proposed by this particular group. They are:

a. That a positive right to supply be included in legislation—that is, that supply cannot be refused unless on occupational health and safety grounds. Petrol being an essential energy good, a minimum quantity of a tanker load could be applied;
b. That the ACCC be required to receive a commercial-in-confidence base information from the four refiners of all wholesalers data on their actual wholesale price—so on a monthly basis the high and low price, and a medium price—thus enabling the ACCC to gain a greater knowledge of price margins in the market. This would also provide some transparency in the event that pricing about concerns were referred to the commission;
c. The introduction of terminal gate price so the only movement from posted terminal gate price was for volume discounts;
d. A renegotiation of the Oilcode;
e. The passage of the Dawson bill, in particular collective bargaining notification arrangements;
f. The passage of the majority report of the Senate Economics Committee inquiring into the TPA and small business. Also a right for victims of breaches of the TPA to take action for compensation for successful ACCC action.

It is quite a remarkable event today. It is truly remarkable. I once belonged, as did my colleague the member for New England, to a once great party that was responsible for aggressively introducing, and pushed for the introduction of, the sites act. We stood up to the big corporations. We had courage, we had gumption and we had tenacity. The history books glow with pride for what we achieved for this nation. The followers that followed after us introduced national competition policy. It was going to give us competition. The one thing that we absolutely all know competition policy never gave this nation is competition.

The most important product to us all, of course, is food. In 1990 Woolworths and Coles, according to the AC Nielsen annual report and the ABS report, owned 50.5 per cent of the retail food market. Now, according to AC Nielsen and the ABS, and Coles’ and Woolworths’ own figures, they hold 82 per cent of the market. So if there is one thing that national competition policy has not delivered it is competition.

I virtually live on aeroplanes. My official report to the parliamentary committee was 37½ hours. I nearly died of shock when I found out that I had spent that much time travelling. In the last three years I think I have travelled non-Qantas twice. All I do is...
say, ‘I want to leave at this time.’ Whatever plane is leaving at that time, I get on it, whether it is Alliance, Virgin or Qantas. You only have to go to an airport to see that 90 per cent of the traffic is carried by Qantas. So it did not deliver competition in transportation. In the media, I think almost all the radio stations in the northern half of Australia are now owned by one single broadcaster, and I understand that is pretty much the same for the rest of Australia. As far as newspapers and television go, I do not have to tell anyone in this place about the concentration of ownership, which is unprecedented in the Western world.

I and the honourable member for New England got a briefing, and we were appalled to find out that one of the reasons that we would not be able to sell ethanol in this country now or in the future is that 62 per cent of the petrol throughput is now controlled by Woolworths and Coles and their partners Caltex and Shell. At the present rate of progress, within three years they will be up to 75 per cent. The 25 per cent that is left—and if you go out and put $30 million into an ethanol plant you would want to be pretty confident you have some customers there—are the little tiny blokes. What are you going to do? Run around and draw up a contract with a thousand of these small retailers? It is not likely. Interestingly, the only single plant that was being built in Australia was being built by a person that already owned the retail outlets. I think it was Caltex that made them an offer for the plant. They would not sell the plant. But what they did then was buy out the retail outlets so that the oil company had control of the ethanol.

Why do the oil companies not go for ethanol? Clearly it is a lot cheaper now. Everybody knows that it is cheaper than oil, so why don’t they buy ethanol? It is cheaper. I will tell you why they do not. Roll the clock back to when we had a price at the wellhead in Australia, when there was an agreed upon price which gave, I think, BHP a very generous return on their investment and their risks—and it was $3 a barrel. So the price of producing and making a profit then was $3 a barrel. The world spot price was $7 a barrel. I will bet London to a brick that those relatiivities are the same today as they were then. So, whilst it might be $70 a barrel out there, the Shells, Caltexes and Mobils own the oil wells, or they have contractual arrangements which amount to them owning the oil wells, and they made those contractual arrangements long before the price shot through the roof.

I doubt whether any of us in here are going to be able to settle the question of whether supply and demand is dictating the world price of oil or whether the price is being manipulated, but one thing we do know is that the spot price is a hell of a lot different to the cost of production which is being borne by these companies. And that is the reason why they are not buying ethanol—because the oil companies are buying oil at one hell of a lot cheaper price than we can produce ethanol for. But they will not sell it to us at that price.

The trouble in this place is that, when all the members of the frontbenches of both sides of the House were little boys, they never played Monopoly. I played Monopoly, and I remember well that if you got all the utilities then you could charge four times as much money than if you only owned one of the utilities. So I learned very quickly, at a very tender age, that what you did was try and buy up the opposition as fast as you could gobble them up, and then you made an awful lot of money.
I can remember well when we implemented the sites act. I was in parliament at the time. Because I was the chairman of the Queensland branch’s small business committee or whatever we called it then, we went around and interviewed people about it. We interviewed a service station owner, and he said: ‘Here’s my bill from the oil company. It is 52c a litre. But down the road the company is selling retail at 50c a litre. How can I compete against him? He is my supplier.’

That is what is called vertical integration. When that very great American—probably one of the few really outstanding American politicians—Theodore Roosevelt mobilised his antitrust legislation against John D Rockefeller to break up his huge cartel, the US Supreme Court interpreted the antitrust legislation as actually banning vertical integration in industry. They saw, and see, vertical integration in industry as a breach of the antitrust legislation in the United States. I believe the US Supreme Court most certainly has it right in justice if not in law.

There has to be a political point made here. In my state the party that I belonged to were champions of the owner-operator, and we actually banned the selling of groceries through service stations. We put up some spurious argument because we wanted to protect the little bloke against the giant oil companies. That was the reason we banned it—and because we also wanted to keep competition in the food purchasing marketplace. There was no after-hours shopping in Queensland for corporate supermarkets then. That was only for owner-operator supermarkets. I have to say, in all fairness, that the current government has preserved that to some degree. But the party that actually drove all of this legislation to help the owner-operator is now the party that are abolishing the sites act. It is really extraordinary that a party going in one direction could, within the short space of 15 years, be heading 180 degrees in the opposite direction.

I want to hone in on two other figures. I did not have time to check, but I think that it was in the 1980s—it might have been little earlier than that—that oil went over $50 a barrel. It was $40 or $50 a barrel for a protracted period of time, and at that time, when the tax was taken off, petrol cost 22c a litre. Oil has now gone to $70 a barrel—an increase of about 50 per cent. So the price of petrol should have increased 50 per cent to about 35c. But it has not—it has gone to 105c.

Why has there been this sudden huge increase in the price of oil? The cost of producing oil has not changed: you dig a hole the ground and the pressure brings it up or you pump it up. We are producing oil exactly the same way now as we were then, and we must have this question answered. If we cannot force the oil companies and if we are not prepared to implement price controls, then we must intervene in the marketplace to see that there is competition—and to do that we need mandating. I have been heavily involved in efforts to get ethanol plants off the ground, but we have to find someone to buy the product.

Quite frankly, the only big operators in Australia are Mr Honan at Manilda, who has his own plant so he is most certainly not going to buy off us—and I do not want a commercial-in-confidence situation here—and a big operator that has already entered into contracts, Sarina’s CSR. There are only three other big independents, and one of them is locked in contractually for a few years yet with one of the oil companies. One of them, as I have just remarked, has been bought out by, I think, Caltex, because they were involved in an ethanol plant and it was getting a bit scary for the oil companies.
Let me go through the figures again just quickly, because it is not very difficult; it is not rocket science. You can buy, and we can produce, sugar for $360 a tonne. There are 600 litres per tonne, so that is 60c a litre. If we take 50 per cent of our sugar production and turn it into ethanol, about one-third of our tonnage would come from molasses, which is only 22c, so we would have an average price of around 47c. It is about 9c for processing, so it would be 56c. There is storage and transport of 10c and 5c for retail, so that would be 71c a litre. We would have to add one-quarter, because ethanol has a lot of oxygen in it and your motor car does not go as far since you get a better burn and you get more power. It might be fairer to say that you would add 18c to that, so that would bring it to 89c a litre.

We absolutely know that we are talking about a comparable price in the range of under 90c a litre. Why is it not happening? It is not happening because the marketplace will simply not provide room for us to go into the marketplace. There has to be mandating. After seven years of this, surely this House realises that there is no ethanol without mandating. If you want verification of this, let me tell you that four years ago the demand for ethanol was around 70 million litres. The demand for ethanol is now 23 million litres, so the government has done a wonderful job! The proof of the pudding is in the eating. Four years ago in Australia we had 70 million litres of production; now we have 23 million litres of production or consumption—they are both the same thing.

I will make one other remark concerning petrol. We have spoken about LPG, and it would appear from the Prime Minister’s statement today that we can deliver LPG at 78c a litre. But as the member for Chifley, in a very excellent speech to the House this evening, very adequately asked, ‘Where are you going to fill up?’ We have enough big operators in livestock haulage and banana haulage and in the mines in North Queensland and in the sugar industry itself to produce biodiesel ourselves. But the trouble is that whilst I would be confident of us having biodiesel outlets in North Queensland, when the livestock haulier is carting cattle south, where would he fill up at a bowser? He would not know where he would be taking the cattle and he could not afford to take the risk of going to some area where there is no biodiesel.

So, as outlined by the member for Chifley, once again we have the problem of having to have outlets all over Australia. The only way that can be done is by mandating it. There is not a country on earth producing ethanol that is not mandating it first. I have held things up in the House on numerous occasions—and I will do it again this evening. This shows the price at the bowser in Brazil. ‘Preço por litro’ is Portuguese for ‘price per litre’. It is 1.359 real, which in Australia is 68c a litre. I do not have to do the figures, as I did earlier in my speech this evening; I can simply hold up a picture of a bowser in Brazil. We absolutely know that if this government moved on mandating they could deliver to the people of Australia petrol at the bowser at under 90c a litre, but we are buying it at $1.30 a litre.

I went up to see the rugby league finals on the weekend. The Cloncurry team of my own home town travelled a 1,000 kilometre round trip to Normanton to play in the semi finals. What does petrol mean to us at $1.30? Thanks to the incompetence of the state government in Queensland, for the last 12 months we have gone without any dentists in the midwest—we have had none. In my lifetime we have always had three. On average, the people from that area would have had to travel 800 kilometres every time they got a toothache! Whilst it must be nice and academic to sit here and argue these things, it
sure would be nice if the government gave us mandating and delivered to us petrol at the price at which we should be getting it—that is, the ethanol price, which is under 90c a litre. If the government think all this running around and tiptoeing in the tulips has achieved anything, let me tell you what it has achieved: we have gone from 70 million litres down to about 20 million or 30 million litres over the last four or five years, so the policies have been an abject failure. We ought to expect that the policies that were implemented today will go in exactly the same direction. *(Time expired)*

Debate (on motion by Mr Hunt) adjourned.

**PRIVILEGE**

The SPEAKER (8.59 pm)—On 10 August 2006 alleged matters of privilege were raised with me by the Leader of the Opposition and the members for Ballarat and Chisholm concerning an answer to a question given by the Minister for Education, Science and Training. The matter raised by the Leader of the Opposition was whether privilege was breached by the minister disclosing to the House the content of correspondence that members had had with her in relation to an invitation from the minister to submit proposals for infrastructure projects in schools in the members’ electorates.

In its report on the records and correspondence of members, the House Committee of Privileges noted that there was no general protection of privilege afforded to the correspondence of members, including their correspondence with ministers. The committee did not recommend any change to the current status.

There is no general impediment on a member, whether a minister or not, disclosing the content of any correspondence with other members. In fact, such disclosure is not unusual in the House, including disclosure by members of responses they have received from ministers to queries they have raised with them. I do not believe the imposition of a blanket restriction on the disclosure of the contents of such correspondence would receive general support.

The Committee of Privileges did note the special nature of the correspondence between members and ministers, which could go to very sensitive matters raised by the member on behalf of constituents. While there is no legal impediment to disclosure in such cases, judgements should be made by individual members whether disclosure could damage the trust that is placed by constituents in having their members make representations on their behalf.

The member for Ballarat and the member for Chisholm raised whether the disclosure by the minister of the representations they had made on behalf of their constituents impeded their performance of their duties as members. The Committee of Privileges had noted in its report that members could raise the issue of possible improper interference with the performance of their duties as a member in relation to any action that may be taken against them as a result of their correspondence with ministers. In this particular case, I do not see that the minister’s disclosure of the contents of representations made to her by the members concerned was designed to interfere with their ability to raise such matters in the future, and so I do not consider a prima facie case has been made out such as would permit precedence over other business being given to a motion concerning these matters.

**ADJOURNMENT**

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

That the House do now adjourn.
Ms GEORGE (Throsby) (9.01 pm)—Nearly a year ago the Australian Cancer Council called for the rapid listing of Herceptin for the benefit of about 2,500 women each year diagnosed with early breast cancer. International research showed the drug reduced the risk of breast cancer recurring in patients with a particular form of early stage breast cancer known as HER2 positive breast cancer.

At $50,000 to $70,000 per year for the treatment, Herceptin is a very expensive drug. We know how communities across Australia have shown amazing resourcefulness, energy and compassion in raising funds to help individual women get access to Herceptin. Our own community in the Illawarra has rallied magnificently to assist a number of women in averting the possibility of their families having to sell homes to pay for their treatment.

In July this year, thousands of women with early stage breast cancer sighed with relief and were given hope by the recommendation of the Pharmaceutical Benefits Advisory Committee to list Herceptin on the PBS. This expert committee undertook a stringent review process to ensure the treatment by Herceptin is cost effective and provides real benefit to patients before its approval for listing on the PBS.

However, the final decision as to whether Herceptin is subsidised for Australian women now rests with the federal government. The Minister for Health and Ageing, Tony Abbott, needs to take a submission urgently to the cabinet for approval. This last hurdle should be addressed expeditiously. Each day that passes before the drug is approved for subsidy will see as many as eight women diagnosed with HER2 positive primary breast cancer. Each day that passes creates undue pressure for women and their families.

I trust these women are aware of some assistance being provided by Roche Australia to offset the high expense of the treatment. Women who commenced Herceptin treatment from June 2005 should talk with their oncologist and establish their eligibility for at least some subsidised treatment that is currently on offer.

In December last year in parliament I raised concerns that one of my constituents in Horsley had been denied access to the special program which subsidised Herceptin for women with advanced breast cancer. The woman in question was diagnosed five years ago with breast cancer, leading to a mastectomy and radiation treatment. The cancer reappeared in the right chest wall. Despite her oncologist’s advice that the cancer would respond well to treatment with Herceptin, the application for subsidised treatment was initially refused on the grounds that the cancer had returned in the chest wall rather than in the bones, liver, brain or lungs.

Thankfully, following representations to the minister, this farcical rejection on a mere technicality was reversed and the woman in question went onto subsidised treatment. The patient and her family faced enormous pressures waiting for the approval.

And so today the thousands of women now waiting for the government’s final approval are also in a very tense and anxious situation. I again repeat that each day of delay by the government is causing untold anxiety for many women and their families. The government must surely be aware of the considerable community interest in a quick resolution of this issue, as reflected in the petitions tabled by members on both sides of the chamber.

I take this opportunity to commend the Illawarra Breast Cancer Support Group and...
Gloria Swift, in particular, for agreeing to host the Regional Field of Women planned for 22 October at the WIN Stadium in Wollongong. It is a day when 11,800 pink silhouettes together with 100 blue ones will be planted to represent the number of women and men diagnosed with breast cancer each year and 2,800 white silhouettes in memoration of those who die. I trust that participants in this significant day in our local calendar will hear the long awaited announcement that the government has given approval for Herceptin to be subsidised on the PBS.

**Career Advice Australia**

Mr **BARTLETT** (Macquarie) (9.06 pm)—During the winter recess, I had the pleasure of launching the Blue Mountains-Hawkesbury-Penrith local school industry partnership, part of the Australian government’s Career Advice Australia program, which has been allocated $143 million over the next three years. This very important program is aimed at building essential links between school and the workplace, particularly for the more vulnerable young people.

With the increased complexity of the workplace, with the increased rate of economic change, with the increased number of options for training and education available, making these choices is nowhere near as easy as it used to be. The aim of schools, and it ought to also be the aim of employers, is to help young people achieve their potential, to prepare them to be positive, productive participants in the life of our community. This involves a number of things. It involves helping young people become aware of the career opportunities available. It involves helping equip them with general employability skills and, in some cases, specific areas of training. It involves helping them become motivated and become connected. It involves giving young people a start in the workplace.

It is one of the sad paradoxes that on the one hand we have employers crying out for young people with the appropriate level of motivational skills they need for their workplace and on the other hand we have young people who cannot seem to get a start in employment. We have this mismatch, and it is essential that we do what we can to try to remove those imbalances or discrepancies to make those essential links between school and the workplace so that young people leave school with a clear idea of where they want to go, being motivated to start and with some connections to the workplace, rather than leaving school totally unsure of where they want to go. It is these young people who often end up joining the ranks of the unemployed.

It is sad that we have so many variations in careers advice available from state to state. In public high schools in New South Wales, we have full-time careers advisers. In Western Australia, we have no particular state policy. In South Australia, there are student counsellors who might give a bit of careers advice. We really need a much more integrated and determined approach towards careers advice. That is one of the reasons why this government has committed $143.2 million over the next three years as part of its Career Advice Australia program.

There are three aspects to this program. The first is the establishment of a national network of industry career specialists to provide up-to-date information on the skills needed and labour market opportunities in those particular industries. The second is the establishment of 57 regional industry careers advisers to provide expert localised careers advice, so young people will know what opportunities are available in their particular area. The third is the establishment of the local community partnerships, such as this Blue Mountains-Hawkesbury-Penrith community partnership which will address the
needs of 34,000 young people in this area. Over the next three years, this will need $215,000 for this part of Western Sydney to help make those essential connections between school and the workplace.

The aims of this program are: firstly, to facilitate access to professional career advice for young people; secondly, to help students develop individual transition plans for study and work; thirdly, to organise and monitor industry placements through structured workplace learning, so essential for getting on-the-job experience for these young people to complement their studies, particularly in certificate I and certificate II of vocational education programs; fourthly, to promote vocational and technical education pathways; fifthly, to manage and promote the local industry Adopt a School program; sixthly, to enhance the mentoring and monitoring arrangements for young people, particularly those in years 9 and 10, the more vulnerable years; and, lastly, to better engage parents in education about post-school options.

In short, in addition to a whole range of other programs—this government has introduced increased apprenticeships and more money for vocational education and training—these local school industry partnerships are aimed at helping young people develop a better idea of what is available when they leave school, a better idea of how to get there and support along the way to build those essential links so they do not fall between the cracks of school and unemployment, so they go straight from school into productive employment. (Time expired)

Kokoda Track

Mr Rudd (Griffith) (9.12 pm)—On 21 July 1942 the Japanese Imperial Army, having leap-froged through South-East Asia, reached the village of Gona on the north coast of Papua New Guinea. Under the command of Lieutenant Colonel Hatsuo Tsukamoto and Colonel Yosuke Yokoyama, the Japanese army moved inland over the coming week to take control of the small inland village of Kokoda. By 29 July, the Japanese had accomplished this task and had, importantly, taken control of the Kokoda airstrip. A limited number of Australian soldiers serving in Kokoda at the time had put up a brave fight but were overcome by the sheer numbers of the Japanese and forced to retreat.

With Kokoda under their command, the Japanese then set their eyes on Port Moresby—a perfect platform to launch an attack on the Australian mainland. Over 10,000 members of the Japanese South Seas Force took to the Kokoda Track and began the 96-kilometre trek over the Owen Stanley Range to the capital, Port Moresby. The Japanese were fresh from China, well equipped, well trained and fully prepared for the advance before them. As they were beginning to make their march to Moresby, the Australians were thin on the ground, poorly trained and without sufficient logistical support. But as the Japanese began their move to Moresby, what they did not count on was the determination of the Australian 39th Battalion and elements of the 49th and 55th battalions, whose mission it was to defend Moresby from the fast-approaching enemy.

What ensued over the coming months were long and bloody battles at Isurava, Brigade Hill, Ioribaiwa and Imita Ridge. With the help of PNG nationals and reinforcements in the form of two battalions from the 21st Brigade, the Australians fought with a courage that all their comrades in arms were proud of then and would remain proud of. After six months of fighting, Australian troops, assisted by their American allies, ended the Japanese campaign on 22 January 1943. By this time thousands of brave young Australians lay dead, and many thousands besides lay wounded. Kokoda is the stuff of
Australian legend. Kokoda epitomises the great Australian spirit. Kokoda in many, many respects is Australia.

I walked the Kokoda trail in April with my son Nicholas; the Minister for Human Services, Mr Hockey; and David Koch and his team in a group of 30 men from Brisbane and Sydney. Thousands of other Australians have done the same in recent years. It is not a walk, it is certainly not a holiday; it is a pilgrimage. We were able to see with our own eyes where these young Australian heroes lost their lives for their country, a country which they loved very much.

That is why it is disturbing to now see reports that the Kokoda Track may well be under threat. An Australian mining company has taken control of the mining rights of the Mount Bini district, which is located along the trail itself. I note that the mining company in question has been quick to deny that its operations will impinge on the track. The managing director of the company is on record as saying that ‘none of the track would be affected’ by mineral exploration or possible future mining. But I also note that the managing director of the company has conceded, according to the Herald Sun of 15 July:

...the Kokoda Track ran through the middle of land his company had acquired the right to explore.

I do not intend to sully the name of the company in question. But I do want concrete guarantees that the Kokoda Track will not in any way be damaged by mining exploration or operations. It is for this reason that I seconded a motion moved earlier today by the member for Hotham which calls on the Australian government and the Minister for Veterans’ Affairs to:

(a) work with the Government of Papua New Guinea to protect the natural environment and the historical integrity of the Kokoda Track;

(b) ensure the safety and enhance the significance of the Track for visitors and walkers by improving the amenities and interpretive materials, and protecting the memorials along the Track; and

(c) report back to this House within 12 months on progress in implementing these actions.

I wholeheartedly support this motion. I have also written to the government of Papua New Guinea expressing the Australian Labor Party’s concerns that the mining operations may endanger the track. Labor expects that the Australian government will do everything in its power, in partnership with the government of Papua New Guinea, to protect this living monument to our country’s heroes and the heroes of Papua New Guinea who made their mission possible—a mission in defence of our country.

Fuel Prices

Mr BRUCE SCOTT (Maranoa) (9.16 pm)—I support the previous speaker in his comments relating to the Kokoda Track. Tonight I want to talk about the price of fuel. It is very topical across Australia, but I want to focus on a privately owned oil explorer, producer and refiner in my electorate of Maranoa. IOR Energy Pty Ltd and its group of companies manufacture some 50 million litres of diesel fuel per annum at refineries in the west of my electorate, specifically at Eromanga and Cadappan. These are very remote parts of my electorate and the oil being produced is coming out of the Eromanga and Cooper basins. These are very remote parts of my electorate and the oil being produced is coming out of the Eromanga and Cooper basins. IOR is the only wholly owned independent Queensland distributor of fuels and is delivering this fuel into very remote parts of my electorate. Fuel price is a particularly important element of what this company is doing, but first I want to say that, as we all know, in the past in this country many of the smaller oil companies such as IOR have been consolidated or swallowed up by the major multinationals. I commend this
small company for still being there. I feel very proud of their operations—their refineries being in the Cooper Basin, in the remote parts of Maranoa.

The vision of IOR, Independent Oil Refineries, is to provide lower fuel prices and improved services to rural and regional communities in Queensland. The company has been rolling out unmanned diesel refuelling outlets. The company’s only product is diesel. The independent distribution points comprise very large tanks that are strategically located in some of the major towns and on some of the highways—not always major highways—where major trucking companies, mining companies and large users of diesel can fill up their own vehicles by swiping an electronic card, which gives them access to the large storage tanks.

It is certainly a new concept in the distribution of fuel and it certainly brings down the overhead costs that would normally be associated with running a service station, but the important point is that when you go to most, if not all, fuel distribution service stations today you serve yourself in any case. The difference between this company, where you serve yourself and buy from a large bulk supplier, and a major service station is zero because you still serve yourself. During the winter sitting break I saw some of the distribution points at Thargomindah and near Windorah. They are just getting under way. Obviously they have gained council and government approval as a fuel is stored there and they have to ensure that they comply with regulations.

I want to talk about the price at which they are able to deliver the diesel that they produce themselves in their own refineries for sale in remote communities. In this place people often say, ‘Fuel in the outback will be far more expensive than in the cities.’ That is true if you buy through the retail outlets of some of the multinational oil companies, but it is not true if you buy through this company. I will cite some of the prices that they are charging for their diesel, albeit that it is done through bulk sale and you serve yourself. Thus far, those benefiting from this initiative are probably major trucking companies, mining companies and local governments. These are prices stated on the day. On 7 August in Clermont the price from a major multinational outlet was 152.5c a litre; from IOR it was 126.84c a litre. I can go through a whole list. At Boulia it was 149.9c a litre through a major multinational oil company’s retail outlet; IOR had it listed for 126.84c a litre, a saving of 23c per litre. This demonstrates that the major oil companies can do better. They do not have to be selling fuel at the prices that we are seeing at service stations around Australia. I commend the actions of IOR. (Time expired)

Electorate of Parramatta: Violence

Ms OWENS (Parramatta) (9.21 pm)—It is with sadness that I speak today about the senseless attack on the Parramatta and District Synagogue. Sectarian and religious violence is largely unknown in Parramatta, but a fortnight ago, at about 10 past nine on a Sunday night, a large block of concrete was thrown through the glass doors of the residence adjacent to the synagogue, and the back windows of two cars parked in the drive were also smashed. Thankfully, neither Rabbi Wernick and his wife nor any of their children were hurt by this cowardly, infantile and dangerous act.

Let us call this act for what it is—stupidity. It involved a group of young men skulking around in the night, finding a safe target—a family at home—and throwing a block of concrete and smashing some car windows while running away. And, through all that, they are thinking that somehow this rabbi in Australia—where Australian Jews...
have lived alongside Australian Muslims, Hindus, Buddhists and Christians peacefully for decades—is a reasonable target because they do not like what Israel is doing.

What have we, way over here, got to do with all that, way over there? It does concern us because conflict in far away places puts pressure on and within our community. The diversity of our population requires some of us to re-evaluate and redefine old relationships from other parts of the world in the context of living in this country—to find ways to heal, to tolerate and, hopefully, to enjoy each other. What we do here in this country—how we respond here to and with each other—defines us, not what happens thousands of miles away but how we treat our neighbours because of it.

I have talked to some people in my electorate who are worried that people come to Australia and bring with them their old wars. They believe that our newer citizens are defined by their history, not their hopes. I know enough of our new citizens to know that that is an unfair judgement for the vast majority. We here in this country, in this time, make our relationships within this country every day. We create our history here and, ultimately, the cohesion of our community will depend not on who we are or where we came from but on how we have treated each other here over the years. It will depend not on the history somewhere way over there but on the history here. These young thugs damage our community. They have taken conflict elsewhere and tried to build bad history here with this ridiculous and pointless action.

This act is not about Lebanon or Israel; it is very much about us. I am sure Israel is not particularly scared of a big block of concrete thrown in Parramatta. I am sure it does not know about it. The only people who have been scared by this are a couple of young kids who have been introduced to violence born of racism and religious bigotry in this country, in our country, in the last couple of weeks. We must all condemn this act, just as we must condemn the mind-numbing stupidity of people who assault young Muslim women in the street, pushing them over and pulling off their headscarfs in the ridiculous belief that somehow persecuting a young girl is going to make our society safer or more familiar—not for her, or course; who knock off the turban of a Sikh in the absolutely absurd belief that he is a Muslim and therefore connected to some extremist group, when actually he is a Sikh; who get themselves photographed in a mob beating up an Italian Australian because they thought he might be Lebanese; who abuse a woman because she is not a Muslim and does not dress like one; or who throw a big rock through the door of a rabbi’s house because they do not like Israel.

We do not usually experience this kind of stupid behaviour in Parramatta. In fact, one of the reasons that I am so proud to represent Parramatta in this House is the diversity of cultures within my electorate and the way that all these cultures get along with each other. Having said that, I also know that, among the diverse community I represent, there runs deep sorrow about the conflict in the Middle East right now. The tragic conflict between Israel, Hezbollah and Lebanon has a long and tortured history and many Australians within my electorate, especially those who have been personally affected by the fighting in the past, hold very strong views on it.

I attended a special service at the local mosque, Nabi Akram, on the Friday night preceding the attack on the synagogue—a gathering to offer condolences to Lebanon. This was a gathering of people with the strongest emotional response to the tragic events being played out in the land of Lebanon and that, I suspect, is why the religious
leaders decided to provide a forum for this particular Australian community to meet and discuss the circumstances and their response to it. The religious leaders made a simple point: the people of their community are entitled to their views and entitled to express them. Within the legal frameworks of this country, which is their home, they are entitled to put those views strongly—as long as they do it within the Australian context and Australian law—and peacefully through the media and their community and political representatives, and in other peaceful ways. Members of that community have been writing to me and phoning me ever since.

What a difference between the responsible behaviour of the many and the destructive, stupid behaviour of a very few. It is a great community that we live in. Let us not let a few stupid young people damage it. I join the community of Parramatta in condemning this act.

Lachlan Thompson’s Human Powered Vehicle

Mr WOOD (La Trobe) (9.26 pm)—I rise to relate to the House a great story about how chance and ingenuity combined to help Australia become a cycling superpower. In 1983, Lachlan Thompson was an aerospace engineering student from Bayswater with a desire to break the world human powered speed record. As part of his studies at RMIT, Lachlan was experimenting with wind tunnel testing, which at the time was almost exclusively used in experimental aircraft design.

However, Lachlan needed more than aerodynamics; he needed a powerful engine. The world champion pursuit rider at that time was a Perth man named Steele Bishop. In March 1984 GMH paid to fly Bishop to Victoria and volunteered its test track for five days. The world human powered land speed record had been set in the United States at 94.4 km per hour. The attempt at dawn on 28 March 1984 was not without incident. A freelance journalist named Ray Peace at the track reported:

Due to the banked track. ... forced the tiny wheel against the fibreglass fairing. Friction turned into heat ...the HPV was on fire!

Despite being on fire, Lachlan Thompson’s HPV achieved a top speed of 78.94 kilometres per hour. While it did not break the world record, it remains the Australian record to this day. Lachlan’s introduction to Steele Bishop meant that by 1988 his disc wheels and helmets were used by the Australian cycling team at the Seoul Olympics.

Then in 1992, Lachlan, now an Associate Professor of Aerospace Engineering at RMIT, got lucky. A cycling model he had arranged for a photo shoot did not turn up. He walked across Swanston Street and saw a young lady by the name of Kathy Watt. She agreed to a photo shoot on the condition that Thompson put her in the RMIT wind tunnel to check the aerodynamics of her bike and riding position. One thing led to another, and a team was formed and the superbike, a super streamlined bicycle, was born. The superbike rewrote the cycling record books, achieving 23 world championships and three world records in four years. It was ridden at the Commonwealth Games, winning gold medals, in 1994 and 1998, and it had victories at the UCI World Cup and UCI World Championships from 1994 to 1999. Rule changes meant that after 1999 it could no longer be used in international competition.

When Ray Peace, now a member of the Knox Historical Society in my electorate, tracked down the HPV in August 2005 it was languishing in disrepair in Pascoe Vale. Lachlan gladly donated it to the Knox Historical Society. Ray took the bike to Clive Carter, a motorcycle mechanic and fibreglass expert in Ferntree Gully. I am delighted to say that the HPV is now fully restored after
hundreds of hours of Clive Carter’s painstaking work. Today it sits proudly on exhibit at the Knox Historical Society, beside its youngest offspring, the superbike. Congratulations to the Knox Historical Society and all those involved.

The SPEAKER—Order! It being 9.30 pm, the debate is interrupted.

House adjourned at 9.30 pm

NOTICES

The following notice was given:

Mr Bartlett to move:

That the House:

(1) recognises the vital importance of the Hawkesbury-Nepean river system for Sydney’s population and the New South Wales economy;

(2) expresses its concern at the degradation of the Hawkesbury-Nepean catchment and the poor health of the river;

(3) recognises that the Hawkesbury-Nepean bears the brunt of the State Government’s failure to adequately plan for Sydney’s water needs; and

(4) calls on the New South Wales Government as a matter of urgency to address the issues facing the health of the Hawkesbury-Nepean river. (Notice given 14 August 2006.)
Mr Jenkins took the chair at 4 pm.

COMMITTEES
Corporations and Financial Services Committee
Report

Debate resumed from 19 June, on motion by Ms Burke:

That the House take note of the report.

Ms BURKE (Chisholm) (4.00 pm)—It gives me great pleasure to make some further remarks on this valuable and, I would say, far-reaching, timely and adventurous report entitled Corporate responsibility: managing risk and creating value. Some of the feedback so far is that it has been a very good report, well received by business and that we are setting up for things in the future. Often in this place we are creating legislation after the event, so it is quite nice to be ahead of the game in some respects.

I do want to say, though, that it is quite frustrating to be involved in so many committee reports that are ignored by this parliament. I have been involved in several really good, long-reaching and breathtaking reports that have just sat on the shelf and nobody has paid any attention to. So I hope that, in this area of corporate social responsibility, some people will take note and actually put into implementation some of the 29 recommendations that are contained in this report.

At the outset, what do we mean by corporate social responsibility? It means many things to many different people. On a flippant level, people think of a corporation being a good social citizen by donating money to philanthropic services. Many corporations came along and said what great citizens they were because they had donated their staff’s time to various charities. That is laudable but it does not mean that they are a corporately responsible organisation. Labor members of the committee asked for this inquiry because corporations are changing. Some of our corporations nowadays are larger than, and have greater wealth than, some nation states. They are entities that can have a significant impact upon our society, our culture, the environment and even upon political process.

The massive growth in business and international trade make the external impacts of corporations greater than ever, and with that comes costs, as well as benefits, to society. To put into context what we mean by this, I quote from the supplementary report by Labor members:

The Labor members consider that corporate responsibility is fundamentally an issue of sustainability. Corporate responsibility is not primarily about charity or company philanthropy. The World Business Council on Sustainable Development provides a useful definition:

“Corporate [social] responsibility is the commitment of business to contribute to sustainable development, working with employees, their families, the local community and society at large to improve their quality of life.”

So we say this is going to be the reach of corporations. We believe, in the long run, that they should look at reporting upon these initiatives; indeed, it is in their own best interests. In a speech at the Massachusetts Institute of Technology, BP Group Chief Executive, Lord Brown, recently stated:
Good, successful business is part of society, and exists to meet society’s needs. That is the purpose of business at the highest level.

So businesses at the highest level are recognising that they do have responsibility to our society at a greater level. When we look at corporate social responsibility we ask: who are the stakeholders who must be considered when people are making reports? Who are the individuals that these corporations should be considering, engaging with, talking with and getting back to?

Much of the information before the committee looked at environmental impacts. This is vitally important and I do not dispute that at all. One of the things that did disappoint me greatly was that, when corporations look at their responsibilities in the wider context of society, very few actually looked at their employees as being part of the stakeholder group who should be taken into consideration. Indeed, there were many reports about who should be considered in these groups. ‘Stakeholders’ has a very flowing meaning and can have different looks. We need to look at this in a comprehensive manner and say: ‘Yes, various organisations get a tick—a big, gold star. They are great corporate social citizens, at one level, because they have donated money to a charity or because they have made some changes to the environment after ravaging it by whatever means.’

But they did not look at the whole picture; they did not look at the impact upon their staff. I think this is one of the failures of much of the work that has gone on here. It should be about all stakeholders within the corporate social responsibility framework and not just one. You do not just get to pick and choose and say, ‘We’re good corporate citizens because we have done this bit.’ You must be a good corporate citizen across the board. A similar comment was made by the Australian Centre for Corporate Social Responsibility:

The Australian Government may have numerous ways in which it encourages corporate social responsibility, but a lack of coherence and focus of initiatives and policies makes this difficult to ascertain.

The point I am getting at is that we do not know what we are after and what we are making people do. One of the fundamental findings of this report is that we need good government leadership to say what good corporate social responsibility is, what you need to do to report and what measures you should be reporting on, and these measures should be validated. So many of these reports say, ‘We’ve been great corporate social citizens because we undertook this initiative.’ But there is no validation of the reports to say that the community found that there was a benefit or a service, or that companies, particularly those involved in the mining sector, had left the environment in the way they said they had.

One of the other issues investigated at length in this report was directors’ duties. At the time, the committee was looking extensively at James Hardie and the claim made by one of their senior executives that they could not provide compensation because it would be in breach of their directors’ duties. If they provided funds to the people who had been injured, this would actually be against what they needed to do as directors because it would obviously reduce shareholder value. Much of the evidence before us was to say that, no, directors’ duties are not that limited, that they do have what is known as the ‘enlightened self-interest test’ and that there was no need to change the law. The committee came out with this, but I think this is a thing we need to do as a watching brief.

Indeed, we need only look at the waxings and wanings of James Hardie to say that directors’ duties should be put more clearly under the spotlight. I think it is beholden upon all of us
who are now shareholders, by virtue of one thing or another, to also accept the duty of ensuring that directors are fulfilling their obligations not only to us as shareholders but also to the wider society. Never again should we have a corporation saying, ‘We can’t pay compensation to staff we have maimed, and many of whom we have killed through neglect, because it’s going to take away from shareholder value.’ Their staff were stakeholders and they had a responsibility to them. I would like to quote again from the Labor Party’s supplementary report. It states:

While this committee cannot make a definitive determination as to the legal parameters of existing directors’ duties in practice, Labor welcomes the ‘enlightened self interest’ interpretation of directors’ duties put forward by a range of business and legal witnesses. We hope such an interpretation is representative of the understanding and practical exercise of directors’ duties in future.

As I say, it will be a watching brief. The committee report states:

The committee is of the view that the Corporations Act permits directors to have regard for the interests of stakeholders other than shareholders, and that amendment to the Corporations Act is not required. Indeed, this is the case at the moment, but there is no case law on it. Nobody has taken that further step of going to the law and asking, ‘Is this the actual interpretation of it?’ Some very interesting witnesses came forward on this part. But we will need to monitor it. Hopefully, we will never again have a situation like James Hardie, in which directors have less responsibility towards their employees—stakeholders—than they have toward their shareholders.

The committee found that we need to encourage sustainable reporting, that we need to encourage businesses at all levels to take it up and that we need to provide parameters in which they can do this. There were many examples of how reports are currently made, what initiatives are looked at, what is reported and what is not reported. The committee was strongly supportive of the GRI measure that is currently being used throughout Europe, but we need to see if it is applicable to Australia. A great deal of the information said that, if we go with mandatory reporting, we will just have a ‘tick a box’ approach in which corporations can say, ‘Yes, we’re good to our staff, we’re good to the environment, we’re good to this and we’re good to that.’ I dispute that, but that seemed to be the weight of evidence coming back to us. But we need to set some benchmarks. We certainly need the government to lay down some foundations that say: ‘This is the way to do it; this is how good businesses will do it in the future.’ Indeed, good businesses are doing it now.

Again, the report says:

The committee takes the view that although it is not appropriate to mandate the consideration of stakeholder interests into directors’ duties, or to mandate sustainability reporting, there is a need to seriously consider options to encourage greater uptake and disclosure of corporate responsibility activities. One measure that we could start with would be to encourage government departments to be doing their own reporting, and we heard that while there are measures whereby government departments are encouraged to do that, particularly in the area of procurement—and particularly green procurement and green waste—very few of the Commonwealth departments are doing this. The report says:

Of particular interest is an example from overseas: the United Kingdom industry-led organisation Business in the Community, a network which works with business to develop practical and sustainable solutions to manage and embed responsible business practice.
I think this could be adopted now and we should ask the Australian government to look at the recommendations in the report and provide seed funding for such a network in Australia.

The DEPUTY SPEAKER (Mr Jenkins)—Before proceeding with business, and without wishing to embarrass the Clerk of the Committee, the chair wishes to indicate that by the wonder and means of information technology, the Assistant Votes Officer, who is cocooned somewhere in the bowels of this building, has advised the Chair that the member for Chisholm spoke with leave of the committee as the original proposer of the motion and has not closed the debate. The Chair has acted in the belief, confidently, that the Main Committee had no objection to such course of action.

Mr BAKER (Braddon) (4.11 pm)—I also rise to speak on the report of the Joint Committee on Corporations and Financial Services entitled, Corporate responsibility: managing risk and creating value. The committee’s inquiry closely examined the increasingly important corporate governance issues facing Australian companies today.

In the past, the corporate world often relegated corporate responsibility from an environmental and social perspective to one or two paragraphs in their annual reports. Generally, the view was that the only thing of value to a business was the bottom line—that is, financial profit or loss—and social and/or environmental issues were not given due consideration. In the past, corporate responsibility was not viewed as profit-making within the business structure, and subsequently was not considered an important aspect of business operations. Increasingly, however, corporate responsibility is being viewed with much greater emphasis and importance by Australia’s business community and, indeed, by corporations globally.

Often the term is applied somewhat erroneously to describe charitable deeds by a company—a donation to a good cause or sporting sponsorship, for example—but corporate and social responsibility should go well beyond that. The term is best described in practice as a company or organisation considering, managing and balancing the economic, social and environmental impact of its activities. This is also referred to as triple bottom line reporting or accounting, and our committee found that over the past decade corporate responsibility has moved and developed practical mechanisms for companies to assess and manage their non-financial risks and maximise their long-term financial value.

We have seen in recent years how companies are increasingly coming under pressure from consumers and their own shareholders to consider the social and environmental impacts of their business decisions. We have witnessed a new group of investors who believe in the concept of socially responsible investments, challenging companies to consider their ethical and moral obligations to the community. Thus, the demand for greater corporate responsibility is being driven at contrasting ends of the corporate world by consumers and investors.

One example which best underlines my strong view on corporate responsibility is the manner in which vegetable growers have been treated by some in corporate Australia. When the fast-food chain McDonald’s chose early last year to cut a contract for potatoes from my electorate in north-west Tasmania in preference to imports, it raised in many of my constituents’ minds the question of whether such corporations do have a social conscience. That decision by McDonald’s has had long-term ramifications for the vegetable industry not only in Tasmania but throughout Australia, particularly when one considers it was all done for an estimated additional profit of $4 million Australia-wide or just a few extra cents per packet of french fries. It gave rise to the fair dinkum food campaign, which I am proud to support, and it
brought attention to the failure of large corporations to support the communities from which they profit.

My complaint against a corporation such as McDonald’s is that they did not once stop to consider, as a major buyer of produce in Australia, that they have a duty to consider the effect their actions would have on the long-term viability of an important industry such as Australia’s vegetable industry, nor did they stop to consider the effect their actions would have on other communities within Australia.

Another example of where I suggest there is an opportunity to encourage a greater sense of corporate responsibility is the wholesale destruction of rainforests in such places as the Amazon and Borneo. Also, in my home state of Tasmania, the local forest industry, which employs directly and indirectly over 10,000 workers, adheres to world’s best practice: it sets a standard. However, the Tasmanian forest industry has to compete with imports from overseas, timber that has not been harvested in accordance with the world’s best practices, timber that has been harvested from forests using the ’cut and burn’ method, where no attempt is made to renew the resources and where dangerous workplace practices are the norm.

We have to compete at home as Australian furniture and paper manufacturers look for the cheapest timber. I believe there is a case for Australian companies to decide that they will only use timber that has been harvested in accordance with world’s best practice. Thinking globally, there is a case to be made to other countries to be more discerning in their choice of timber and woodchips. Recently I visited a 100-year-old timber mill in my electorate and one of the directors made an interesting remark on those who protested against the forestry industry. He said that protesters would be out in the streets with their placards one day and buying a piece of furniture the next day made from timber that originally was a tree in the Amazon rainforest, whose trees, in a frightening manner, are being wiped out in grave numbers.

We all hold the environment close to our heart, but there is a real inequity here. In my view, this is certainly a case where many companies at the national and international level should come under some pressure to ensure that the wood products that they are buying are from a renewable resource harvested in accordance with world’s best practice.

Corporate responsibility is not about dictating to companies that they cannot make decisions that are in the best interests of their shareholders but about encouraging companies to consider the social and/or environmental impacts of their actions as part of the decision-making process. Along with that comes transparency in their annual reports. Along with that comes a movement away from their only emphasis being on profit and the financial aspect of reporting.

Throughout this inquiry many of the companies and directors involved demonstrated that they are prepared to listen to the views of stakeholders, which was refreshing. This reinforces the finding of our committee’s inquiry that the vast majority of Australian company directors are moving forwards, not backwards. This view essentially allows directors to consider and act upon legitimate interests of stakeholders other than shareholders to the extent that these interests are relevant to the corporation. One could never give a better example than the mining industry, especially with Australia’s vast resources. Some have described corporate responsibility as an insurance policy, a defence against bad publicity from perhaps unrelated events or decisions. The public, however, is becoming more and more cynical of corporate philanthropy, so it goes beyond that. Corporate responsibility in Australia is still in its devel-
opmental stages and, in the course of the inquiry, the committee was encouraged by the evidence of increasing engagement by Australian companies and government agencies with sustainable practices and sustainability reporting.

However, as a nation and as a country we still have a long way to go. There is still much progress to be made and it is important that the Australian government and the Australian Securities and Investments Commission, where appropriate, continue to monitor this progress. The committee strongly supports further successful engagement in the voluntary development and wide adoption of corporate responsibility. The committee believes that the recommendations contained in this report will play an important part in progressing the future of corporate responsibility in Australia and making our great nation even better.

Mr BOWEN (Prospect) (4.19 pm)—I will take this opportunity to make a few brief comments on the report of the Joint Committee on Corporations and Financial Services entitled Corporate responsibility: managing risk and creating value. This was a very interesting and stimulating inquiry. The inquiry was initiated by Senator Wong. I would like to thank her for taking the initiative to refer this matter to the committee because it certainly did turn out to be an interesting inquiry. My particular area of interest in the inquiry was that of directors’ duties. The honourable member for Chisholm referred to the ongoing debate and the various submissions before the committee on directors’ duties. The motivating factor for that emphasis on directors’ duties was, as the honourable member for Chisholm indicated, the statements by the chairman of James Hardie that they had no choice but to take a very hard line with the victims of asbestosis because they were restricted in their directors’ duties to only acting in the best interests of their shareholders and not necessarily in the best interests of their employees or former employees. The chairman of James Hardie called for a safe harbour to allow directors to take the interests of other shareholders into view. Corporations Law is quite specific as to a director’s duties. It states:

A director ... of a corporation must exercise their powers and discharge their duties with ... care and diligence ...

Section 181 of the Corporations Act 2001 adds two other requirements. It requires directors to act (a) ‘in good faith in the best interests’ of their corporations, and (b) for a good purpose. The Corporations Act also sets out a business judgment rule. A director can rely on the business judgment rule to show that they have carried out their responsibilities. They need to show that they have made the judgment in good faith for proper purposes, did not have a material personal interest in the subject under consideration, informed themselves about the subject matter of the judgment to the extent they reasonably believed to be appropriate, and rationally believed that the judgment was in the best interest of the corporation.

It is fair to say that the majority of people making a submission to the inquiry did not support the view of the chairman of James Hardie that a safe harbour is required. The majority of people, including some very learned experts in the field, had the view that the current law was more than adequate to protect directors taking an enlightened approach to their decisions and taking into account the interests of other stakeholders as well as those of the corporation. Some, especially non-government organisations, called for a more prescriptive approach requiring directors to take other stakeholders into account and putting a positive duty on directors to act not only in the interests of the corporation but also in the interests of the wider society. That is not something that the committee or I support. That would open a Pandora’s
box. It would raise a great deal of questions as to directors’ duties and bring in a great deal of uncertainty as directors went about their task of running companies. The Labor members of parliament on the committee decided not to recommend a change in directors’ duties at this time. We feel, however, that the issue must be kept closely monitored.

If it is necessary to go down this road, if it is necessary to clarify directors’ duties to remove doubt that directors have a responsibility to or an entitlement to act on behalf of other stakeholders, I personally would be attracted to the model adopted by the American Law Institute in rule 2.01(b) that directors and managers may have regard to ethical considerations that reasonably could be regarded as appropriate for the responsible conduct of their business. This was best outlined to the committee by Professor Paul Redmond of the Faculty of Law at the University of New South Wales. Perhaps unlike other evidence that the committee heard, Professor Redmond’s evidence put the case that there was not a rich elaboration of common law on this subject and that the guidance for directors is scant when one looks at the cases that have been before the courts in recent years. I must say I was very tempted by Professor Redmond’s argument, but we have decided to leave it for the time being. I stress that this matter may need to be re-examined if we see more directors coming forward, claiming to be straight-jacketed by directors’ duties and claiming that they cannot act on behalf of other stakeholders such as people who have been very severely affected by asbestosis, mesothelioma and other diseases as a result of the actions of a corporation.

During this inquiry we were reminded of the very good work that has been conducted by corporations and non-government organisations in the field of corporate responsibility. I was attracted, for example, to the work of Oxfam and their international Mining Ombudsman. Oxfam agreed with my suggestion to them during the hearings that it would be better if this role were carried out by government and not by them—it would have more weight and more official status. One day we may get to the level where the international Mining Ombudsman is run by government and not by Oxfam. That is not to take away from the very good work that they do. Good work in corporate responsibility is being done by companies across the field in Australian industry.

I would like to thank the committee staff. This was an onerous inquiry. The travel was extensive. I think the committee made it to every capital city except Darwin to hear evidence, so the task was substantial. To Dr Marinac, to Kelly Paxman, to Stephen Palethorpe and to the other staff, I would like to add my thanks to those that have been expressed by other committee members. I commend the report to the House.

Debate (on motion by Mrs Gash) adjourned.

Economics, Finance and Public Administration Committee
Report

Debate resumed.

Ms GRIERSON (Newcastle) (4.26 pm)—I support the motion that this report by the Economics, Finance and Public Administration Committee be noted. I acknowledge the contribution of my committee colleagues and state that they were outstandingly facilitated and even improved by the staff of our secretariat. The report on the payment system is an important one. The payment system has been of some contention because of the recent reforms by the Reserve Bank of Australia. The payment system itself refers to arrangements that allow con-
sumers and businesses to exchange payment for goods and services. Those instruments include cash, cheques and electronic funds transfers via both credit and debit cards. Non-cash payments obviously require arrangements and movements between accounts at different financial institutions, and of course a fee attaches to those transactions. The Reserve Bank of Australia has regulatory responsibility for that payment system in order to control risk for the consumer—for all parties, in fact—and to promote efficiency and competition. It also has the role of facilitating the system as banker to the Australian government.

A major issue for the Reserve Bank, and therefore the committee, was that the payment system must give clear price signals that enable informed choices by the consumer—and that is a laudable aim. It is important, too, that the free operation of the system is possible through the removal of restrictions that might limit entry into that payment system and therefore stifle competition. The reforms initiated by the Reserve Bank since 2000 will be reviewed again by the Reserve Bank in 2007. There has been some debate that that review undertaken should be not by the Reserve Bank but by some independent arbiter. However, the committee found that this process was most acceptable and considered that the Reserve Bank is the most appropriate body to do this. It is evident that the Reserve Bank does have the expertise. It also has the access to data that is essential for the proper scrutiny of this system. Personally, I doubt that any other body could act totally independently in such a role, given that the banks themselves and financial institutions are such a well-organised and powerful group of lobbyists when protecting their profits and interests. So I am pleased that the committee has recommended that the Reserve Bank do its own review.

The other problem that was looked at was that there was a situation for consumers that did not seem fair. The report validates for them that the RBA's activities go to their best interests. The concerns of the RBA and the committee arose from the fact that credit card transactions were in fact cheaper than EFTPOS transactions. That does not make sense. EFTPOS has lower risk attached to it, because EFTPOS transactions are expenditure from cash that is already held in savings accounts; plus, when EFTPOS is used in stores to access cash or payments, the banks save quite a deal on administration and agency costs in terms of wages—unlike credit card transactions, where the risk is higher and the validity rests on one signature.

In Australia, that risk translates to $100 million per annum through credit card fraud. A cynic such as me would suspect that this unusual fee structure, which is certainly out of line with what one would expect, is in fact convenient for credit card issuers because it would make credit cards more attractive to customers and easier to use. There is no pin attached to them—simply a signature. That means of course it is very easy for a consumer to incur debt without any pain and without any difficulty, and, for most people, that debt then goes on to attract interest or fees. It is important to note that the total of these fees from interest on credit cards has actually overtaken the interest paid on mortgages in this country. Australians are carrying $36 billion of debt at the moment, on 13 million credit cards, and one would imagine that, with the pressure on household budgets from increasing petrol prices and interest rate increases, this debt can only go up. Of that credit card debt, $26 billion attracts interest—$26 billion of the $36 billion is not just paid back on time; it sits there as a debt with interest attached. Banks, of course, look forward to that revenue growth; and it certainly benefits them.
Submissions to the committee that opposed the Reserve Bank of Australia’s reforms to correct this imbalance and make EFTPOS cheaper suggested that the resultant savings to merchants from reducing those interchange fees were not being passed on to consumers. The committee found no evidence to substantiate that claim or refute it. However, clearly, when merchant fees are high, it is a given that those costs will be passed on to consumers via higher prices. The savings of $580 million that have been made since interchange fees have been reduced can only benefit both merchants and customers alike. Credit cards clearly hold advantages for those who use them as a payment instrument rather than as a credit instrument—those who pay them off every month without attracting any interest or fee. Those people are usually the wealthiest people in our communities, and they usually gain rewards such as frequent flier points for using their credit card in that way. They are virtually being paid to use their credit card by those unfortunate people who fall into the credit card debt trap and therefore continually pay interest. The burden of meeting those bonus obligations and reward points is passed on to those who can afford it least.

The major aspect and achievement of this report is the committee’s recommendation that all parties involved work together to improve the technology so that the payment system is protected—including the protection of the integrity of all those payments by implementing pin based authorisation for credit cards and not just requiring a signature. Visa recently said that this would be quite easy, that it is possible, that the technology is there and that most people are set up to do that straightaway. I hope banks and financial institutions embrace that recommendation.

Implementing online functionality for EFTPOS cards is another part of our recommendations. Anyone with teenage children will know that you cannot book a concert or a ticket to a big show without a credit card. Many young people cannot really afford those credit cards and, unless they have a mum or dad who will do that transaction for them, they do not have the ability to use their savings accounts online. That is another debt trap for many people. So I hope the recommendation on that is embraced. There is also a recommendation on the adoption of chip technology.

I congratulate the Reserve Bank of Australia. The report clearly shows that it put the interests of consumers foremost in its role as the Australian banker to the Australian government and the Australian people. I look forward to the House of Representatives Standing Committee on Economics, Finance and Public Administration hearing on monetary policy with the Reserve Bank later this week, and I also take this opportunity to acknowledge the outstanding service of Governor Macfarlane. It has been a pleasure and a very instructive experience to work with him and to observe his input into the economy of this nation. Certainly, his dealings with the committee are always ones we look forward to and learn so much from. I also congratulate Deputy Governor Stevens on his upcoming appointment as Governor. The Australian people have been well served by both these gentlemen, who continue to demonstrate their independence and their devotion to upholding the interests of this nation.

Debate (on motion by Mrs Gash) adjourned.
Mr DANBY (Melbourne Ports) (4.35 pm)—Earlier today I spoke briefly on the report which was tabled in the House by the honourable member for Fadden, on behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, on the subject of Australia’s relations with the Republic of Korea and developments on the Korean peninsula. I raised some of the human rights issues created for Australia by the situation on the Korean peninsula, and I will return to those. I do not think any report by this parliament on the Korean peninsula can avoid the circumstances of the last few months with regard to missile tests from North Korea and, in general, the security and strategic situation affecting all of the people of North-East Asia.

I spoke in particular earlier about the dilemma of getting aid to the starving people of North Korea without strengthening the regime of the so-called Dear Leader, whose irrational policies are the reason that North Korea cannot feed itself. I spoke also about the situation of at least 100,000 Korean refugees in China who China refuses to recognise as refugees and who as a result cannot be helped by the UNHCR. Instead, these starving refugees face the risk of being sent back to North Korea—many cases to certain execution. This further opportunity in the Main Committee will allow me to analyse some of the broader issues raised by the report relating to the security situation on the Korean peninsula and Australia’s possible role in finding a solution to the Korean impasse. The North Korean regime is a new phenomenon in the world. It is not just a dictatorship, not just a rogue regime and not just a failed state. It is a criminal regime, a regime which acts in a consciously and deliberately criminal manner, with the sole objective of keeping itself in power so that its leaders can live in corruption and luxury.

This is a regime which engages in corrupt and illegal currency transactions, as was recently shown in the Banco Delta Asia affair. One of the Macau casinos was the place where it was laundering all of this North Korean counterfeiting of other people’s currency. This false currency was deliberately printed by the sovereign government of another country—not by the Sopranos, not by some crooks, but by the government of another country deliberately and fraudently faking other country’s banknotes. North Korea was counterfeiting the money of other countries and laundering it through a Macau casino in order to have access to vast amounts of foreign currency. This regime in Pyongyang which has dealt drugs out of its embassies in Europe, which has tried to smuggle heroin into Australia, which has assassinated South Korean cabinet ministers and which has abducted dozens of people from Japan so they can be trained as spies—dozens of totally innocent people who might have been walking by the beach or been in a supermarket. They were just picked up by North Koreans and taken to that country completely against their will, never to be seen or heard of by their families.

While the Soviet bloc was still in existence it was assumed that North Korea was an orthodox communist regime, albeit a rather strange one with its bizarre personality cult of Kim Il Sung. It was assumed that when the Soviet Union collapsed North Korea would go the way of East Germany and Albania, in the dustbin of history, but instead the regime survived. It was assumed that when Kim Il Sung died the regime he had built would then collapse. But instead when the great leader finally passed on in 2004, power passed to his even more bizarre son...
Kim Jong Il, who has raised the regime to new heights of criminality. The most alarming aspect of Kim Jong Il’s regime over the past decade has been its determination to develop nuclear weapons, its defiance of the international community and its reckless acts in testing its missiles by firing them towards and over Japan. This is the obscenity of a country in which at least one million people starved to death during the great famine of the 1990s—a famine which was certainly aggravated by natural disasters but which was caused fundamentally by the regime’s own economic policies. So here we have a country in which a million people starved to death in the 1990s. We in Australia, this vast prosperous country, are close to it. This is a regime which is, at the same time, using every bit of revenue corruptly obtained from foreign currency counterfeiting and from selling drugs all around the world to develop nuclear weapons.

In 2000, Kim Jong Il assured the then US Secretary of State, Madeleine Albright, that the missile tests North Korea conducted in 1998 would be the last and that North Korea would participate in multinational talks to work towards a nuclear-free Korean peninsula. He gave similar promises to the then South Korean President, Kim Dae-jung, in response to South Korea’s ‘Sunshine Policy’, a well-intentioned—some would say futile—attempt to get North Korea to behave like a responsible member of the international community. But I must say that I understand the South Koreans. They opened up towards North Korea, they tried to engage them economically, and it was not clear at the time that this was a futile policy. It was done with good intent and we have to give the South Koreans credit for that.

Unfortunately, North Korea instead pressed ahead in secret with the development of nuclear weapons, pocketing the various bribes given to it by the US, Japan, China and South Korea as rewards for its promises of good behaviour. No-one who is familiar with North Korea believes that Kim Jong Il had the slightest intention of keeping the promises he gave to Secretary Albright or to the South Korean President.

As Nicholas Eberstadt, the Henry Wendt scholar at the American Enterprise Institute, wrote in the Wall Street Journal in July:

Plainly put, North Korea’s survival strategy is a policy of international military extortion. North Korea’s rulers have concluded that it is safest to finance the survival of their state through the international export of strategic insecurity and military menace. Consequently, the leadership, as a matter of course, strives to generate sufficiently grave international tensions, and present sufficiently credible security threats, to wrest a flow of essentially coerced transfers from neighbours and other international targets sufficient in volume to assure the continuation of what Pyongyang describes—monstrously—as “our own style of socialism”.

To date, Pyongyang’s predatory security strategy has actually worked rather well.

After all, the DPRK, unlike so many other communist regimes, has neither vanished from the face of the earth nor compromised its claim to totalitarianism. I say that as a person who has a long record of opposition to communism but who can distinguish between the realistic form of it practised in China, just across the North Korean border, and the monstrous injustices that are being done in North Korea. In my view, the security crisis in North Korea cannot be resolved without addressing the heart of the problem; the terrible crimes the North Korean regime is committing against its own people—and there is an axiomatic link between North Korea’s reckless external behaviour and the ruthless character of its role.
My friend Carl Gershman, the Chairman of the National Endowment for Democracy, who was here in Australia today, argued in the Washington Post in 2003 that the government in North Korea is fully aware of the famine—so much so, that it deliberately uses it as a weapon against parts of the population that are classified as least loyal. It is estimated that, in the system of political prisons and labour camps in North Korea, 200,000 people are being held at the moment and that in the last decade 400,000 prisoners have perished in the harsh conditions of the camps. In keeping with the dictate of North Korea’s founder, Kim Il Sung, that class enemies ‘must be eliminated through three generations’, parents, children, grandchildren and other relatives are sent to the camps. In December 2002 the Far Eastern Economic Review published a satellite photo of one of these camps, in Haengyong county, which holds 50,000 prisoners who are regularly tortured and executed. It will one day probably become as infamous as some of the concentration camps in Cambodia or Germany.

In negotiations with the South Korean regime, prudence and simple morality demand that any agreement should include measures to protect the refugees that I have talked about and measures to end the famine. I believe that the proposals of the current South Korean government—some of the arguments recently made by the South Korean foreign minister—and a resolution that is before the US congress neatly mix this concern with security and human rights. We have to remember that one of the great developments in Europe in the 1990s was the Helsinki agreements. A Helsinki agreement for the Korean peninsula would end the silence on North Korean human rights abuses, increase international pressure on the regime and commit the signatories to a different vision of North Korea from what now exists. It may not ultimately liberate the North Korean people from the terrible crimes that are being committed against them, but we thought the same in eastern Europe. I believe that Helsinki agreements for North-East Asia, particularly for the Korean peninsula, would be a very good development towards the end of the liberation of the persecuted people of North Korea.

Debate (on motion by Mrs Gash) adjourned.

MINISTERIAL STATEMENTS

Afghanistan

That the House take note of the following document: Australian Defence Force commitment to Afghanistan—Ministerial Statement, 9 August 2006.

Mr McCLELLAND (Barton) (4.45 pm)—I rise to support the motion to take note of the statement by the Prime Minister regarding the deployment of additional Australian troops to Afghanistan. This statement was supported by the Leader of the Opposition in the House of Representatives last Wednesday.

Before noting the additional deployment that was spoken of in that statement, I pay tribute to those troops who have already been deployed. A number have been deployed not only from the 1st Brigade in Darwin but also from your own area, Mr Deputy Speaker Lindsay, as I understand it. I know that you have also participated in a number of farewells for the troops who have been deployed to Afghanistan.

The DEPUTY SPEAKER (Mr Lindsay)—Is the member for Barton aware that some troops have been injured today?
Mr McCLELLAND—Yes, I have been briefed on that. We are waiting for the full details on that, but we express our appreciation and we recognise the contribution of our troops around the globe.

Currently in Afghanistan there are approximately 240 personnel in the special forces task group, made up of SAS members, commandos, an incident response regiment and also logistics personnel. They are supported in their operations by two Chinook helicopters from the 5th Aviation Regiment. That group—consisting of approximately 110 personnel involved in air crew, maintenance and support—is doing a tremendous job already in Iraq in particularly trying and increasingly dangerous circumstances. The level of violence in Afghanistan increases as a result of a number of factors, including the climate. As I understand it, moving into the warmer months is itself a cause for enhanced violence. There are other factors that I will refer to briefly.

As I indicated, I have had the opportunity of farewelling several deployments to Afghanistan. One of those occasions was in your electorate, Mr Deputy Speaker Lindsay, where I met up with you there. To see the obvious emotion of not only the troops who were leaving but also their friends and their families is itself a moving experience. But you appreciate what those troops are doing for their country and indeed for the prospects of those who live in Afghanistan: giving them the prospect of a better life is vitally important. You also appreciate the impact on their families and the tremendous contribution that the families of our troops make to the missions undertaken by our soldiers.

The reality is Afghanistan and the events that unfold in Afghanistan are vitally important to our regional security. As the Leader of the Opposition has said, Afghanistan is, if you like, the central office of the primary terrorist organisations of al-Qaeda, working in cahoots with the Taliban. There is no doubt that that is, as the Leader of the Opposition has said, terror central.

It is probably the general region where Osama bin Laden is located, perhaps in the border area between Afghanistan and Pakistan. There is no doubt that Afghanistan has provided a training base for terrorists in South-East Asia; several people charged with terrorism offences in Australia have also been trained in Afghanistan. In other words, Afghanistan has been, and clearly has been proven to have been, a base for international terrorism.

It is also the centre of a massive opium crop valued at in the order of $3 billion a year, and that crop finances criminal, insurgent and terrorist activity generally in Afghanistan, as well as the fundamentalist organisations who ply the trade in order to raise funds. Unquestionably, it is also being used to fund terrorist organisations in the South-East Asian region. As well as the likelihood of the opium and its ultimate product, heroin, ending up on the streets of our cities and other cities in the world, the revenue from that atrocious trade is unquestionably being used to support terrorist networks around the globe, in particular in the South-East Asian region. So our troops have been engaged in a vitally important exercise.

Their numbers, as was announced last Wednesday, are appropriately going to be increased. A reconstruction task force will be deployed. Originally, it was intended that there would be about 240 personnel as part of that reconstruction task force. Approximately half of those would have been engineers, as well as support from a company of infantry and a light armoured company group. In view of the escalating violence in Afghanistan, the opposition supported the announcement of the additional troop deployment made last Wednesday by the Prime Minister. There will be an additional 30 troops with the regional task force and there
will be an additional company group of approximately 120 personnel to provide enhanced security. We welcome that deployment. All we would say is that, in view of the deteriorating security situation in Afghanistan, we would obviously like to see that security detachment put in place before the reconstruction team is deployed there.

It is unquestionably a dangerous environment. As I have indicated, there are climatic conditions involved. Just as the expression in the United States regarding the warning of an Indian summer when there were warm days came about through the likelihood of an Indian attack, the reality is that that seems to be the situation in Afghanistan—the violence increases during the warmer summer months; in the colder periods it decreases as the groupings move back to their mountain hide-outs. So climatic conditions can increase the violence. Indeed, as a United Nations report indicated recently, so too has the opium trade that has continued to flourish, and that is funding so much of the activity of insurgents—insurgents who are motivated by their political ideology, indeed fanaticism, as well as criminal groups who are themselves wanting to maintain their ability to continue to make profits from the evil opium trade.

In Afghanistan there is a mix of violence from those political elements as well as from the criminal elements, and that is a very dangerous cocktail and a very dangerous environment for our troops to be deployed in. Having said that, and for those reasons, we fully support the additional troops that the government has announced. We note that the government has announced that it will review the troop deployment, the nature of the troop deployment and the size of the troop deployment in approximately six months time. That is appropriate. Indeed, it may be necessary before then to review whether that deployment is adequate. Certainly, from the opposition’s point of view, as the Leader of the Opposition said, if it is necessary to supplement that deployment with additional resources, additional troops or additional equipment then the opposition will be fully supportive of that.

In that context, as we understand it, the Chinook helicopters will currently be deployed until about April next year. Again, we call on the government to examine whether that deployment of the Chinook helicopters should be continued beyond that time and possibly enhanced. Helicopter support is vitally important to the security of our troops on the ground in terms of surveillance, in terms of backup and in terms of medical evacuation. That is an area in particular where we know the demands on our aviation regiment, but the reality is that they provide a particularly vital resource for our troops in Afghanistan and we ask the government to look at continuing that deployment beyond April next year.

There have been concerns expressed in the media about both the integrity and the quality of the Afghani government. They are certainly issues to look at. But the reality is that we cannot ignore the plight of the Afghani people, for the security reasons that I have mentioned but also simply from the point of view of their own security. What they are confronting currently is a situation literally where what you would describe as bandits, standover people, are using extreme violence to enter towns and villages and, through the threat of violence and the actual use of violence or summary executions, obtain the subservience of those in the villages to their will. You cannot allow that situation to occur.

What our troops have done already and continue to do is protect ordinary people from the threat of that ruthless violence. That is something that we cannot ignore. Nor can we ignore the fact that the evidence is clear: Afghanistan, as I have indicated, is clearly a base of terrorist activity, with the opium trade and the financing and training of terrorist activity. It is not, and
it was not when the United Nations supported activity in Afghanistan, based on questionable motives; it is clearly a haven for international terrorism.

The Leader of the Opposition in his reply mentioned that it was regrettable that our commitment in Afghanistan was wound back, together with that of the United States and the United Kingdom, as a result of the focus shifting to Iraq. If you recall, the focus shifted to Iraq on the basis of what proved to be failed or false intelligence that there was an imminent threat of the use of weapons of mass destruction, which of course have not been found, whereas from the outset we have constantly been aware of Afghanistan itself being a haven for terrorist activity. There is no question that, had we continued, had these nations generally continued their involvement to the full extent in Afghanistan, we probably would not be seeing the upsurge in violence or the extent of it as a result of the vacuum being filled by the Taliban and the insurgent and criminal groups, who have come into the vacuum to re-establish themselves. It is all very well to talk in terms of the wisdom of hindsight, but perhaps that was a lesson that was too available to ignore.

I have also been asked whether Australia, being a small deployment among, I think, 25 countries providing reconstruction teams, will make a difference. Anyone in doubt should simply look at the experience of New Zealand. They have maintained their reconstruction team from the outset. Not only reports but the evidence indicates that, in the region where they have been deployed, they have made a significant contribution.

In summary, this is an essential deployment not only from the point of view of giving the people of Afghanistan some prospect of a reasonable life in the future but also from the point of view of international security, in particular Australia’s regional security. We indicate our tremendous pride in our troops, and we also recognise their families. We indicate that we are here and available to provide any support that we need to not only to our troops but also to their families.

Mr HUNT (Flinders—Parliamentary Secretary to the Minister for the Environment and Heritage) (5.00 pm)—In rising to support the Prime Minister’s statement to the parliament on the Australian Defence Force commitment to Afghanistan, I want to address, firstly, the global challenge that we have to face during the course of our lifetimes and our time of responsibility in this parliament—most particularly in relation to radical Islam and the civil war which is raging within the Islamic world, a radicalism which some in the Islamic community would seek to spread. Secondly, I want to deal with the core strategic points within the Middle East and the areas where we have to address these problems. Thirdly, I want to deal specifically with Afghanistan and the expanded and renewed commitment which the Prime Minister outlined to the House last week.

The challenge we face at a global level is derived from a notion within certain streams of Islam—Wahhabism and related elements—which seek to bring forth an Islamic caliphate. Their perception is a long-term one. Their objective is an Islamic based, extremist world. But it is to be achieved over 100 years. It is a patient, considered and utterly ruthless approach to bring about a particular concept of how they believe life should be lived. Their primary target, firstly, is the conversion of mainstream Islam to this radicalised version. Their base for much of the last 15 years has been the hills, the mountains and the villages of Afghanistan. When the Taliban was in power in Kabul what we saw was that Afghanistan was a cradle and a nurturing ground for much of this radical Islam. The strategic objective en route to this notion of
an Islamic caliphate was to establish a base in one of the primary Islamic countries. That means the destabilisation and the collapse of society as we know it—whether it is in Saudi Arabia or Egypt; whether it is in Pakistan or Indonesia.

The method used to bring about this is twofold: firstly, it is a direct process of destabilisation in these countries themselves, and, secondly, it is about causing the West to disengage—making sure that, from their perspective, whether it is al-Qaeda or associated groups within the tradition of Wahhabism, the West finds it simply too painful to engage with the Islamic world, the West withdraws, the economies of these countries collapse, there is a collapse in the stability of the governments, and, as a result of that, there is a vacuum and that vacuum is filled through a Taliban style regime. That is the mechanism, the process, which they are seeking to use to bring about, firstly, a beachhead. They had one in Afghanistan. It has been lost, but there is still a significant and profoundly important battle being carried out. Secondly, that is the staging point which they wish to achieve en route to a much more dramatic and much more global conflict.

The nature of the conflict is of a civil war within the Islamic world. It is a minority; it is an extreme and absolutely fearless—and I say that unfortunately in the worst sense of the word—minority who have no sense of the meaning of life and who place no value in many cases on their own lives, on those of people of their own faith or on those of people of other faiths. It represents the continuation of a tradition dating back to the most extreme ‘isms’ to have populated our world over the last few centuries, where life can simply be expended.

Having said that, and recognising that some members on the other side understand this—the member for Melbourne Ports has been quite a strong advocate in this fight against global extremism—I think it is incumbent on us to look at what are the strategic battlegrounds that we have to address. In the Middle East today, we range across at least four critical fronts where we have to deal with the support for pluralism, the support for those Arab societies which seek either a secular state or which practise a moderate Islam—in essence, support for mainstream Islam, a religion which has so many positive elements but which allows people of all different persuasions to live life as it should be lived.

The first of those areas is Iraq. I briefly mention Iraq, noting that there have been other debates on this topic, but that has been an inextricable element in the campaign—that to walk away from the battleground there, as some would preach, to disengage, would simply be to allow precisely those forces that are seeking to gain control in Afghanistan to gain control in Iraq. Whether one agrees or disagrees with the original rationale for the conflict in Iraq, I think it is an entirely separate question as to whether that now means that we should disengage as an international society, because my view is that that would be simply disastrous. It is a tough, brutal and long task that we are engaged in. The same people who led an unforgiving regime of human rights atrocities have teamed with those linked with al-Qaeda. So the affiliates of Saddam Hussein have linked with the affiliates of al-Qaeda and together they are seeking to destroy stability, they are seeking to destroy progress towards democracy and they are seeking to make their own people victims as a means of achieving that destabilisation in Iraq. So it would be a human rights nightmare and an abomination to walk away, and it would be a strategic catastrophe. I say with great respect to the House.

I respect the views of those who do not believe that it was appropriate or the right thing to do to topple Saddam Hussein. I respectfully disagree with that view. I think he was the leader
of perhaps the worst and most abusive regime with regard to human rights of any in the world over the last 25 years—although he had some stiff competition, I would have to say. That is my view in relation to Iraq.

The second area is in relation to Palestine and the Palestinian Authority. We have deep reservations as a nation about the role played by Hamas—that it fails to recognise Israel’s right to exist. I think it is profoundly important as a key to resolution of the conflict that there is a recognition of Israel’s right to exist. I also think, and I have said publicly, that the only guarantee of security for Israel in the long term is the creation of a two-state solution. I think that is fundamental as we go forward. I think there must be a two-state solution—that it is the right thing for people under the Palestinian Authority and it is the right thing as a long-term, critical and indispensable element of guaranteeing Israel’s security. As somebody who has lived in that country, who speaks the language, I have a deep belief in and support for Israel, but I also disagree profoundly with those who would deny the Palestinian people a homeland in the long term, because that is not a solution. That is simply neither right in principle nor is it a solution to the problem there.

Moving forwards, I note that the third area is the tragedy in southern Lebanon at the moment. Lebanon was the great hope for the spread of democracy in the Middle East and the colonisation of the southern parts of Lebanon by Hezbollah, which have preyed upon a weak state, has meant that area has become a catalyst for conflict. My hope is that it can be stabilised and that the Hezbollah militia can be disarmed. I think that is a critical element in dealing with a solution towards stability in that area. We have to disengage Syria and Iran from support for this militia, but that is a long-term practice. It is a critical part of the fight.

Against all of that background, the crucible for this conflict in many ways has been Afghanistan. That is because that is where the Taliban and al-Qaeda found their roots over the last 15 years, flowing out of—and I confess this—the work of the mujaheddin. They became an illegitimate child thereof. In that context there has been significant progress in terms of the democracy of Afghanistan. What we have seen is real GDP growth of over 12 per cent in the current year. Critically, what we also see is the development of democratic infrastructure. The elements of democratic infrastructure are fundamentally important to giving that country a chance to go forward in the fight to establish its own future.

The role of women, particularly the entry of women into Afghanistan’s parliament and councils, is tremendously important. My understanding is that 68 women were elected to the lower house of the Afghanistani parliament and that they took 27 per cent of available seats, with 121 women in elected provincial councils—all of which was once unthinkable. It was simply unthinkable five years ago that perhaps the most oppressive country in its treatment of women would now be a country with a quarter of its representation coming from women. Similarly, since 2001 2.3 million children under the age of five have been vaccinated against polio, almost eradicating that disease.

These are elements of real progress, but there is a profound fight. That fight comes from the challenge of al-Qaeda and those linked with the former Taliban regime who have a role in much of rural Afghanistan. They are continuing to try—and in some cases they have had success—to take on the international coalition forces, to take on the work of the United Nations and to take on those people who would seek to improve the quality of life there, to establish democracy and ultimately leave Afghanistan to itself. That is our goal: to have a free and
functioning Afghanistan. These people who have used, I absolutely acknowledge, in many cases the proceeds of opium and other drug related products to bolster their finances must be stopped.

So against that background Australia plays a critical role. We are a small number in terms of presence on the ground, but there is no doubt that our impact has been significant. There have been many conflicts in which we have been directly engaged. Against that background, what this statement has done is commit Australia to provide 150 additional ADF troops to reinforce the reconstruction task force and provide enhanced force protection on the ground. At present the reconstruction task force is working in Oruzgan province, in southern Afghanistan, on reconstruction and community based projects. Its aim is to build the long-term viability of Afghan communities. It is part of winning the war on the ground, not just through military conflict but, much more importantly, through constructive community development. The reconstruction task force will receive an additional 30 members—and these members will include command, security and protection, engineering, administrative support, and tactical and intelligence services personnel—as well as Bushmaster infantry mobility vehicles and Australian light armoured vehicles, or ASLAVs. They will be bolstered by an additional contingent, an infantry company of 120 personnel to provide enhanced force protection—and I have no doubt that some of them will be drawn from your own electorate, Mr Deputy Speaker Lindsay, from the military bases at Townsville.

They put their lives on the line. They serve for a greater cause. I could not express more strongly my profound respect for the work and courage of the Australian Defence Force. Ultimately, they are engaged in a great global mission. It is a mission that is not without controversy—and that is the beauty of our democracy. But I believe that what occurs in Afghanistan is of profound significance to the four conflicts I have outlined in the Middle East. It is of profound significance in helping to lay the foundations for democracy and openness. Nothing is more important in giving the world a chance to defeat the spectre of radical terrorism—radical Islam—and that is how we truly give ourselves an open way forward.

Mr BEVIS (Brisbane) (5.15 pm)—I support Australia’s deployment of troops to Afghanistan and the government’s announcement that it will enhance that deployment. I say that as a person who has fiercely opposed the involvement of Australian troops in the invasion of Iraq and, indeed, opposed the decision of the United States and other allies to be involved in that conflict. The situation in Afghanistan is wholly different from that in the Middle East and, in particular, Iraq. Following the 11 September, 2001 attacks in the United States, the evidence clearly identified the involvement of the Taliban and Osama bin Laden’s network, based within the country borders of Afghanistan. It became clear in the months that followed that incident that the Afghan government was not going to take any action whatsoever to restrict or bring to account al-Qaeda and those who were clearly responsible for the organisation and execution of the attacks in the United States.

As events subsequently unfolded, it was difficult to disassemble the network that al-Qaeda had established in Afghanistan and the Taliban government that was operating in Kabul. The decision taken, led by the United States, to invade Afghanistan, to change the regime and to seek to bring al-Qaeda operatives to account was supported by both sides of this parliament, by the Australian people and, most tellingly, by an extremely broad coalition of world opinion. It was not just the traditional allies of the United States who supported that decision to
It is a pity that the focus of the response to terrorism was then shifted by an incredibly foolish decision taken by the current American administration, encouraged and supported in part by the current Australian government and the Prime Minister, to divert both resources and attention away from that conflict to an extremely ill-advised invasion of Iraq. That has presented us with a range of other problems that are not the province of this debate, but which I would be happy to have the opportunity to comment on at another time. The decision to scale down the commitment in Afghanistan created a vacuum. The government that was established in Kabul was left very much at the mercy of warlords and interest groups.

In the months and years that followed the relocation of American assets from Afghanistan into Iraq, and our decision to remove all of our troops from Afghanistan, that vacuum was filled by a resurgent Taliban and al-Qaeda network and by drug lords. It is difficult, I think, to separate those two. It is hard to fathom where the line between criminals involved in the poppy trade and terrorists merges or separates. Indeed, I think there is a good deal of overlap. I have no doubt in my own mind that the terrorists are quite happy to finance many of their activities through the poppy trade. Equally, I am quite sure that many of the warlords who operate the poppy fields are more than happy to pay protection money to al-Qaeda to ensure that the authorities are not able to cause them any grief.

As America and Australia turned their eyes off the ball and ignored that problem in Afghanistan, the Europeans stepped up to the mark. In this debate, we should acknowledge the contribution of the NATO allies, in particular in Europe, who provided a substantial number of troops. Rather than be diverted into that foolish conflict in Iraq, countries such as Germany and France committed substantial defence assets to try to maintain peace and order in Afghanistan. Indeed, for a good part of that time, Germany led the mission in Afghanistan. That is not something most newspapers in Australia would report. The general image at the time was that our European colleagues were somehow letting the side down because they did not want to go and invade Iraq. In fact, our European allies were the people who had their eye on the ball when we took ours off. Even our New Zealand friends had their eye on the ball better than we did. They actually maintained a special forces unit in Afghanistan. I believe we maintained one person—a lieutenant colonel. We had one officer in Afghanistan for that period of time, and that was the token gesture by the Australian government.

In April 2004, Kevin Rudd, the shadow minister for foreign affairs, visited Afghanistan. On his return, and as a result of the things he saw and the advice he was given whilst he was in Afghanistan, Labor called for a return of Australian troops to Afghanistan. I am pleased, belatedly, that the Howard government have seen the need to do that and have come on board. This is not the first deployment. We already have a substantial number of SAS troops in Afghanistan. However, this deployment is a substantial boost to that existing deployment.

Afghanistan has had a very troubled history for far too long and the people of Afghanistan have suffered at the hands of a series of repressive and harmful regimes. They deserve to have an opportunity for peace and prosperity, the same as the rest of us on this planet. I hope that
the efforts that we are now a part of will help produce that for them, as we endeavour to re-
duce the influence of the warlords and the terrorists who are camped within that nation.

This deployment has sometimes been referred to as a peacekeeping deployment. Its official
title is a reconstruction task force. I think that masks the true situation. Currently, there is not
very much that is peaceful about Afghanistan. There is certainly plenty of reconstruction that
is needed, but this is not a building site; it is a war zone. It is a war zone that is hot. It is a war
zone in which there are, on a daily basis, clashes and killings on both sides of the conflict. We
are endorsing an action by the government to send troops to what I think is the most danger-
ous environment that we currently have people deployed to. There is no doubt that downtown
Baghdad and other places in Iraq are dangerous, but I think the deployment we are now com-
mitting to in Afghanistan is, without doubt, the most dangerous deployment that we have sent
Australian troops to.

The fact that it is dangerous has been recognised by the government in its decision—I
think, correctly—to bolster the number of soldiers who are going to protect the engineers. It
should be said that the engineers are not civilian engineers. They are army combat engineers. I
am sure that they are quite capable of looking after themselves. But the government has cor-
rectly decided to increase the number of infantry troops that we will be sending to protect
them. I believe that number now stands at 120. I am quite happy to say at this juncture that, if
circumstances indicate that that is insufficient to provide the necessary security, we should not
hesitate to provide additional troops or additional resources that they may need to ensure their
protection.

We already have somewhere in the order of 200 special forces in the country and they have
been involved in some of the most difficult conflicts that have been undertaken. Very little is
reported about what goes on there, and I think that is a pity. We have a bit of a mushroom
treatment within the Australian Defence community, I think, when it comes to these matters.
There are good reasons why a whole host of things, when it comes to security, are not made
public, but if you compare the cone of silence that is placed over Australian activities with
that which applies to either the UK forces or the United States forces you have to wonder
what it is that makes so many things so secret for so long when it comes to Australian troops.

I think there is a risk that the defence community and the government run in maintaining
that cone of silence for too long and in too many areas. It is a risk of public cynicism or lack
of support. I do not think that exists at the moment, and I am not trying to raise that as a con-
cern today, but I would urge the government and the defence community to take the people of
Australia into their confidence more on these matters, to explain more fully the role that our
troops are performing and, when we have had incidents—and I believe there have been 11 in
Afghanistan where Australian soldiers have been wounded—to allow the Australian people to
have some idea about what has happened to those Australians, because a lot of Australians are
concerned about that and they do not want to be just fobbed off. If you were in the United
States, you would actually find out about it. You would find out about it probably because
there would be media embedded. But, if not, you would find out about it because the US con-
gressional system would ensure that the hearings on the hill would reveal it. We do not have
that process here and I think the government should be less secretive about these things than it
is. I think the defence community should be less secretive.
There was a very good article in yesterday’s Sunday Age written by Tom Hyland about this deployment, where he correctly characterised it as a conflict rather than a peacekeeping activity. He made mention of the fact that some of the troops that are being sent to provide protection are coming from 5/7RAR. He quoted from their official website as to what their role is. I think it is worth repeating because it draws into sharp focus the fact that this is a deployment in a difficult situation that is life threatening. This is not simply a peacekeeping activity. Part of the reason we know that is that the 5/7RAR are being sent to provide protection, and this is what their job is, quoted from their website in Tom Hyland’s article:

To seek out and close with the enemy by shock action, fire power and manoeuvre, to kill or capture them, to seize and hold ground by day or night regardless of weather or terrain.

That ain’t peacekeeping, but that is the fact of life in Afghanistan at the moment.

The area to which the Australians have been deployed is one of the more lawless parts of Afghanistan, and it is going to be important that our Australian troops are provided with all of the support they require in materiel as well. I know that the government have a couple of Chinooks in Afghanistan to provide support to the existing contingent. I would urge the government to review the level of support for the expanded contingent to ensure that there is immediate access to airlift capability if needed either to evacuate the injured or to quickly relocate troops if they find themselves in a difficult environment. Equally, there needs to be the necessary support with fire power, with air cover and with artillery. We do not have those assets there. We are relying on other countries to provide that support to our troops. That means we need to make sure, firstly, that our troops will be operating in a theatre where the command structure involves those assets and, secondly, that the protocols are in place so that the Australian troops can call in that support and receive it in a timely manner if they need to.

I assume those things have been put in place. The government have not in fact made statements that I am aware of to reassure the parliament that those matters have been dealt with. I give the commanding officers of the Defence Force more credit than I would the government to be satisfied that those things are in fact in place before we would be involved in deploying our troops to such a dangerous environment. But it is important that we do have that support for those troops who are going to be undertaking a very dangerous activity. Along with every other member of this parliament, I want to also add my best wishes for the speedy and safe return of all of the Australian troops who are being sent on our behalf and in our name to undertake this dangerous exercise.

I said at the outset that I view this as a wholly different conflict to that in Iraq. This is the battle that has to be waged whether we like it or not—and we do not. Sane people do not like going to war, it seems to me, but this is the war that has to be waged as a result of the threat we all now face from non-state terrorism. It is important for all of us, not least the people of Afghanistan, that a stable, democratic government exists in that part of the world, and I wish those Australians involved in this effort a speedy return, a safe journey and, as always, a job well done.

Mr EDWARDS (Cowan) (5.31 pm)—When the Leader of the Opposition spoke in response to the Prime Minister in relation to the deployment, he had this to say:

It is a deployment which has bipartisan support and we would say to the government: ‘As you make your calculations of what is required for the troops in the field, if they require additional support from
other elements of their military forces then they ought to get it.’ This is a very difficult task and a dangerous task on which they are engaged.

The member for Brisbane, who just spoke, has touched on a number of issues which I want to speak on. We know now, following the foolish deployment to Iraq, that for reasons the government have kept to themselves they did not deploy enough personnel when they went into Al Muthanna. This put immense pressure on the troops on the ground, who had to do the job on the one hand but on the other hand had to absorb the losses from the ranks as other military personnel went about other jobs or went on leave or whatever. The deployment in Iraq did not contain sufficient men to do the job properly, and the fact that the job was done properly is a reflection of the courage, the dedication and the professionalism of the troops on the ground.

But I would hope that following that mistake, which was rectified further into the deployment, we would not make the same blue in Afghanistan. It seems to me that the Leader of the Opposition was absolutely spot-on when he said in response to the Prime Minister, ‘If they require additional support from other elements of their military forces, they ought to get it.’ Whether it is additional support to help maintain the very active patrolling that they will be doing or to simply ensure that they have adequate casevac and other dust-off facilities, it is important that they have them.

I want to touch on some other issues which were briefly referred to by the member for Brisbane in his very well-informed speech which certainly showed a great deal of knowledge about what is happening on the ground in Afghanistan. I want to refer in more detail to the article in the *Age* yesterday written by Tom Hyland. Tom Hyland is described as a senior reporter with the *Age*, and under the heading ‘Unclear and present danger’ he says this:

The public is left ignorant of what is being done in its name, while soldiers and their families go without recognition.

The body of the article goes on to say:

We have become used to the Federal Government sending troops overseas. They go away on deployments, to peacekeeping operations, to train allies, to help restore stability and aid reconstruction.

No longer, it seems, do we send troops to war where their job, at its most basic, is to kill the enemy and risk being killed themselves.

“More Australian peacekeepers bound for Afghanistan”. That’s how one news bulletin headlined last week’s news that the Government was sending extra troops to southern Afghanistan, a region in the grip of a resurgence by Taliban extremists that is taking a steady toll on Afghan and allied troops, not to mention civilians.

He goes on to say this:

The reality is, there is no peace to keep in southern Afghanistan.

This is especially so where the Australians are headed—Uruzgan province, the home of the Taliban, the site of the first victories in the American-led “war on terror” after the September 11 attacks, and one of the most dangerous places in a very dangerous country.

The headline also reinforces a wider community misunderstanding. For if we’ve become accustomed to the Government sending troops and police away on “deployments”, we have also come to expect all of them will come home again, notwithstanding the deaths of Sergeant Andrew Russell in Afghanistan in 2002, protective service officer Adam Dunning in the Solomons in 2004, Warrant Officer David Nary in Kuwait last year and Private Jake Kovco in Iraq this year.
One of the personnel that Tom Hyland did not mention, of course, was young Private Clark from 3RAR, who lost his life in the Solomons while on patrol. But he goes on to say this:

These deaths have been private burdens, not national ones, carried only by the dead men’s families and friends. And of the soldiers, only Sergeant Russell died as a result of enemy action.

The new and expanded role in Afghanistan might change that, because the troops going to Uruzgan are heading into a particularly nasty war.

In announcing the despatch of troops, the Government conceded the soldiers’ role was dangerous, with the Prime Minister saying any military operation in Afghanistan carried “significant risks”.

But the extent of that risk, and the measures being taken to minimise it, was obscured by the wording of the announcement, which emphasised the troops’ reconstruction role in “community-based projects”.

The Government is sending 150 extra troops, most of them to help protect a Reconstruction Task Force (RTF) due to start moving into Uruzgan this month. In May, when the Government announced it was forming the RTF, it said the 240-strong force would be half army tradesmen and engineers, and half infantry and armoured vehicles to defend them. The reinforcements announced last week double the protection force, meaning there will be about 150 reconstruction troops, protected by 240 infantry.

In other words, despite its name, the majority of the taskforce will be made up of fighting soldiers from the 6th Battalion and the 5th/7th Battalion.

The member for Brisbane mentioned what was contained on the website of the 5/7 RAR battalion in relation to its operational role. So not only are we strengthening the protection force; we also have to understand that those engineers, as well as being involved in reconstruction, will also have to man the perimeter and will have to accept their share of infantry style tasks in addition to their reconstruction work. They are trained in these roles and, if they need to, they will acquit themselves well.

I am just making these points and referring to this article because it drives home what the member for Brisbane says—that is, there is this cone of silence. There is this blanket that seems to be pulled over the operations of our troops overseas. Sometimes the best we get in relation to their operational tasks and the way they are going about them is perhaps a silly response to a Dorothy Dixer, which unfortunately this Minister for Defence seems to be getting better and better at. But we do not get good information from the government or, indeed, enough good information from Defence as to the role of our troops, the work that they are doing and the way they are going about that. Indeed, further on in his article, Tom Hyland says this:

Trying to get information from official Australian sources is like entering a parallel universe, where responses often bear no relation to the question asked.

I could say to Tom: ‘Welcome to the club! Come and spend a bit of time sitting in question time listening to the questions that are asked and trying to match them to the answers given.’

I want to make this point: our troops that we send overseas have responsibilities. They have 100 years of history and 100 years of proud heritage. They do not fail to meet their responsibilities. Where there is a failure of responsibility is back here in Australia. I think Tom Hyland has put his finger right on it. The member for Brisbane has mentioned it. I think this government has a responsibility to show a bit more commonsense, to show a bit more maturity and, I might say, to show a bit more respect for the troops and their families in the way that it disseminates information about what our troops are doing overseas. The role that our troops are performing—the professionalism, the courage, the tenacity, the dedication and the perseverance—the public is entitled to know about it.
We want the government to step up to its responsibilities. We want the government to keep the parliament and the people of Australia properly informed as to the nature of the work that our men and women are doing overseas, the nature of exactly how it is that they are making a difference, and we also want a bit more respect shown for the troops in the way that information is disseminated. I call on the minister to step up to the plate, to show a bit more maturity and to go about his tasks in a way that reflects a bit more responsibility. Indeed, I think it is a very extreme responsibility when you are a Prime Minister, a Minister for Defence or a Leader of the Opposition and you have troops overseas. We want the government to meet those responsibilities.

I just want to close by saying that in my view we should never have pulled the pin on Afghanistan. Why did we pull out from Afghanistan when we did? We must have known that we were going into Iraq when we pulled out of Afghanistan. Why did we cut and run from Afghanistan? Why did we leave those people to themselves? We went there and fought a very damaging, total sort of warfare, not just in the hills and not just in the mountains but in areas which impacted on civilians—civilian men, women and kids. We left that country as a basket case. That is not a word I have picked myself but it was a word that was used by the Afghan ambassador when I asked him about the nature of things in Afghanistan after we had pulled out.

The sheer number of landmines that were planted over a very long period of time in Afghanistan meant that anywhere outside of the capital, Kabul, was a very dangerous place to be. The issue of landmines meant that area that was required for agriculture was denied to people. People could not move back into areas to resettle them and, of course, landmines were often used to protect the illicit, illegal but very well cultivated crops of drugs.

We had a greater responsibility to those people of Afghanistan, and it is certainly time we stepped in there to meet that responsibility. I agree with the member for Brisbane: those European countries that are so often derided by members opposite as being part of old Europe or whatever saw where the real threat was, saw where the real dangers were and saw where the real responsibility was too—to the people of Afghanistan—and I think they have met them.

I am pleased that we are back in Afghanistan. I hate the thought of ever having to deploy our young men and women overseas, and I look forward to a time when we will find other options. But they are there. I know they will do a good job and I hope they all come back safely. Our thoughts go out to them and their families. I say to their families: if they ever want any help or assistance, they know where we are and they should not hesitate to contact us.

Mr Griffin (Bruce) (5.45 pm)—There is no more serious decision that a government can take than a commitment of troops overseas. When we look at the situation in Afghanistan, there is clearly a case for this deployment to go ahead. Labor stands to support the government on that, but we also demand that the government support the troops properly in the field and, on their return, ensure that they get a fair go and the sort of support they require to do the job we know they can do. We support our troops and we have confidence in them. Australian troops have gone to a range of theatres overseas in peacekeeping roles and in roles such as this—which, I think, is far more than peacekeeping—and have always performed with great credit, with great professionalism and with great dignity. As other speakers have said, we also
have to look at why we are returning to Afghanistan in the circumstances that we now face. I would just like to remind the House of a motion some time ago that stated:

That this House:
(1) recognises the continued, central importance of Afghanistan as critical to the war against terrorism;
(2) recognises that al Qaeda, the Taliban and associated terrorist organisations continue to pose a security threat to the government of Afghanistan;
(3) recognises that removing this threat requires both the political transformation and economic reconstruction of Afghanistan with the full support of the international community; and
(4) recognises that Australia must play a significant and substantive role, both bilaterally and multilaterally in underpinning a long-term, secure future for the people of Afghanistan.

That motion is incredibly relevant to this debate. It could have been said by the Prime Minister. It could have been said by the Minister for Defence. It could have been said just the other day in the House at the time of the initial motion to take note of the deployment and the undertaking of this commitment, but it was not said then; it was said on 29 March 2004. It was moved by the member for Griffith and seconded by me, in private members’ business, following our return from Afghanistan just a few weeks earlier.

The circumstances we now face in Afghanistan should not be a surprise to anyone. That the circumstances were a surprise to this government, and that it took so long before serious action was taken, says something, I think, about the way this government operates and the sorts of choices it makes with respect to where and how it commits. What we are dealing with now is not new. The Prime Minister actually tried to take some cheap political shots at the member for Griffith in the House the other day when moving this motion—talking about opportunism. The fact is that the member for Griffith said this on the record years ago. He made it clear, after we visited Afghanistan, that there was a continuing clear and present danger there and that the circumstances faced by Afghanistan remained an international concern. He said we had cut and run too early in a situation where it was not right. We heard earlier the comments made by my friend—and I am happy to call him a friend—Ambassador Mahmoud Saikal on the circumstances in Afghanistan. Having heard the very words of President Hamid Karzai in the palace in Kabul, I know that those circumstances were clear back in 2004. But what did we have? We had one person left from the Australian commitment at that stage.

When we came back from Afghanistan and raised these issues with the government, we were laughed at and ignored. Now we are going back again and, I can tell you, it is worse now than when I was there. There is no doubt about that, from the reports that are coming through. There is no doubt that the situation our forces face over there is worse than it was when we were there in 2004. It was obvious then, as it has become obvious now. I go back to a speech some time ago in which someone said:

The importance of Australia’s role as one of the countries that went into Afghanistan and as one of the countries that stays there and helps with the rebuilding is absolutely paramount. There are enormous jobs that are required to be done and there is a range of innovative ways that they are being tackled by the international community. One of the projects that was discussed with us was PRTs—province reconstruction teams. These projects are being undertaken by the Americans, British, New Zealanders, Germans and others, but there is not a PRT that the Australian government has chosen to sponsor as yet. I would certainly urge the Minister for Foreign Affairs to look at the issue of PRTs as being something that Australia could do in addition to what it is currently doing to help rebuild that country in a holistic
manner. If we do not deal with these issues now, we will find ourselves in a situation where we have to deal with them in the future.

That is a direct quote from a speech I made in the House on 29 March 2004. I am happy to quote myself in these circumstances because for once I was right. The situation was clear then—and what are we doing now? We are backing up a PRT run by the Netherlands. I support that. I think it is an excellent idea. We have to look at what we can do in respect of re-building Afghanistan, because the situation in Afghanistan with respect to the drug trade, al-Qaeda, and the Taliban—and its central role in the development and fostering of international terrorism in that region—must be dealt with. One thing we heard loud and clear from the people of Afghanistan, and from the leadership of that country, when we were there was that they have a long history of fighting in this area, a long history of being invaded, a long history of removing invaders and repelling them, and a long history of being ignored. If it continues again, we will find a similar situation.

There is no doubt, and it was clear at that time, that we got out too early. There is no doubt, and it was clear, that the Americans embarking on what they have done in Iraq was a very bad move. It was clear, from everyone we met in Afghanistan at that time, that there was absolutely no doubt at all that the job was still to be done—and now we are seeing the result of that.

I wish our troops all the very best. As I said earlier, I have tremendous confidence in them, their professionalism, their training and their capacity to be able to do this job. But they need not only our support here in this chamber; they also need our support with equipment and logistics. They need our support from go to whoa to make sure that they can do the job we know they can do. What we do not need is a situation where, all of a sudden, the government wakes up, as it has done on this occasion, and realises that it got out too early. It is another example of a foreign policy failure from this government. It is typical of how it has handled these issues over the years. It says something about the fact that it has not got its eye on the job. It is one thing to follow the Americans—and I can understand why, in some cases, that would be what you would do—but you can certainly see here another example of foreign policy by this government in which it is going back to fix something that it should have done properly in the first place.

I know there are other speakers who wish to speak tonight, and we are running out of time, so I will leave my comments there. I wish the troops all the very best and safety in what they must do.

Mr DANBY (Melbourne Ports) (5.53 pm)—I want to congratulate my friend the member for Bruce on his passionate exposition of the case for supporting our troops in Afghanistan, and the very serious way in which he has responded to this extra deployment, which the opposition quite responsibly supports. There were also the very serious speeches made by the members for Barton, Brisbane and Cowan. Together with them, I want to contrast the contribution by the member for Bruce against the absence of speeches from the other side. It is all very well for people to turn up to nice parades of our military and photo opportunities et cetera, but where are the speakers from the other side on this issue? There is not a single member of the government backbench to speak on deploying our troops overseas to the most dangerous deployment, at the moment, of anywhere that Australian troops are deployed to in the world. People know me in this House. I am not a person who bashes the government on na-
tional security issues when I think there is a national interest at stake. I have made that point many times. But the absence of government speakers on the Afghan deployment is a disgrace. I challenge the government to bring in some more speakers, when this debate resumes, so they too can address these issues that are of concern to the Australian people and to the great service people who are going to Afghanistan to work on our behalf.

I may resume my remarks when the members for Griffith, Chifley and Ballarat—those on our side who also want to speak—have that opportunity, but I want to look at one issue in particular raised by my esteemed friend, that greatly admired professor of public diplomacy, Professor Bill Maley, in the *Sydney Morning Herald* recently. Professor Maley was looking at what happened to Afghanistan and why the Kabul democracy’s prospects have declined like this. The new constitution was adopted in 2004. There was a peaceful election in October 2004. It seemed that things in Kabul were improving. Unfortunately, because of the failure of the Western countries that were so loud in their rhetoric but so negligent in their action, Afghanistan has had occur to it the kind of vacuum that the members for Bruce, Barton and Brisbane described so well. You had the Taliban reviving. You had the repeated failure of Western countries to go ahead with the commitments that they had made in the famous Berlin conference post the defeat of the Taliban in Afghanistan. At the Berlin conference, let me remind the House, billions of dollars were promised for reconstruction in Afghanistan.

According to Professor Maley, a scholar who is highly trusted in this area—he is probably one of the world’s leading international experts on Afghanistan—only a fraction per capita of what Kosovo and even East Timor have received has been given to the government of Afghanistan. Maley makes an even stronger point when he says that the World Bank has criticised what is called a second civil service of UN agencies and private commercial contractors receiving rewards that are astronomical by Afghanistan standards but doing little to foster local capacity. Not enough is trickling down to the ordinary Afghans. To quote him exactly: "All this has created space for the Taliban to surge back, with active Pakistani backing. This is also something that people who are serious in this House should look at. We had the visit of President Musharraf to this parliament. While we all support Pakistan’s involvement in the war against terrorism, it seems that the Pakistani intelligence service, the ISI, is involved in the resurgence of the Taliban—as it has been in the past. This is a disgrace. Given Australia’s good relations with Pakistan, we should be more active in putting that issue to the Pakistani government."

Professor Maley continues:

The Afghan army is proving too expensive for the Afghans, so the security sector is subject to the vagaries of budget decisions made in foreign capitals. The police force is only a pale shadow of what is needed, and the size of the opium economy poses a real risk that Afghanistan could become a narco-state.

It is not too late to turn things around, but time is short. The Afghan Government needs to refocus on the delivery of competent, clean and inclusive governance, with particular emphasis on the delivery of security through effective community policing.

For its part, the wider world needs to ensure that its practical commitment matches its effusive rhetoric. Too much of the “assistance” to Afghanistan has been crafted to meet short-term Western needs - for effective counterterrorism and the eradication of opium crops - without sufficient attention to what the Afghans’ long-term needs might be.
The irony is that in the long run the needs of the Afghans for social and political stability reflect the very thing it is in the long-term interest of Western powers to promote.

The first challenge for Australia, therefore, as it deploys soldiers to the danger zone of Uruzgan is to think very deeply about exactly what they are going there to do.

Of course, particularly having just been on one of the parliamentary Defence Force deployments, I now have a better understanding and feeling for the service people on active service like the ones who are going to go over there. They have acquitted themselves already with great distinction. In fact, one Australian received the highest US award ever for our role in Operation Anaconda in which Australian soldiers, the SAS in particular, were responsible for saving the lives of many Americans in a very crucial battle with the Taliban some short years ago. But we have to consider the situation of our people in this new deployment very seriously. With the time running out, I seek leave to resume my remarks later and go the full 15 minutes, if that is okay with you, Mr Deputy Speaker, but I know that there are other people on this side who want to speak. As I say, through the Government Whip present here, I challenge the government to bring speakers up here and consider this very important deployment, this very dangerous deployment where we are probably going to see Australians killed. I do not like to say that, but that is something that the government should take more seriously than it is at the moment.

Leave granted; debate adjourned.

Main Committee adjourned at 6.00 pm
QUESTIONS IN WRITING

Health Care Card
(Question No. 2054)

Mr Jenkins asked the Minister for Human Services, in writing, on 16 August 2005:

(1) How many Health Care Card recipients reside in (a) Victoria and the postcode area (b) 3074, (c) 3075, (d) 3076, (e) 3082, (f) 3083, (g) 3087, (h) 3088, (i) 3089, (j) 3090, (k) 3091, and (l) 3752.

(2) How many Health Care Card recipients not receiving a Centrelink payment, pension, benefit or equivalent payment, reside in (a) Victoria and the postcode area (b) 3074, (c) 3075, (d) 3076, (e) 3082, (f) 3083, (g) 3087, (h) 3088, (i) 3089, (j) 3090, (k) 3091, and (l) 3752.

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

(1) Data on Health care card recipients by electorate is available at the Department of Human Services Website:

(2) Data on Health care card recipients by electorate is available at the Department of Human Services Website:

To prepare this answer it has taken approximately 2 hours and 42 minutes at an estimated cost of $154.

Commonwealth Funded Programs
(Question No. 2248)

Ms Grierson asked the Prime Minister, in writing, on 6 September 2005:

(1) Does the department or any agency in the Minister’s portfolio administer any Commonwealth funded programs for which community organisations, businesses or individuals in the electoral division of Newcastle can apply for funding; if so, what are the details.

(2) Are the programs identified in part (1) advertised; if so, in respect of each program (a) what print and other media outlets have been used to advertise it and (b) were these paid advertisements.

(3) In respect of each of the Commonwealth funded programs referred to in part (1), (a) what is its purpose and (b) who is responsible for allocating funds.

(4) With respect to each of the Commonwealth funded programs referred to in part (1), how many (a) community organisations, (b) businesses and (c) individuals in the electoral division of Newcastle received funding in (i) 2003-2004 and (ii) 2004-2005.

(5) What sum of Commonwealth funding did each recipient receive in (a) 2003-2004 and (b) 2004-2005 and what are their names and addresses.

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

(1) The National Water Commission (NWC) administers the Water Smart Australia programme, which is targeted at large-scale projects that will make a significant contribution to the sustainable and efficient management of Australia’s water resources.

(2) Yes.

(a) National, local and regional newspapers.
(b) Yes.

(3) (a) See answer to question 1.
(b) Allocation of funds for Water Smart Australia is approved by me, based on advice from the Commissioners of the NWC.

(4) None.

(5) Not applicable.

Commonwealth Legislation

(Question No. 2274)

Ms Bird asked the Minister for Employment and Workplace Relations, in writing, on 6 September 2005:

(1) Has the Government commissioned the use of private law firms to draft amendments to the Workplace Relations Act following the Prime Minister’s Ministerial Statement on 26 May 2005; if so, (a) how many lawyers from private law firms were commissioned, (b) which law firms have provided lawyers, (c) what drafting advice are the lawyers providing, (d) what is the total cost of their services, and (e) was a tender process involved; if not, why not.

(2) In respect of each law firm identified in part 1(b), has it ever acted for (a) employer organisations, (b) trade unions, and (c) Government in employment related jurisdictions; if so, in what capacity.

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

No. The Government has not used private law firms to draft amendments to the Workplace Relations Act. The Office of Parliamentary Counsel drafts amendments to Commonwealth legislation.

Haystac Public Affairs

(Question No. 2354)

Mr Bowen asked the Minister for Employment and Workplace Relations, in writing, on 14 September 2005:

Did his department engage Haystac Public Affairs to provide marketing advice at a cost of $54,583.75; if so, what services were provided by Haystac public affairs under the terms of this contract.

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

My Department did not engage Haystac Public Affairs (Haystac) to provide marketing advice. A contract with Haystac was transferred to my Department on 7 February 2005, when the National Occupational Health and Safety Commission became a part of it.

State and Federal Awards

(Question No. 2374)

Mr Bevis asked the Minister for Employment and Workplace Relations, in writing, on 15 September 2005:

(1) On how many occasions has he asked his department to research specific provisions of (a) state awards and (b) federal awards.

(2) When were these instructions issued.

(3) Since the 2004 election, (a) how many hours of public service time have been taken on providing him with this information and (b) what are the imputed costs of obtaining this information.

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

My department is unable to provide this information as it is not readily available and it would involve an unreasonable diversion of the department’s resources to ascertain this information.
Imports
(Question No. 2399)

Mr Gavan O'Connor asked the Minister for Agriculture, Fisheries and Forestry, in writing, on 10 October 2005:

(1) What was the total quantity of taro corms imported in (a) 2002-2003, (b) 2003-2004, and (c) 2004-2005.

(2) What quantity of taro corms was imported from (a) China and (b) Fiji in (i) 2002-2003, (ii) 2003-2004, and (iii) 2004-2005.

(3) What pests and diseases of taro corms are present in (a) China and (b) Fiji which are not present in Australia.

(4) What testing or other protocols are used by the Australian Quarantine Inspection Service to determine that taro corms imported into Australia are free of pests and disease.

(5) Are there any plans to revise these protocols; if so, what stage has the revision process reached.

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

(1) (a) 2,409 tonnes, (b) 2,345 tonnes, (c) 2,697 tonnes.


(3) Biosecurity Australia is currently re-assessing pest lists for taro that includes the pests recorded in China and Fiji.

(4) Fresh taro corms (tubers) may be permitted into Australia subject to:

- An import permit;
- Phytosanitary certificates with the following additional declarations accompanying each consignment:
  (a) The taro in the consignment is *Colocasia esculenta var.esculenta* and not *Colocasia esculenta var.antiquorum*.
  (b) The tubers have been inspected and are:
    (i) Topped and free from all foliage including petiole bases and
    (ii) Free from sprouting suckers and attached daughter corms and
    (iii) Free from soil.
  (c) The product is free from Potato cyst Nematode (PCN) (*Globodera rostochiensis* and *Globodera pallida*) and potato black wart fungus (*Synchytrium endobioticum*) which are not known to occur in the country of origin.
- Inspection on arrival in Australia by AQIS; and
- Remedial action when quarantine pests or regulated articles are detected.

(5) Biosecurity Australia is currently reviewing all pests and diseases known to be associated with taro production, including those intercepted on taro imports permitted into Australia. Draft pest lists are being prepared.

Health Care Card
(Question No. 2403)

Ms Grierson asked the Minister for Human Services, in writing, on 10 October 2005:
(1) How many Health Care Card holders reside in (a) New South Wales, (b) the electoral division of Newcastle, and (c) the postcode area (i) 2287, (ii) 2289, (iii) 2291, (iv) 2292, (v) 2293, (vi) 2294, (vii) 2295, (viii) 2296, (ix) 2297, (x) 2298, (xi) 2299, (xii) 2300, (xiii) 2302, (xiv) 2303, (xv) 2304, (xvi) 2305, (xvii) 2307, (xviii) 2308, and (xix) 2309.

(2) How many Health Care Card holders who do not receive a Centrelink payment, pension, benefit or equivalent payment reside in (a) New South Wales, (b) the electoral division of Newcastle, and (c) the postcode area (i) 2287, (ii) 2289, (iii) 2291, (iv) 2292, (v) 2293, (vi) 2294, (vii) 2295, (viii) 2296, (ix) 2297, (x) 2298, (xi) 2299, (xii) 2300, (xiii) 2302, (xiv) 2303, (xv) 2304, (xvi) 2305, (xvii) 2307, (xviii) 2308, and (xix) 2309.

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

(1) Data on Health Care card recipients by electorate is available at the Department of Human Services Website:

(2) Data on Health Care card recipients by electorate is available at the Department of Human Services Website:

To prepare this answer it has taken approximately 2 hours and 25 minutes at an estimated cost of $154.

Morris Walker Pty Ltd

(Question No. 2549)

Mr Brendan O’Connor asked the Minister for Employment and Workplace Relations, in writing, on 31 October 2005:

Did his department engage the services of Morris Walker Pty Ltd at a cost of $50,000 for the provision of media services; if so, what specific services were provided under this contract.

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

The Department of Employment and Workplace Relations does not have a $50,000 contract with Morris Walker Pty Ltd.

The Department of Employment and Workplace Relations, on behalf of the Remuneration Tribunal, has engaged Morris Walker Pty Ltd, on a fee for service basis, to provide media services to the Remuneration Tribunal for a period of three years from 1 December 2004.

A total of $3,592.60 has been paid to Morris Walker Pty Ltd under this contract since December 2004 to end November 2005.

Under the contract, Morris Walker Pty Ltd is to provide the Remuneration Tribunal with services including:

• responding to media queries in relation to public offices in the Tribunal’s jurisdiction;

• advising of media queries regarding the Tribunal and public offices in the Tribunal’s jurisdiction; and

• undertaking, as requested, detailed media monitoring and analysis for the Tribunal.

Commonwealth Legislation

(Question No. 2609)

Mr Martin Ferguson asked the Minister for Employment and Workplace Relations, in writing, on 9 November 2005:
(1) Which legal firms, barristers and consultants were engaged on the drafting of the Workplace Relations Amendment (Work Choices) Bill 2005 and what process was used to select them.

(2) What was the itemised cost of drafting and preparing the bill for presentation to the House of Representatives including the full details of payments made to each legal firm, barrister and consultant.

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

(1) The Government has not used private law firms to draft amendments to the Workplace Relations Act. The Office of Parliamentary Counsel drafts amendments to Commonwealth legislation.

(2) The Department does not produce itemised costs for the preparation of legislation.

Governor-General: Residences

(Question No. 2632)

Mr Melham asked the Prime Minister, in writing, on 10 November 2005:
Why has he not provided an answer to question No. 1203 asked on 10 May 2005.

Mr Howard—The answer to the honourable member’s question is as follows:
My answer to question No. 1203 was tabled in parliament on 1 June 2006.

Australian Taxation Office

(Question No. 2942)

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

(1) Can he say whether overcharging of penalty interest arising from audits conducted before 2000 as a result of design flaws in the Australian Taxation Office’s (ATO) business systems has led to insolvency action against any taxpayer.

(2) In respect of insolvency proceedings initiated by the ATO, has any penalty interest been sought as a result of design flaws in the ATO business systems.

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

(1) The Commissioner has advised me that he is not aware of any taxpayer who has been made insolvent solely due to unpaid interest.

(2) Insolvency proceedings are based on the total outstanding tax. The ATO does not pursue any recovery action based solely on an outstanding section 170AA Tax Shortfall Interest liability only.

Australian Taxation Office: Qualitative Multi Source Feedback Process

(Question No. 2950)

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

(1) Did the Australian Taxation Office engage The Leadership Factory at a cost of $18,480 to conduct a qualitative multi source feedback process for 3 members of the Tax Office Senior Leadership; if so, will he explain what a qualitative multi source feedback process is.

(2) Is he satisfied that this expenditure constituted value for money.

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

(1) The Australian Taxation Office engaged the Leader Factor to conduct a qualitative multi source feedback process at a cost of $18,480.
The qualitative multi source feedback process is commonly used across the Public Service and is the process used to gather leadership behavioural feedback on managers in the Australian Taxation Office. This is mandatory for managers at the Executive Level 2 or higher classification levels.

The process involves receiving feedback about an individual’s leadership performance from that individual’s manager, direct reports and colleagues. This particular process involved the feedback being gathered through interview. It also involves having the individual complete a self assessment on their own performance.

The feedback questions are structured around the Australian Public Service Commission Integrated Leadership competencies, namely Shapes Strategic Thinking; Achieves Results; Cultivates Productive Relationships; Communicates with Influence and Exemplifies Personal Drive and Integrity.

(2) The Commissioner advised that he considers this investment provides strong value to the individual and himself in terms of both performance and development and is a significant input into decisions on succession and placement of senior staff.

Workplace Relations
(Question No. 2956)

Mr Kelvin Thomson asked the Minister for Employment and Workplace Relations, in writing, on 7 February 2006:

(1) Is he aware that the former Minister for Citizenship and Multicultural Affairs, Mr Cobb, refused to answer the question on Radio 2DU Dubbo “What do you do if your employer refuses to talk to you? How then do you negotiate an agreement” in respect of the new industrial relation relations legislation.

(2) Will he provide an answer to the question.

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

(1) No.

(2) The Workplace Relations Act 1996 (Cth) as amended by the Workplace Relations Amendment (Work Choices) Act 2005 (Work Choices Act) maintains the existing right of employers and employees to choose whether or not they wish to make an agreement, and if so, the type of agreement that suits them best. The Act does not, and should not, force either party to enter an agreement against their wishes and/or best interests. Therefore, the existing legislation protects employers and employees against action taken with the intent to coerce them to (for example) agree, or not agree to make a collective agreement. It also prohibits the application of duress to an existing employee or employer in connection with an AWA. These protections are maintained under the Work Choices Act.

If an employer party to a proposed collective agreement refuses to negotiate, then their employees may, subject to the Act’s procedural requirements, take protected industrial action in support of their claims. Also, the Work Choices Act requires employers to genuinely try to reach agreement with either the relevant trade union/s or employees before they can take protected industrial action.

Murray-Darling River System
(Question No. 2957)

Mr Kelvin Thomson asked the Minister for Agriculture, Fisheries and Forestry, in writing, on 7 February 2006:

How many gigalitres have been restored to the Murray-Darling river system since the Corowa Meeting of 2002 resolved that the system needed environmental flows.

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

Since November 2003, existing water available to the environment has been actively managed by jurisdictions and the Murray-Darling Basin Commission. This work has contributed towards meeting the ecological objectives for the Living Murray six Icon Sites. In this context, 2005-06 represents the most active season of environmental management in the history of river regulation.

Over 36,000 hectares of the natural environment of the River Murray system and Icon Sites has been deliberately watered for environmental purposes, using approximately 915 gigalitres of water. The sources of water used included a combination of the accumulated Barmah-Millewa Forest Environmental Water Allocation, other existing state-based environmental allocations (e.g. Victorian Murray Flora and Fauna Entitlement, NSW Adaptive Environmental Water), River Murray surplus flows, above entitlement flows to South Australia, and water recovered from the Joint Government Enterprise.

More specifically, about 510 gigalitres from the Barmah-Millewa Forest Environmental Water Allocation was released to achieve one of the most significant colonial nesting waterbird breeding events in recent decades and the spawning of threatened fish such as Silver Perch. Environmental water was also delivered through various means such as flow enhancement, pumping/siphoning, weir manipulation, and use of regulated creeks/channels to reinvigorate stressed floodplain vegetation including River Red Gums, and to fill wetlands across Gunbower Forest, Hattah Lakes, Chowilla Floodplain and the River Murray Channel Icon Sites. Water was also released through the Barrages at the Murray Mouth to provide temporary freshening of parts of the Coorong and fishways along the River Murray Channel were operated continuously for nine months.

Due to dry conditions, environmental watering opportunities in 2004-05 were limited, but included combining surplus flows with water from the NSW and Victorian environmental water accounts to water Barmah-Millewa and Gunbower Forests, Hattah Lakes and Chowilla Floodplain. In addition, there was sufficient flow into the Lower Lakes to release about 40 gigalitres through the Barrages and into the Coorong and through the Murray Mouth.

In May 2006, the Australian Government announced a cash injection of $500 million to the Murray-Darling Basin Commission. The funds will accelerate all previous Murray-Darling Basin Ministerial Council and Commission decisions including providing additional resources to invest in water recovery measures under the Living Murray Initiative and to make best use of the recovered water.

Under the Initiative, four initial water recovery proposals were approved by the Murray-Darling Basin Ministerial Council in November 2004. Of these, the Australian Government announced in early 2006 investment of $37.2 million in the Victorian Goulburn Murray project to recover 145 gigalitres of environmental water, which is expected to be available in July 2007. The Australian Government is expecting to invest in the other three proposals in 2006-07 to recover a further 90 gigalitres, including 44 gigalitres from the Darling Anabranch pipeline project and 25 gigalitres from the decommissioning of Lake Mokoan.

At the most recent Murray-Darling Basin Ministerial Council meeting, South Australia announced a package of measures under the Living Murray Initiative to recover 35 gigalitres, including 13 gigalitres which is expected to be available for environmental use in the first half of 2007. At the same time, NSW presented a strategy to recover an estimated 71.5 gigalitres.

Additional water for the Living Murray Initiative will be recovered in future years with an average of up to 500 gigalitres per year ultimately available for River Murray increased flows.

To speed up the recovery of water under the Living Murray Initiative, the Australian Government recently announced a Water Through Efficiency Tender to encourage the adoption of on-farm and off-farm water efficiency measures as a means of obtaining permanent water entitlements. To ensure pro
ductive capacity is maintained, the tender will only acquire eligible water entitlements from holders who can propose offsetting water efficiency measures.

Under the Joint Government Enterprise, 38 gigalitres of environmental water has so far been recovered for the River Murray. Additional water will be recovered in future years with an average of up to 70 gigalitres per year ultimately available for River Murray increased flows.

**Australian Defence Force**

(Question No. 3047)

Mr McClelland asked the Minister for Defence, in writing, on 14 February 2006:

Has his office or department undertaken an assessment on the extent to which salaries of ADF members have kept pace with private sector salaries over the past five years; if so, what does that assessment reveal.

Dr Nelson—The answer to the honourable member’s question is as follows:

Members of the Australian Defence Force (ADF) receive regular across-the-board pay increases under the ADF Workplace Remuneration Arrangement (WRA) and the Star Ranks Remuneration Arrangement (SRRA). The current arrangements have delivered a cumulative pay increase of ten per cent to ADF members over the life of the arrangement (6 May 2004 to 3 November 2006). This equates to four per cent per year. Over the past five years (March 2001 to March 2006) the ADF has received cumulative pay rises of 21.5 per cent through the WRA, a little over four per cent per year.

A comparison of movements in ADF salaries with the Average Annualised Wage Increase (per employee) produced by the Department of Employment and Workplace Relations shows that movements in ADF salaries under the WRA have been in line with those in the public and private sectors over the same period.

**Fringe Benefits Tax**

(Question No. 3108)

Mr Fitzgibbon asked the Treasurer, in writing, on 27 February 2006:

(1) Has he received Deloitte’s budget submission on Fringe Benefits Tax (FBT).
(2) What work has been done on the contents of the submission.
(3) Has his department estimated the (a) take-up rate and (b) cost of expanding the range of child care expenses that are FBT exempt.
(4) Has his department provided him advice on FBT and child care.
(5) Is Deloitte’s analysis that the FBT exemptions for child care do not help most businesses, correct.
(7) Has his department estimated the cost of removing the current restrictions on the FBT exemption for property owned by the employer; if so, what is the expected take-up rate of this concession.
(8) Is the FBT policy regime applied to child care achieving the objective of encouraging employer investment in child care.
(9) Is the Government aware of rigidities in the supply response which would limit the number of new places created as a result of granting a FBT exemption.
(10) Does the cap on after school hour care places restrict the supply response.

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

(1) Yes.
(2) The submission was reviewed as part of the pre-Budget submission process.

(3) (a) Yes. (b) Yes.

(4) Yes.

(5) No.

(6) Child care facilities provided on the business premises of the employer are exempt from FBT and thus, employers are not required to report this information to the Australian Taxation Office.

(7) No.

(8) Yes.

(9) and (10) The Government announced the removal of the cap on outside school hours care (and family day care) places in the 2006-07 Budget. The Australian Government places no restrictions which would prevent child care operators from being able to supply additional child care places to meet demand.

Goods and Services Tax

(Question No. 3114)

Mr Fitzgibbon asked the Minister for Revenue and Assistant Treasurer, in writing, on 27 February 2006:

1. How many businesses claim the immediate write-off of $1000 provided for under the Simplified Tax System.

2. How many businesses with turnover less than the $50,000 annual threshold were registered for GST purposes and paid GST in the last 12 months.

3. How many businesses with turnover less than $50,000 which paid GST within the last 12 months chose to register for GST purposes.

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

1. For the 2004-05 income year, approximately 100,000 businesses claimed the immediate write-off of depreciating assets less than $1,000 each, provided for under the Simplified Tax System.

2. For the 2004-05 income year, approximately 275,000 businesses with a turnover less than $50,000 were registered for GST purposes and paid GST.

3. Of these 275,000 businesses, approximately 255,000 businesses chose to register for GST purposes. Please note that this is an estimation made by excluding businesses who are required to register irrespective of turnover (that is, taxi drivers and agents for non-residents).

Note: all data is as at 5 June 2006.

Small Business Debt Assistance

(Question No. 3117)

Mr Fitzgibbon asked the Minister for Revenue and Assistant Treasurer, in writing, on 27 February 2006:

1. What was the outstanding tax debt for small businesses for (a) 2004-2005 and (b) 2005-2006 to date.

2. What proportion of small business debts is comprised of debts of $25,000 or less.

3. Since the introduction of the Small Business Debt Assistance initiative, how many debts have been cleared.

4. How many small businesses have entered into a repayment plan with the Australian Taxation Office (ATO).
(5) How many small businesses did the ATO take legal action against in 2005 and in how many of these cases was (a) a conviction recorded and (b) a prison sentence imposed.

(6) How many small businesses were forced into bankruptcy by the ATO in 2005.

(7) Has the Small Business Debt Assistance scheme reduced the number of serial defaulters.

(8) What action is taken against small businesses which ignore their tax obligations and are continually in debt to the ATO.

(9) Do debt collection practices distinguish between one-off defaulters and serial offenders; if so, how; if not, why not.

(10) Does the ATO take funds directly from the bank accounts of small businesses which repeatedly ignore their tax debts; if so, (a) how often has this action been taken, (b) what criteria are used to determine if this course of action will be taken, (c) has this action forced any businesses into bankruptcy, and (d) is this practice going to be reviewed.

(11) Does a small business tax debt have to be over a certain amount to attract bankruptcy proceedings.

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

(1) (a) and (b) At the end of June 2005, there were approximately 885,000 small business collectable debt cases (debt not subject to dispute or associated with insolvency) to the value of $7.68 billion. At the end of June 2006, there were approximately 914,000 small business collectable debt cases to the value of $8.11 billion.

(2) At the end of June 2006, 92 per cent of small business debtors comprised debts of $25,000 or less.

(3) 128,000 taxpayers who were in scope for the Small Business Debt Assistance Initiative have cleared their pre 30 June 2004 debt(s).

(4) At the end of June 2006, there were around 80,000 small business collectable debt cases in a current repayment plan with the ATO.

(5) The ATO commenced legal action against 36,462 small businesses during the 2004-05 financial year. (This figure includes garnishee notices, statutory demands, director penalty notices and ATO actions subject to Court processes.)

(a) and (b) Generally, prosecution action is only initiated against taxpayers who do not lodge outstanding statements or returns or those who fail to comply with a notice issued under either section 260-5 or 353-10 of Schedule 1 of the Taxation Administration Act 1953 (TAA 1953). A notice pursuant to section 260-5 empowers the Commissioner to collect tax debts from third parties who owe, hold money for or who may hold money for, an ATO debtor. A section 353-10 notice requires a person to supply the ATO with information or to attend or give evidence with regard to collection matters.

(6) During the 2004-05 financial year, 166 small businesses became bankrupt following ATO initiated proceedings.

(7) With regard to the Small Business Debt Assistance Initiative, the overall default rate for promises to pay was less than that of the general debtor population. The administrative certainty of payment by way of direct debit appears to have been an effective collection tool evidenced by the ongoing payment of arrears.

(8) The ATO wants to see viable businesses continue to trade. Businesses are encouraged to approach the ATO where they face difficulties in making payments. Correspondence and phone contact are made before firmer action strategies are applied. Legal action is generally only taken after appropriate warnings are given and, where necessary, the ATO will take action leading to bankruptcy or company wind-up where debts are not addressed.
(9) Since the release of the Inspector General’s Review of ATO Small Business Debt Collection Practices, extensive work has commenced on differentiated debt and debt analytics. The early results of this work are now being used to inform debt collection practice.

(10) Yes, where small businesses are not willing to pay their taxes the ATO will take firmer action. This includes the use of garnishee powers.

(a) Between 1 July 2005 and 30 June 2006, 6,598 garnishee notices have issued to third parties who owe, or who may hold money for small businesses.

(b) Garnishee action is generally only taken after appropriate warnings are given.

(c) The ATO does not collect this information.

(d) The ATO continually examines its approaches to administering the tax system.

(11) To initiate bankruptcy or wind-up proceedings, the minimum amount of debt owed to a creditor must be $2000. This is a requirement of the Bankruptcy Act 1966 (for individuals) and the Corporations Act 2001 (for companies).

**Pharmaceutical Benefits Scheme**  
(Question No. 3174)

Mr Georganas asked the Minister for Health and Ageing, in writing, on 2 March 2006:

(1) Will he release the interdepartmental committee’s report on the investigation of the sustainability of the PBS.

(2) Has he established how many pharmacies will close across Australia if the report’s recommendations are implemented.

(3) When did the investigation into the sustainability of the PBS commence.

(4) Which organisations were (a) consulted and (b) invited to make submissions as part of the Committee’s investigation.

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

(1) The report is an internal working document and as such is unlikely to be released.

(2) I have held initial discussions with the pharmaceutical sector, including the Pharmacy Guild of Australia, to assess the potential impact of some possible changes to the PBS. These discussions are at a preliminary stage.

(3) PBS affordability is a matter of ongoing consideration by the Government with ideas developed and explored within Government on a routine and ongoing basis.

(4) (a) and (b) The Pharmaceutical Industry Working Group, jointly chaired by the Minister for Industry, Tourism and Resources, the Hon. Ian Macfarlane and myself, has provided an opportunity for ongoing dialogue with the pharmaceutical industry around PBS issues. As outlined in my response to question 2, I have commenced preliminary discussions with the pharmaceutical sector on some possible changes to the PBS.

**Abortion**  
(Question No. 3194)

Mr Murphy asked the Minister for Health and Ageing, in writing, on 27 March 2006:

(1) Has he read the article in the *Sydney Morning Herald* on 3 March 2006 titled ‘Mixed response to $51m pregnancy hotline’.

(2) What is the verifiable number of abortions occurring annually as a result of medical procedures financially assisted under Medicare and what is the data source of that number.
(3) What is the total number of abortions occurring annually including those as a result of medical procedures financially assisted under Medicare and privately funded and what is the data source or sources of that number.

(4) Can he confirm that the figure of 90,000 abortions per year is an accurate estimate of the total number of abortions occurring in Australia each year.

(5) Will he act to amend Medicare item numbers so that it is possible, while preserving a woman’s privacy, to determine the exact number of Medicare funded procedures occurring specifically for the purpose of procuring an abortion; if so, when will this be fully implemented; if he will not act to amend Medicare item numbers, will he explain why not.

(6) Is the policy objective of the Government’s $51 million pregnancy support scheme to reduce the number of abortions in Australia; if so, will he explain how the scheme will achieve this.

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

(1) I have been provided with a copy of the article.

(2) to (4) There is no single authoritative or complete data source on terminations of pregnancies in Australia. This means that it is not possible to give a precise number of terminations each year. It is possible however to combine data from a number of sources to provide an estimate of the number of terminations each year.

The annual average number of terminations over the 10 years to 2004-05, including those as a result of medical procedures financially assisted under Medicare and privately funded, is estimated to be 87,000 per annum. The data sources are hospital data supplied by states and territories under the reporting requirements of the Australian Health Care Agreements and Medicare Benefits Schedule data.

Detailed information on the sources of this data follows.

National Morbidity Casemix Data Set (NMDS)

The Australian Government receives unit record data from the states and territories on public and private hospital utilisation including information about admitted patient procedures. This data is provided under the Australian Health Care Agreements and forms the NMDS. This data includes information against a number of codes which together indicate the number of terminations occurring in public and private hospitals. These codes comprise: medical abortion; unspecified abortion; failed attempted abortion; other abortion.

The quality of the source data reported through the NMDS is a matter for states and territories. My department has written to each state and territory jurisdiction to seek their comments on the NMDS data held against the codes specified above.

By writing to individual jurisdictions, the department has made every endeavor to verify the accuracy of the data with the states and territories. However, it is not able to independently verify it. Ultimately, the accuracy of the data relies on coding standards and issues of completeness which cannot be ascertained by my department.

Medicare Benefits Schedule (MBS)

MBS claims data provides a further source of information on terminations each year, as it identifies procedures which occurred outside hospital for which a Medicare claim was made. Two MBS items are of relevance:

MBS item 35643 (6469) – evacuation of the contents of the gravid uterus by curettage or suction curettage. This item covers terminations but will also apply to those situations where there is a missed abortion (the foetus has died but not been expelled) and trophoblastic disease which is an abnormality of the placenta and in some cases is cancerous. This MBS item should not include
those situations where the woman has had a miscarriage or where the woman is not pregnant such as scraping the lining of the womb to try to reduce heavy menstrual bleeding.

MBS item 16525 – management of second trimester labour, with or without induction, for intrauterine foetal death, gross foetal abnormality or life threatening maternal disease.

MBS data includes cases of foetal death, miscarriage and trophoblastic disease and may therefore overstate the numbers of medical terminations.

(5) There are no plans to amend the relevant Medicare item numbers.

(6) The policy objective of the Pregnancy Support Counselling measures is to improve support services for pregnant women.

While there are already a range of pregnancy counselling services available to women and their partners, women may be unaware of available services or may find it difficult to access them, particularly in rural areas and after hours.

It is important that women are able to access non-directive counselling when they are uncertain about a pregnancy and that they are able to do so quickly. By providing an MBS item for this purpose, a broad network of service providers becomes available, increasing the likelihood that women will be able to get the support they need.

The Helpline will assist women in areas where access to appropriate general practitioner and allied health professional services may be limited. It will also benefit those who need assistance after hours, providing a quality service option for those who prefer to remain anonymous or to receive counselling and advice in a non-clinical setting. Partners, who will not be eligible for the MBS item, will also be able to receive advice from the Helpline.

The Helpline will provide a service which is professional and non-directive, and available 24 hours a day, 7 days a week.

1 Terms are defined as follows: ‘medical abortion’ – medically induced abortions; ‘unspecified abortion’ – documentation not available; ‘failed attempted abortion’ – either medically induced or other abortion which is incomplete or unsuccessful; ‘other abortion’ – any specified abortion other than an abortion that could be coded elsewhere. In 2003-04, of the terminations of pregnancy across Australia recorded in the NMDS, 98.2% were for ‘medical abortion’, 1.5% were for ‘unspecified abortion’, 0.1% were for ‘failed attempted abortion’, and 0.2% were for ‘other abortion’.

Chifley Electorate: Programs and Services

(Question No. 3203)

Mr Price asked the Minister representing the Minister for Finance and Administration, in writing, on 24 March 2006:

(1) What programmes and services do the department and each agency in the Minister’s portfolio provide for Indigenous communities and individuals in the electoral division of Chifley.

(2) In respect of each programme, (a) what sum is spent annually (i) nationally and (ii) in the electoral division of Chifley and (b) how many people is it intended to assist (i) nationally and (ii) in the electoral division of Chifley.

Mr Costello—The Minister for Finance and Administration has supplied the following answer to the honourable member’s question:

Department of Finance and Administration (Finance)
Commonwealth Grants Commission (CGC)
Commonwealth Superannuation Administration (ComSuper)
Commonwealth Superannuation Scheme Board and the Public Sector Superannuation Board (CSS/PSS)
(1) Finance, CGC, ComSuper and CSS/PSS do not provide any programmes or services for Indigenous communities and individuals in the electoral division of Chifley.

(2) Not applicable.

Australian Electoral Commission (AEC)

(1) The AEC does not provide specific programmes or services for Indigenous voters in the division of Chifley. However, within the electorate of Chifley, along with all other divisions in Australia, a school and community visits programme is provided where AEC staff deliver public awareness activities on request. In 2005-06, Chifley staff have visited primary and secondary schools and had 250 participants attend their public awareness sessions.

The AEC is developing a northern and remote strategy which will target Indigenous voters. This strategy will cover both public awareness and enrolment activities and is designed to increase electoral knowledge and improve the accuracy of the electoral roll in remote areas of Australia.

(2) (a) (i) and (ii) It is estimated that $162,000 will be spent nationally on Indigenous public awareness and enrolment activities in 2005-06. There was no budget identified for Indigenous-specific programmes in the division of Chifley in 2005-06.

(2) (b) (i) and (ii) In relation to its public awareness and roll management activity, the AEC always aims to maximise the number of eligible electors on the electoral roll.

Chifley Electorate: Programs and Services

(Sequence No. 3210)

Mr Price asked the Minister for Industry, Tourism and Resources, in writing, on 27 March 2006:

(1) What programs and services do the department and each agency in the Minister’s portfolio provide for Indigenous communities and individuals in the electoral division of Chifley.

(2) In respect of each program,

(a) what sum is spent annually

(i) nationally and

(ii) in the electoral division of Chifley and

(b) how many people is it intended to assist

(i) nationally and

(ii) in the electoral division of Chifley.

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

(1) Indigenous community organisations, businesses and individuals in the electorate of Chifley have access to the suite of industry development programs administered by the Department of Industry, Tourism and Resources. In some cases eligibility for applying will depend on the entity meeting specific criteria under the program.

The Department administers two programs which are specifically focused on Indigenous Australians – the Business Ready Program for Indigenous Tourism and the Indigenous Partnerships Program. Information on these programs is provided on the Department’s website www.industry.gov.au and in the 2006-07 Portfolio Budget Statements for the Industry, Tourism and Resources portfolio.

Tourism Australia also undertakes a range of activities to foster the development of the indigenous tourism sector. These include providing funding and support for Indigenous Tourism Australia, which facilitates consultation with the emerging indigenous tourism sector on existing and potential policies and programs and encourages indigenous tourism ventures, as well as a range of pro-
Further information on these activities is provided on the Tourism Australia website www.tourism.australia.com and in the 2006-07 Portfolio Budget Statements for the Industry, Tourism and Resources portfolio.

(2) (a) Information on annual national funding for these indigenous programs and activities is provided in the 2006-07 Portfolio Budget Statements for the Industry, Tourism and Resources portfolio. Funding for these programs and activities is not allocated on an electorate basis.

(b) The Business Ready Program for Indigenous Tourism is a pilot program that is expected to support in the order of 60-70 indigenous tourism businesses across Australia. No businesses in the electorate of Chifley have received assistance under this program.

The Indigenous Partnerships Program is a facilitation program which is focused more broadly on fostering the development of mutually beneficial relationships between indigenous communities and the mining sector, rather than on individual customers.

Similarly, activities undertaken by Tourism Australia are also focused more broadly on facilitating the development of the indigenous tourism sector, rather than on providing targeted assistance to individual customers.

Chifley Electorate: Programs and Services

(Question No. 3212)

Mr Price asked the Minister representing the Minister for the Environment and Heritage, in writing, on 27 March 2006:

(1) What programs and services do the department and each agency in the Minister’s portfolio provide for indigenous communities and individuals in the electoral division of Chifley.

(2) In respect of each program, (a) what sum is spent annually (i) nationally and (ii) in the electoral division of Chifley and (b) how many people is it intended to assist (i) nationally and (ii) in the electoral division of Chifley.

Mr Truss—The Minister for the Environment and Heritage has provided the following answer to the honourable member’s question:

While no funds were provided by my department to Indigenous people in the electorate Division of Chifley during the 2005-06 financial year, there are several programmes available to Indigenous communities. For example, Indigenous communities can receive financial assistance through the Indigenous Heritage programme, Envirofund and, for remote areas, the Bushlight programme. The Indigenous Heritage Programme provides financial assistance to projects that identify, conserve and promote the Indigenous heritage values of places. Through Envirofund Indigenous communities are encouraged to undertake local conservation or natural resource management projects. The Bushlight Programme provides financial support to remote communities with the aim of increasing the use of renewable energy resources.

Chifley Electorate: Programs and Services

(Question No. 3213)

Mr Price asked the Minister for Agriculture, Fisheries and Forestry, in writing, on 27 March 2006:

(1) What programs and services do the department and each agency in the Minister’s portfolio provide for indigenous communities and individuals in the electoral division of Chifley?

(2) In respect of each program, (a) what sum is spent annually (i) nationally and (ii) in the electoral division of Chifley and (b) how many people is it intended to assist (i) nationally and (ii) in the electoral division of Chifley?
**Mr McGauran**—The answer to the honourable member’s question is as follows:

(1) None.

(2) None.

**Advertising**

*(Question Nos 3221 to 3239)*

**Mr TANNER**—asked all ministers, in writing, on 24 March 2006:

For 2004-2005, what sum was paid to (a) News Limited, (b) John Fairfax Publishing, (c) Australian Provincial Newspapers, (d) Rural Press, and (e) Western Australian Newspapers for display advertising in newspapers (i) in total and for purposes of advertising (ii) job vacancies, (iii) tender processes, and (iv) Parliamentary committee proceedings.

**Mr Nairn**—The following answer to the honourable member’s question is provided on behalf of all Ministers and represents non-campaign advertising expenditure through the Central Advertising System:

<table>
<thead>
<tr>
<th></th>
<th>(i) Total</th>
<th>(ii) Vacancies</th>
<th>(iii) Tender notices</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) News Limited</td>
<td>$21,394,900</td>
<td>$12,131,736</td>
<td>$2,266,413</td>
</tr>
<tr>
<td>(b) John Fairfax</td>
<td>$10,207,335</td>
<td>$6,270,162</td>
<td>723,642</td>
</tr>
<tr>
<td>(c) APN</td>
<td>$685,856</td>
<td>$283,534</td>
<td>$17,105</td>
</tr>
<tr>
<td>(d) Rural Press</td>
<td>$6,194,044</td>
<td>$4,018,886</td>
<td>$290,165</td>
</tr>
<tr>
<td>(e) WAN</td>
<td>$1,682,237</td>
<td>$811,571</td>
<td>$231,740</td>
</tr>
</tbody>
</table>

(a) to (e) (iv) The information relating to Parliamentary committee proceedings is not separately identified in the Central Advertising System.

**Taxation**

*(Question No. 3251)*

**Mr Fitzgibbon** asked the Minister for Revenue and Assistant Treasurer, in writing, on 28 March 2006:

(1) How many taxpayers have been covered by class rulings in relation to s.23AG of the Income Tax Assessment Act 1936 between 2000 and 28 March 2006.

(2) What was the cost to revenue of these rulings.

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

(1) and (2) The issuing of class rulings in relation to section 23AG of the Income Tax Assessment Act 1936 between 2000 and 28 March 2006 have no revenue impact.

As an individual taxpayer (that meets the requirements of section 23AG) may utilise this section regardless of a class ruling applying, there is no cost to revenue from the class ruling being issued.

A class ruling provides certainty to participants by stating or confirming the tax consequences about the application of the tax law to a specific class of persons in relation to the particular arrangement. As a result, the exact number of taxpayers using the ruling cannot be given.

**Consultancy Services**

*(Question No. 3262)*

**Mr Bowen** asked the Treasurer, in writing, on 29 March 2006:

(1) Did the department or any agency in the Minister’s portfolio engage the services of a public relations, public affairs or media management consultancy in 2005; if so, what was the:

(a) purpose and;
(b) cost of each engagement.

(2) What was the name and postal address of each company engaged for these purposes.

(3) For 2005, what sum was spent on public relations, public affairs or media management consultan-

cies by the department and each agency in the Minister’s portfolio.

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

**Australian Bureau of Statistics**

(1) Yes.

(a) Consultancy services on Indigenous matters relating to the 2006 Census communication cam-

(b) $935; $68,200

(a) Consultancy services on ethnic matters relating to the 2006 Census communication campaign.

(b) $546; $70,000

(a) Consultancy services to secure third party support for the 2006 Census communication cam-

(b) $4,950

(2) Cultural Partners

The Atrium 340 Darling Street

BALMAIN NSW 2041

Cultural Perspectives

Level 1, 93 Norton Street

LEICHHARDT NSW 2040

Horizon Communication Group

PO Box 37

PYRMONT NSW 2009

(3) $144,631. Note: all costs are GST exclusive.

**Australian Competition & Consumer Commission**

(1) (a) and (b) Not applicable

(2) Not applicable

(3) Not applicable

**Australian Office of Financial Management**

(1) (a) and (b) Not applicable

(2) Not applicable

(3) Not applicable

**Australian Prudential Regulation Authority**

(1) (a) and (b) Not applicable

(2) Not applicable

(3) Not applicable

**Australian Securities and Investments Commission**

(1) Yes two consultants:

   Templeman Consulting
$4946.70  Media Workshop - Video Camera Hire
$3135.00  Media Refresher
$3135.00  Video Camera Hire
$1980.00  Media Strategy Facilitation
$13196.70  Total

Gavin Anderson & Company
$23540.00  Professional Consultancy Fees
$23540.00  Total

(2) Templeman Consulting
Suite 405, Level 4
147 King Street
Sydney NSW 2000
Gavin Anderson & Company
137 Pymont Street
Pymont NSW 2009

(3) Total Cost for 2005 - $36,736.70

Australian Taxation Office
(1) Yes.
(a) to provide public relations consultancy services as part of Phase II of the Government Superannuation Co-contribution campaign.
(b) $132,000 (inc GST).

(2) Porter Novelli Australia Pty Ltd, P.O Box 181, South Yarra Victoria 3141 Australia.

(3) $78,088 (inc GST).

Corporations & Markets Advisory Committee
(1) (a) and (b) Not applicable
(2) Not applicable
(3) Not applicable

Inspector-General of Taxation
(1) (a) and (b) Not applicable
(2) Not applicable
(3) Not applicable

National Competition Council
(1) (a) and (b) The National Competition Council engaged the services of a media management consultancy in 2005 for the provision of ongoing media and communications service at a cost of $26,642 inclusive of GST.

(2) The company engaged was Royce Consulting, postal address – Level 43, 55 Collins Street, Melbourne 3000.

(3) During the calendar year 2005 the Council incurred a total expense of $26,642 (GST inclusive) on the media management consultancy.
Productivity Commission
(1) (a) and (b) Not applicable
(2) Not applicable
(3) Not applicable

Royal Australian Mint
(1) (a) and (b) Not applicable
(2) Not applicable
(3) Not applicable

Treasury
(1) The Treasury engaged the services of two media management consultancies.
   (a) the purposes were:
      (i) to manage a Commonwealth State Information Campaign
      (ii) to provide creative services for the Financial Literacy Campaign
   (b) the cost of these in 2005 were:
      (i) $115,194
      (ii) $nil (Contract let but no payments made in 2005)
(2) The companies engaged were:
   (i) HMA Blaze Pty Limited
       2/169 Newcastle Street
       FYSHWICK ACT 2609
   (ii) Publicis Mojo Pty Limited
       30 Windmill St
       WALSH BAY NSW 2000
(3) The Treasury spent $115,194 on public relations, public affairs or media management consultancies during 2005.

Consultancy Services
(Question No. 3264)

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 engage the services of a public relations, public affairs or media management consultancy in 2005; if so, what was the (a) purpose and (b) cost of each engagement.
(2) What was the name and postal address of each company engaged for these purposes.
(3) For 2005, what sum was spent on public relations, public affairs or media management consultancies by the department and each agency in the Minister’s portfolio.

Mr Costello—The Minister for Finance and Administration has supplied the following answer to the honourable member’s question:

Department of Finance and Administration
(1) Yes.
(a) and (b)—

<table>
<thead>
<tr>
<th>No.</th>
<th>Purpose</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i)</td>
<td>The purpose of the engagement was to provide a communications strategy for the new National Portrait Gallery project.</td>
<td>$12,584.00 (including GST)</td>
</tr>
<tr>
<td>(ii)</td>
<td>The purpose of the engagement was to provide specialist analysis and advice on communications relating to a possible sale of the Government’s remaining shareholding in Telstra (T3).</td>
<td>$3,322,073.00 (including GST)</td>
</tr>
</tbody>
</table>

(2) (i) Cinden Lester Communications,
      PO Box 9136,
      DEAKIN ACT 2600.
(ii) Gavin Anderson & Company
     Level 2
     137 Pyrmont Street
     SYDNEY NSW 2009.

(3) $3,334,657.00 (including GST).

**Australian Electoral Commission (AEC)**

(1) Yes.
   (a) The purpose of the engagement was to provide the AEC with services in public relations activities related to public awareness and youth enrolment programmes.
   (b) $11,990.00 (including GST).

(2) Haystac Public Affairs
    Level 15
    530 Little Collins Street
    MELBOURNE VIC 3000.

(3) $11,990.00 (including GST).

**Australian Reward Investment Alliance (ARIA)*, Commonwealth Grants Commission and Com-Super:**

(1) to (3) No / Not applicable
*Prior to 1 July 2006, ARIA was known as the Commonwealth Superannuation Scheme & Public Sector Superannuation Boards.

**Consultancy Services**

(Question No. 3265)

**Mr Bowen** asked the Minister for Transport and Regional Services, in writing, on 29 March 2006:

(1) Did the department or any agency in the Minister’s portfolio engage the services of a public relations, public affairs or media management consultancy in 2005; if so, what was the (a) purpose and (b) cost of each engagement.

(2) What was the name and postal address of each company engaged for these purposes.

(3) For 2005, what sum was spent on public relations, public affairs or media management consultancies by the department and each agency in the Minister’s portfolio.
Mr Truss—The answer to the honourable member’s question is as follows:

(1) Yes.
   (a) Please refer to the tables below.
   (b) Please refer to the tables below.

(2) Please refer to the tables below.

(3) $1,052,336.

   Please refer to the tables below for detailed description of services and costs.

**Department of Transport and Regional Services**

<table>
<thead>
<tr>
<th>(1) Company</th>
<th>(2) Postal Address</th>
<th>(1a) Purpose</th>
<th>(1b) Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cox Inall</td>
<td>Level 1, 44, Mountain St, Ultimo N.S.W 2007</td>
<td>Development of a stakeholder engagement strategy for the Commonwealth Regional Information Directory and Related Publica-</td>
<td>$15,020</td>
</tr>
<tr>
<td></td>
<td></td>
<td>tion support and promotional tasks</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Newsletter Scoping Document</td>
<td>$3,420</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Commonwealth Regional Information Service Marketing Strategy</td>
<td>$951</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Australian Government Regional Information Directory Launch</td>
<td></td>
</tr>
<tr>
<td>Morris Walker</td>
<td>PO Box 3444, Manuka ACT 2603</td>
<td>Communication Support for Overflow media</td>
<td>$36,300</td>
</tr>
<tr>
<td>Porter Novelli</td>
<td>Level 2, 40 Oxley St, St Leonards NSW 2065</td>
<td>Aviation Transport Security Act (ATSA) input</td>
<td>$109,875</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transport Security ATSA</td>
<td>$233,538</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transport Security Trucking Strategy</td>
<td>$10,276</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transport Security Strategy</td>
<td>$45,249</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transport Security Operational Protocols</td>
<td>$46,578</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Green Vehicle Guide (GGG) Public Relations services</td>
<td>$22,837</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Media Training</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transport Security banner and folder printing</td>
<td>$11,331</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maritime Transport and Offshore Facilities Security Act</td>
<td>$151,473</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(MTOFSA) Oil &amp; Gas</td>
<td>$63,580</td>
</tr>
<tr>
<td></td>
<td></td>
<td>MTOFSA Logistic Support</td>
<td>$1,100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Review of script and video — transport communications</td>
<td>$74,860</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transport Security Crisis Management Advice</td>
<td>$14,268</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Project Management Transport security</td>
<td>$5,590</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Project Management Transport security</td>
<td>$6,233</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Project Management Transport Security</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>ATSA and Regional Skies Delegates book</td>
<td>$40,059</td>
</tr>
<tr>
<td></td>
<td></td>
<td>MTOFSA Communications Strategy</td>
<td>$63,261</td>
</tr>
</tbody>
</table>

**National Capital Authority**

<table>
<thead>
<tr>
<th>(1) Company</th>
<th>(2) Postal Address</th>
<th>(1a) Purpose</th>
<th>(1b) Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talkforce</td>
<td>GPO Box 72 Canberra City ACT 2601</td>
<td>To provide internal and external communications management services</td>
<td>$330</td>
</tr>
</tbody>
</table>

**AirServices Australia**

<table>
<thead>
<tr>
<th>(1) Company</th>
<th>(2) Postal Address</th>
<th>(1a) Purpose</th>
<th>(1b) Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Controlled Outcomes Group Pty Ltd</td>
<td>11 Doncaster St Hendra QLD 4011</td>
<td>To provide expert advice on issues management</td>
<td>$43,543</td>
</tr>
</tbody>
</table>

**Consultancy Services**

*(Question No. 3272)*

Mr Bowen asked the Minister for Employment and Workplace Relations, in writing, on 29 March 2006:

(1) Did the department or any agency in the Minister’s portfolio engage the services of a public relations, public affairs or media management consultancy in 2005; if so, what was the (a) purpose and (b) cost of each engagement.

(2) What was the name and postal address of each company engaged for these purposes.

(3) For 2005, what sum was spent on public relations, public affairs or media management consultancies by the department and each agency in the Minister’s portfolio.

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

(1) Yes, on two occasions.
(a) Issues management services for the WorkChoices communications campaign. Indigenous Business Australia (IBA) also engaged a public relations agency to devise a communications and marketing strategy. However, no payment was made in 2005.

(b) $360,311.21 for WorkChoices. Nil for IBA.

(2)

<table>
<thead>
<tr>
<th>SERVICE</th>
<th>NAME AND ADDRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issues management services for the WorkChoices communications campaign. Communications and marketing strategy for IBA</td>
<td>Jackson Wells Morris Pty Ltd Suite 16 81-91 Military Road Neutral Bay NSW 2089 Niche Strategies Pty Ltd 15 Edgar Street Ainslie ACT 2602</td>
</tr>
</tbody>
</table>

(3) $360,311.21.

Consultancy Services
(Question No. 3274)

Mr Bowen asked the Minister for Agriculture, Fisheries and Forestry, in writing, on March 6, 2006:

(1) Did the department or any agency in the Minister’s portfolio engage the services of a public relations, public affairs or media management consultancy in 2005; if so, what was the (a) purpose and (b) cost of each engagement.

(2) What was the name and postal address of each company engaged for these purposes.

(3) For 2005, what sum was spent on public relations, public affairs or media management consultancies by the department and each agency in the Minister’s portfolio.

Mr McGauran—The answer to the honourable member’s questions are as follows:

<table>
<thead>
<tr>
<th>Department or agency</th>
<th>Name of consultancy</th>
<th>Postal Address</th>
<th>Purpose of engagement</th>
<th>Cost of engagement (GST incl)</th>
<th>Cost in 2005 (calendar year) (GST incl)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Fisheries Management Authority</td>
<td>Creed Media Pty Ltd</td>
<td>5 Talbot Street, Forrest ACT 2603</td>
<td>To help AFMA improve awareness among target audiences of the sustainable management of the Northern Prawn Fishery</td>
<td>$25,665</td>
<td>$25,665</td>
</tr>
<tr>
<td></td>
<td>Roger Fry &amp; Co Pty Ltd</td>
<td>PO Box 189 East Melbourne VIC 3002</td>
<td>Media training for AFMA staff.</td>
<td>$9,020</td>
<td>$9,020</td>
</tr>
<tr>
<td>Brandy &amp; Wine Corporation</td>
<td>Conjo</td>
<td>PO Box 9 Norin Summit SA 5136</td>
<td>Editorial services – Wine Australia magazine</td>
<td>$12,541</td>
<td>$12,541</td>
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<tr>
<td></td>
<td>Savage &amp; Horrigan</td>
<td>Level 24 Tower 2 Darling park 201 Sussex Street Sydney NSW 2000</td>
<td>Contract writer.</td>
<td>$5,404</td>
<td>$5,404</td>
</tr>
<tr>
<td></td>
<td>Fulke Communications</td>
<td>PO Box 473 Tamunda SA 5352 “‘Wermakal’ Barakka NSW 2347</td>
<td>Public relations consultancy</td>
<td>$17,609</td>
<td>$17,609</td>
</tr>
<tr>
<td>Cotton Research &amp; Development Corporation</td>
<td>Weemalah Write-aAbility</td>
<td></td>
<td>CRDC communication products</td>
<td>$1,626</td>
<td>$1,626</td>
</tr>
<tr>
<td></td>
<td>Trevor Johnston &amp; Associates</td>
<td>Po Box 330 Brunswick Heads NSW 2483</td>
<td>18 media releases</td>
<td>$5,516</td>
<td>$5,516</td>
</tr>
<tr>
<td></td>
<td>Porter Novelli</td>
<td>Level 14 644 Chapel St South Yarra VIC 3141</td>
<td>Media release &amp; industry liaison with reports</td>
<td>$2,836</td>
<td>$11,116</td>
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<td></td>
<td></td>
<td>Media release, magazine reporting</td>
<td>$1,441</td>
<td>$1,441</td>
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<td></td>
<td></td>
<td></td>
<td>Industry liaison and advice</td>
<td>$1,3230</td>
<td>$1,3230</td>
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<td></td>
<td></td>
<td></td>
<td>Development of health brochure</td>
<td>$33,448</td>
<td>$33,448</td>
</tr>
</tbody>
</table>

QUESTIONS IN WRITING
<table>
<thead>
<tr>
<th>Department or agency</th>
<th>Name of consultancy</th>
<th>Postal Address</th>
<th>Purpose of engagement</th>
<th>Cost of engagement (GST incl)</th>
<th>Cost in 2005 (calendar year) (GST incl)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grains Research &amp; Development Corporation</td>
<td>Coretext Level 2</td>
<td>29-31 Somerset Place Melbourne VIC 3000</td>
<td>Distribution and production of six issues of Ground Cover newspaper and five supplements. Production and design of advertisements, flyers, posters etc.</td>
<td>$1,273,649</td>
<td>$1,273,649</td>
</tr>
<tr>
<td></td>
<td>Porter Novelli Level 1</td>
<td>56 Greenhill Road Wayville SA 5034 Suite 5</td>
<td>Regional communications programme – southern region</td>
<td>$167,732</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Brendan Cant &amp; Associates</td>
<td>4 Gugeri St Claremont WA 6010</td>
<td>Regional communications programme – western region</td>
<td>$109,347</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bernie Reppel</td>
<td>496 Texas Road Stanthorpe QLD 4380</td>
<td>Regional communications programme – northern region</td>
<td>$69,965</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Jon Lamb Communications</td>
<td>St Peters SA 5069 81 Fourth Avenue St Peters SA 5069</td>
<td>Branched Broomrape communication</td>
<td>$30,800</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Jon Lamb Communications</td>
<td>St Peters SA 5069 81 Fourth Avenue St Peters SA 5069</td>
<td>Rust advice sheet</td>
<td>$700</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ICAN Pty Ltd</td>
<td>Suite 1A 4 Florence Street Hornsby NSW 2077</td>
<td>Grains Research Updates – northern region</td>
<td>$242,371</td>
<td></td>
</tr>
<tr>
<td>Forest and Wood Products Research &amp; Development Corporation</td>
<td>Michels Warren Yuletta</td>
<td>434 St Kilda Road, Melbourne VIC 3004</td>
<td>Public relations</td>
<td>$65,800</td>
<td>$42,743</td>
</tr>
<tr>
<td></td>
<td>Porter Novelli Level 14</td>
<td>644 Chapel St South Yarra VIC 3141</td>
<td>Public relations</td>
<td>$35,888</td>
<td>$33,379</td>
</tr>
<tr>
<td>Wheat Export Authority</td>
<td>Professional Public Relations</td>
<td>27 Murray Crescent Mawaka ACT 2603</td>
<td>Communications and public relations</td>
<td>$17,600</td>
<td>$4,125</td>
</tr>
<tr>
<td>Department of Agriculture, Fisheries and Forestry</td>
<td>Marina Genussi and Associates Pty Ltd</td>
<td>18 O’Malley Park, Taronga Place, O’Malley ACT 2606</td>
<td>For communication advice to develop and implement the National System for the Prevention and Management of Marine Pest Incursions strategy</td>
<td>$30,425</td>
<td>(not invoiced until 2006)</td>
</tr>
<tr>
<td></td>
<td>Cox Inall Communications</td>
<td>Level 2 44 Mountain Street Ultimo NSW 2007</td>
<td>Innovation in Irrigation product launch.</td>
<td>$132,894</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PEAQ Management</td>
<td>44 Hawker St Torrens ACT 2607</td>
<td>To promote the 2005 Innovation in Irrigation products at industry events.</td>
<td>$3,636</td>
<td>(to Dec 05)</td>
</tr>
<tr>
<td></td>
<td>Cox Inall Communications</td>
<td>Level 1 44 Mountain St Ultimo NSW 2007</td>
<td>To develop an information programme and stakeholder engagement strategy for the National Landcare Programme</td>
<td>$16,750</td>
<td>$16,750</td>
</tr>
<tr>
<td></td>
<td>Multicultural Marketing and Management</td>
<td>PO Box 436, Broadway ACT 2607</td>
<td>To implement phase 2 of a biosecurity education and awareness campaign for non-English speaking background farmers</td>
<td>$209,000</td>
<td>$209,000</td>
</tr>
<tr>
<td></td>
<td>Stone Wilson Consulting</td>
<td>PO Box 4239 Mawaka ACT 2603</td>
<td>Presentation skills training &amp; advice</td>
<td>$2,035</td>
<td>$2,035</td>
</tr>
<tr>
<td></td>
<td>Mary Dickie Issues Management Pty Ltd trading as Quay Connection</td>
<td>Level 1 43 Booth Street, Annadale NSW 2038</td>
<td>Prepare and implement PR strategies for Quarantine Matters’ campaign</td>
<td>$5,256</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cultural Perspectives Pty Ltd</td>
<td>93 Norton Street Leichhardt NSW 2040</td>
<td>Develop and implement Quarantine Matters’ campaign and strategies and activities for non-English speaking background audiences</td>
<td>$249,984</td>
<td>$114,121</td>
</tr>
</tbody>
</table>

Consultancy Services
(Question No. 3275)

Mr Bowen ask the Minister for Families, Community Services and Indigenous Affairs, in writing, on 29 March 2006:

QUESTIONS IN WRITING
(1) Did the department or any agency in the Minister’s portfolio engage the services of a public relations, public affairs or media management consultancy in 2005; if so, what was the (a) purpose and (b) cost of each engagement.

(2) What was the name and postal address of each company engaged for these purposes.

(3) For 2005, what sum was spent on public relations, public affairs or media management consultancies by the department and each agency in the Minister’s portfolio.

**Mr Brough**—The Minister for Families, Community Services and Indigenous Affairs has provided the following answer to the honourable member’s question:

The department commissioned these services to conduct national communication initiatives to appropriately reach affected people.

The purpose, cost and the companies undertaking this work will be provided in the forthcoming FaCSIA Annual Report 2005/06, due for tabling in Parliament in October 2006.

**Consultancy Services**

(Question No. 3278)

**Mr Bowen** asked the Minister for Veterans’ Affairs, in writing, on 29 March 2006:

(1) Did the department or any agency in the Minister’s portfolio engage the services of a public relations, public affairs or media management consultancy in 2005; if so, what the (a) purpose and (b) cost of each engagement.

(2) What was the name and postal address of each company engaged for these purposes.

(3) For 2005, what sum was spent on public relations, public affairs or media management consultancies by the department and each agency in the Minister’s portfolio.

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

(1) No

(2) N/A

(3) Nil

**Recruitment Agencies**

(Question No. 3279)

**Mr Bowen** asked the Prime Minister, in writing, on 29 March 2006:

(1) Will the Minister provide a list of the recruitment agencies which were used by the department and each agency in the Minister’s portfolio in 2005.

(2) What sum was paid to each agency identified in (1).

(3) For 2005, what sum was spent on recruitment agencies by the department and each agency in the Minister’s portfolio.

**Mr Howard**—I am advised that the answer to the honourable member’s question is as follows:

**Department of the Prime Minister and Cabinet**

<table>
<thead>
<tr>
<th>Recruitment Agency Used</th>
<th>Sum Paid to Each Recruitment Agency</th>
<th>Total sum for 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adecco</td>
<td>$2,392.50</td>
<td></td>
</tr>
<tr>
<td>Biddle Management</td>
<td>$15,961.00</td>
<td></td>
</tr>
<tr>
<td>Careers Unlimited Pty Ltd</td>
<td>$1,512.50</td>
<td></td>
</tr>
<tr>
<td>Recruitment Agency Used</td>
<td>Sum Paid to Each Recruitment Agency</td>
<td>Total sum for 2005</td>
</tr>
<tr>
<td>-------------------------</td>
<td>-------------------------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>Effective People Pty Ltd</td>
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<tr>
<td>Green and Green</td>
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</tr>
<tr>
<td>Hays Personnel Services (Aust) Pty Ltd</td>
<td>$88,357.91</td>
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<td>Hudson Global Resources (Aust) Pty Ltd</td>
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<td></td>
</tr>
<tr>
<td>Kowalski Recruitment</td>
<td>$20,895.02</td>
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</tr>
<tr>
<td>Patriot Alliance</td>
<td>$13,090.96</td>
<td></td>
</tr>
<tr>
<td>Recruitment Management Company Pty Ltd</td>
<td>$13,785.66</td>
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<tr>
<td>Select Appointments</td>
<td>$63,927.50</td>
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<tr>
<td>The One Umbrella Pty Ltd</td>
<td>$2,200.00</td>
<td></td>
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<tr>
<td>Wordsworth Writing</td>
<td>$11,141.00</td>
<td></td>
</tr>
</tbody>
</table>

Office of the Commonwealth Ombudsman

<table>
<thead>
<tr>
<th>Recruitment Agency Used</th>
<th>Sum Paid to Each Recruitment Agency</th>
<th>Total sum for 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective People Pty Ltd</td>
<td>$21,108.00</td>
<td></td>
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<tr>
<td>Rel Corp Pty Ltd</td>
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Office of National Assessments

<table>
<thead>
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<th>Sum Paid to Each Recruitment Agency</th>
<th>Total sum for 2005</th>
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<tbody>
<tr>
<td>Patriot Alliance</td>
<td>$11,641.00</td>
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<tr>
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Australian National Audit Office

<table>
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<th>Sum Paid to Each Recruitment Agency</th>
<th>Total sum for 2005</th>
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<td>Career’s Unlimited</td>
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<td></td>
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<tr>
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</tr>
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<td>Green and Green Pty Ltd</td>
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</tr>
<tr>
<td>Hays Personnel Services (Aust) Pty Ltd</td>
<td>$54,014.00</td>
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<tr>
<td>Hudson Global Resources</td>
<td>$24,877.00</td>
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</tr>
<tr>
<td>Informed Sources</td>
<td>$30,508.00</td>
<td></td>
</tr>
<tr>
<td>Julia Ross</td>
<td>$25,342.00</td>
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</tr>
<tr>
<td>Kowalski Recruitment</td>
<td>$5,975.00</td>
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<tr>
<td>The One Umbrella Pty Ltd</td>
<td>$10,971.00</td>
<td>$188,672.00</td>
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</table>

National Water Commission

<table>
<thead>
<tr>
<th>Recruitment Agency Used</th>
<th>Sum Paid to Each Recruitment Agency</th>
<th>Total sum for 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective People Pty Ltd</td>
<td>$6,754.26</td>
<td></td>
</tr>
<tr>
<td>Frontier Group</td>
<td>$11,932.20</td>
<td></td>
</tr>
<tr>
<td>Gillian Beaumont</td>
<td>$8,316.69</td>
<td></td>
</tr>
<tr>
<td>Green &amp; Green Pty Ltd</td>
<td>$36,428.36</td>
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</tr>
</tbody>
</table>
### Australian Public Service Commission

<table>
<thead>
<tr>
<th>Recruitment Agency Used</th>
<th>Sum Paid to Each Recruitment Agency</th>
<th>Total sum for 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greg Ryan &amp; Associates</td>
<td>$2,620.00</td>
<td></td>
</tr>
<tr>
<td>Kowalski Consulting</td>
<td>$18,995.47</td>
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</tr>
<tr>
<td>Professional Careers Australia</td>
<td>$38,583.21</td>
<td></td>
</tr>
<tr>
<td>Quadratio Solutions</td>
<td>$3,999.57</td>
<td></td>
</tr>
<tr>
<td>RelCorp Pty Ltd</td>
<td>$5,657.41</td>
<td></td>
</tr>
<tr>
<td>Wordsworth Writing</td>
<td>$477.27</td>
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<tr>
<td></td>
<td></td>
<td><strong>$133,764.44</strong></td>
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</table>

### Office of the Official Secretary to the Governor-General

<table>
<thead>
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<th>Recruitment Agency Used</th>
<th>Sum Paid to Each Recruitment Agency</th>
<th>Total sum for 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adecco</td>
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<tr>
<td>Effective People Pty Ltd</td>
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</tr>
<tr>
<td>Hudson Global Resources</td>
<td>$789.50</td>
<td></td>
</tr>
<tr>
<td>Kelly Services Australia Ltd</td>
<td>$7,171.31</td>
<td></td>
</tr>
<tr>
<td>Lisa Castle and Associates</td>
<td>$452.83</td>
<td></td>
</tr>
<tr>
<td>Professional Careers Australia Pty Ltd</td>
<td>$52,667.48</td>
<td></td>
</tr>
<tr>
<td>Recruitment Management Company</td>
<td>$664.13</td>
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</tr>
<tr>
<td>Summit Recruitment Pty Ltd</td>
<td>$21,492.03</td>
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</tr>
<tr>
<td>Talent Partners</td>
<td>$13,200.00</td>
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</tr>
<tr>
<td></td>
<td></td>
<td><strong>$281,784.00</strong></td>
</tr>
</tbody>
</table>

### Office of the Inspector-General of Intelligence and Security

The Office of the Inspector-General of Intelligence and Security did not use any recruitment agencies in 2005.

- These figures are for the calendar year 2005.
- These figures include recruitment costs, management fees, labour hire, training course provision, scribe services and provision of recruitment services.
**Recruitment Agencies**  
*(Question No. 3287)*

**Mr Bowen** asked the Minister representing the Minister for Communications, Information Technology and the Arts, in writing, on 29 March 2006:

1. Will the Minister provide a list of the recruitment agencies which were used by the department and each agency in the Minister’s portfolio in 2005.
2. What sum was paid to each agency identified in (1).
3. For 2005, what sum was spent on recruitment agencies by the department and each agency in the Minister’s portfolio.

**Mr McGauran**—The Minister for Communications, Information Technology and the Arts has provided the following answer to the honourable member’s question:

(1) to (3) The details of recruitment agencies used by the Department of Communications, Information Technology and the Arts is as follows:

<table>
<thead>
<tr>
<th>Agencies used</th>
<th>Sum spent in 2005 (including GST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data #3 Ltd</td>
<td>$3,548.23</td>
</tr>
<tr>
<td>Effective People Ltd</td>
<td>$210,415.47</td>
</tr>
<tr>
<td>Greg Ryan and Associates</td>
<td>$4,070.00</td>
</tr>
<tr>
<td>Kelly Services</td>
<td>$1,500.00</td>
</tr>
<tr>
<td>Quadrate Solutions</td>
<td>$14,274.21</td>
</tr>
<tr>
<td>Staffing and Office Solutions P/L</td>
<td>$27,002.53</td>
</tr>
<tr>
<td>Informed Sources</td>
<td>$41,537.21</td>
</tr>
<tr>
<td>Thayer Consultancy</td>
<td>$19,269.25</td>
</tr>
<tr>
<td>Ambit IT &amp; Security</td>
<td>$9,432.50</td>
</tr>
<tr>
<td>Cantlie Recruitment</td>
<td>$27,784.90</td>
</tr>
<tr>
<td>Drake</td>
<td>$6,652.09</td>
</tr>
<tr>
<td>The Green and Green Group Pty Ltd</td>
<td>$184,400.81</td>
</tr>
<tr>
<td>Hudson Global Resources (Aust) P/L</td>
<td>$92,551.05</td>
</tr>
<tr>
<td>Recruitment Management Company P/L</td>
<td>$6,957.16</td>
</tr>
<tr>
<td>Select Australasia Pty Ltd</td>
<td>$15,521.70</td>
</tr>
<tr>
<td>Wordworth Writing</td>
<td>$1,505.45</td>
</tr>
<tr>
<td>Hays Personnel Services (Aust) P/L</td>
<td>$334,102.22</td>
</tr>
<tr>
<td>Kowalski Recruitment</td>
<td>$3,850.00</td>
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<tr>
<td>Frontier Group Australia Pty Ltd</td>
<td>$125,284.76</td>
</tr>
<tr>
<td>The One Umbrella</td>
<td>$6,708.40</td>
</tr>
<tr>
<td>Greythorn Pty Ltd</td>
<td>$106,733.77</td>
</tr>
<tr>
<td>Allstaff Australia Pty Ltd</td>
<td>$540.00</td>
</tr>
<tr>
<td>Organisational Architects</td>
<td>$1,116.00</td>
</tr>
<tr>
<td>R &amp; M Consultants (NT) Pty Ltd</td>
<td>$2,200.00</td>
</tr>
<tr>
<td>Hansen and Searson Executive</td>
<td>$600.00</td>
</tr>
<tr>
<td>The Public Affairs Recruitment</td>
<td>$41,807.68</td>
</tr>
<tr>
<td>Careers Unlimited</td>
<td>$1,200.00</td>
</tr>
<tr>
<td>Recruitplus ACT</td>
<td>$750.00</td>
</tr>
<tr>
<td>Adecco Australia Pty Ltd</td>
<td>$1,421.00</td>
</tr>
<tr>
<td>Design Emergency</td>
<td>$500.00</td>
</tr>
<tr>
<td>Professional Careers Australia Pty Ltd</td>
<td>$306,687.94</td>
</tr>
<tr>
<td>Verossity Pty Ltd</td>
<td>$2,035.00</td>
</tr>
</tbody>
</table>
Agencies used | Sum spent in 2005 (including GST)
---|---
Wizard Personnel and Office Services Pty Ltd | $4,045.00
TOTAL SUM FOR 2005 | $1,606,004.33

The details of recruitment agencies used by portfolio agencies are in the following tables:

**National Museum of Australia**

<table>
<thead>
<tr>
<th>Agencies used</th>
<th>Sum spent in 2005 (including GST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adecco</td>
<td>$550,058</td>
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<tr>
<td>Candle Australia</td>
<td>$13,479</td>
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<tr>
<td>IPA Personal</td>
<td>$119,440</td>
</tr>
<tr>
<td>Hudson Global</td>
<td>$36,430</td>
</tr>
<tr>
<td>Quadrate Solutions</td>
<td>$47,785</td>
</tr>
<tr>
<td>Informed Source</td>
<td>$140,292</td>
</tr>
<tr>
<td>Manpower Services</td>
<td>$12,320</td>
</tr>
<tr>
<td>Effective People</td>
<td>$34,676</td>
</tr>
<tr>
<td>Ambit Group</td>
<td>$27,885</td>
</tr>
<tr>
<td>One Umbrella</td>
<td>$26,877</td>
</tr>
<tr>
<td>Green &amp; Green Group</td>
<td>$46,513</td>
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<tr>
<td>Frontier Group</td>
<td>$2,284</td>
</tr>
<tr>
<td>Julia Ross</td>
<td>$1,358</td>
</tr>
<tr>
<td>Total Sum for 2005</td>
<td>$1,059,397</td>
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</table>

**Australian National Maritime Museum**

<table>
<thead>
<tr>
<th>Agencies used</th>
<th>Sum spent in 2005 (including GST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spherion Group Ltd.</td>
<td>$7,223</td>
</tr>
<tr>
<td>Verossity Pty. Ltd.</td>
<td>$5,601</td>
</tr>
<tr>
<td>Select Australasia Pty. Ltd</td>
<td>$2,954</td>
</tr>
<tr>
<td>Total Sum for 2005</td>
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</tbody>
</table>

**National Library of Australia**

<table>
<thead>
<tr>
<th>Agencies used</th>
<th>Sum spent in 2005 (including GST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective People</td>
<td>$13,941</td>
</tr>
<tr>
<td>Direct Contracts</td>
<td>$17,424</td>
</tr>
<tr>
<td>Finite Recruitment</td>
<td>$4,620</td>
</tr>
<tr>
<td>Verossity</td>
<td>$712</td>
</tr>
<tr>
<td>ADECCO Australia Pty Ltd</td>
<td>$1,002</td>
</tr>
<tr>
<td>Informed Sources Pty Ltd</td>
<td>$107,546</td>
</tr>
<tr>
<td>Westaff (Australia) Pty Ltd</td>
<td>$36,136</td>
</tr>
<tr>
<td>Total Sum for 2005</td>
<td>$181,381</td>
</tr>
</tbody>
</table>

**National Archives of Australia**

Please note: The National Archives use a high number of staff sourced through recruitment agencies working on preservation and major records projects. It should also be noted that these figures represent the agency nationally.

<table>
<thead>
<tr>
<th>Agencies used</th>
<th>Sum spent in 2005 (including GST)</th>
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<tbody>
<tr>
<td>Select Australia</td>
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<tr>
<td>Agencies used</td>
<td>Sum spent in 2005 (including GST)</td>
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<td>-----------------------------------</td>
</tr>
<tr>
<td>Adecco</td>
<td>$500,453</td>
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<tr>
<td>DLA</td>
<td>$400,005</td>
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<tr>
<td>Key People</td>
<td>$309,883</td>
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<tr>
<td>Drake</td>
<td>$285,761</td>
</tr>
<tr>
<td>Small &amp; Associates</td>
<td>$199,381</td>
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<td>Manpower</td>
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<td>Ross Human</td>
<td>$113,031</td>
</tr>
<tr>
<td>Temp Team</td>
<td>$104,553</td>
</tr>
<tr>
<td>Hugh Alston &amp; Associates</td>
<td>$93,836</td>
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<td>HPA</td>
<td>$85,632</td>
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<td>Hudsons</td>
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<td>Recruitment Solutions</td>
<td>$58,547</td>
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<td>Professional Careers</td>
<td>$55,714</td>
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<td>Hoban Recruitment</td>
<td>$54,818</td>
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<tr>
<td>Smalls Recruitment</td>
<td>$53,337</td>
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<td>Weststaff</td>
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<td>Frontier Group</td>
<td>$27,840</td>
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<td>Effective People</td>
<td>$23,975</td>
</tr>
<tr>
<td>Coopers Recruitment</td>
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</tr>
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<td>Julia Ross</td>
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<td>NS FINANCIAL</td>
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<td>Jobwire</td>
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</tr>
<tr>
<td>Biddle Management Services</td>
<td>$836</td>
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<tr>
<td>Recruitment Management</td>
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</table>

**National Gallery of Australia**

<table>
<thead>
<tr>
<th>Agencies used</th>
<th>Sum spent in 2005 (including GST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green &amp; Green Pty Ltd</td>
<td>$21,957.56</td>
</tr>
<tr>
<td>Hays Personnel</td>
<td>$35,241.45</td>
</tr>
<tr>
<td>ADECCO</td>
<td>$123,667.22</td>
</tr>
<tr>
<td>Effective People</td>
<td>$2,112.00</td>
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<td>Total Sum for 2005</td>
<td>$182,978.23</td>
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</table>

**Bundanon Trust**

<table>
<thead>
<tr>
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<th>Sum spent in 2005 (including GST)</th>
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</thead>
<tbody>
<tr>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
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</tr>
</tbody>
</table>

**Film Australia**

<table>
<thead>
<tr>
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<th>Sum spent in 2005 (including GST)</th>
</tr>
</thead>
<tbody>
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</tr>
<tr>
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<td>$152,523.51</td>
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<tr>
<td>Agencies used</td>
<td>Sum spent in 2005 (including GST)</td>
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<tr>
<td>---------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>Braithwaite Steiner Pretty</td>
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<td>$49,307.50</td>
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**FFC**

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>HJB Priority Pty Limited</td>
<td>$18,464.60</td>
</tr>
<tr>
<td>Hamilton James &amp; Bruce Pty Limited</td>
<td>$2,420</td>
</tr>
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**AFC**

<table>
<thead>
<tr>
<th>Agencies used</th>
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<tr>
<td>Hudson Global Resources (Australia)</td>
<td>$88,581.71</td>
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<td>Hays Personnel Services</td>
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<td>The One Umbrella Pty Ltd</td>
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**AbaF**

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<td>Robyn Cartwright Personnel</td>
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**Australia Council**

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<td>Kathleen Townsend</td>
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<td>The Association for Payroll Specialists</td>
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<td>Zenith Management Services Group</td>
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**Australian Sports Commission**

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<tr>
<td>Sport Employment Australia Pty Ltd</td>
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**Australian Sports Anti-Doping Authority**

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### Agencies used

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<tr>
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### AUSTRALIA POST

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<td>Australian Personnel Solutions</td>
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<td>Carmichael Fisher Pty Ltd</td>
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<tr>
<td>Catalyst Recruitment</td>
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<tr>
<td>Chandler Recruitment Services</td>
<td></td>
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<tr>
<td>Chandler Macleod Group</td>
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</tr>
<tr>
<td>Drake</td>
<td></td>
</tr>
<tr>
<td>Forstaff</td>
<td></td>
</tr>
<tr>
<td>Hamilton</td>
<td></td>
</tr>
<tr>
<td>James &amp; Bruce</td>
<td></td>
</tr>
<tr>
<td>Michael Page</td>
<td></td>
</tr>
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<td>ProActive Recruitment</td>
<td></td>
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<td>Select</td>
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<td>Skilled Engineering</td>
<td></td>
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<tr>
<td>Slade Group</td>
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<tr>
<td>Spring Search &amp; Selection</td>
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<td>Sure Personnel</td>
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<td>Willis Management</td>
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<td><strong>Total Sum for 2005</strong></td>
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Details of payments made to individual agencies are considered commercial-in-confidence.

### TELSTRA

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<th>Agencies used</th>
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</tr>
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<td>DFP Recruitment Services</td>
<td></td>
</tr>
<tr>
<td>Firstwater</td>
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</tr>
<tr>
<td>Kelly Services</td>
<td></td>
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<tr>
<td>Skilled</td>
<td></td>
</tr>
<tr>
<td>Diversiti</td>
<td></td>
</tr>
<tr>
<td>Hudson Global Resources</td>
<td></td>
</tr>
<tr>
<td>Robert Walters</td>
<td></td>
</tr>
<tr>
<td>Hamilton James &amp; Bruce</td>
<td></td>
</tr>
<tr>
<td>Julia Ross Recruitment</td>
<td></td>
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<td>KPMG</td>
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</table>

This is commercial-in-confidence information which Telstra is not prepared to release publicly.
<table>
<thead>
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<th>Agencies used</th>
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</thead>
<tbody>
<tr>
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<tr>
<td>SBS</td>
<td></td>
</tr>
<tr>
<td>Select Australasia:</td>
<td>$10,739</td>
</tr>
<tr>
<td>Spencer Stuart:</td>
<td>$87,046</td>
</tr>
<tr>
<td>Korn/Ferry International:</td>
<td>$128,468</td>
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<td>Total Sum for 2005:</td>
<td>$226,253</td>
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</table>

**ABC**

**Comment:** Total in recruitment services element 42250 for calendar year 2005 is $314,762 (ex GST). The following expenses have been excluded:

- Carlton Crest $158 (ex GST) room hire for interviews
- Fragomen (Australia) Pty Limited $1,971 (ex GST) assistance with temporary visas
- Silver Knightrider Hire Car Services $350 (ex GST) taxi fares for interviews for Creative Director New Media

<table>
<thead>
<tr>
<th>Agencies used</th>
<th>Sum spent in 2005 (including GST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Braithwaite Steiner &amp; Pretty</td>
<td>$67,826</td>
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<td>Chandler Macleod Group</td>
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<td>$20,077</td>
</tr>
<tr>
<td>Confidential Manual Cheque</td>
<td>$895</td>
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<tr>
<td>Confidential Manual Cheque</td>
<td>$36,203</td>
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<td>Hansen &amp; Searson</td>
<td>$26,400</td>
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<tr>
<td>Hays Personnel Services (Australia)</td>
<td>$7,411</td>
</tr>
<tr>
<td>Pty Ltd</td>
<td></td>
</tr>
<tr>
<td>Hender Consulting</td>
<td>$4,950</td>
</tr>
<tr>
<td>Hudson Global Resources (Aust) Pty Ltd</td>
<td>$15,390</td>
</tr>
<tr>
<td>J Curve</td>
<td>$10,791</td>
</tr>
<tr>
<td>John Peebles Associates Ltd</td>
<td>$65,932</td>
</tr>
<tr>
<td>Jones &amp; Koller Pty Ltd</td>
<td>$37,927</td>
</tr>
<tr>
<td>Q Executive Pty Ltd</td>
<td>$24,750</td>
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<tr>
<td>RSP Group Pty Ltd</td>
<td>$7,268</td>
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<tr>
<td>The Next Step Recruitment Company Pty</td>
<td>$5,305</td>
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<tr>
<td>The One Umbrella</td>
<td>$9,590</td>
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<tr>
<td>Total</td>
<td>$343,509</td>
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**NETALERT**

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<th>Agencies used</th>
<th>Sum spent in 2005 (including GST)</th>
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<tbody>
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<td>Searson Buck, Hobart, Tasmania</td>
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<tr>
<td>Jet Tasmania Pty Ltd, Hobart, Tasmania</td>
<td>$3578.74</td>
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<td>Total Sum for 2005</td>
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AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY

<table>
<thead>
<tr>
<th>Agencies used</th>
<th>Sum spent in 2005 (including GST)</th>
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<tbody>
<tr>
<td>Candle Australia Limited</td>
<td>$13,196.70</td>
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<tr>
<td>Careers Unlimited</td>
<td>$559.22</td>
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<tr>
<td>Dialog Information Technology</td>
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<tr>
<td>Drake Australia Pty Ltd</td>
<td>$20,851.94</td>
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<td>Drake Overload</td>
<td>$14,267.59</td>
</tr>
<tr>
<td>Drake Training</td>
<td>$13,878.37</td>
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<tr>
<td>Effective People Pty Ltd</td>
<td>$28,828.59</td>
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<tr>
<td>Elan Contracting</td>
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<tr>
<td>Frontier Group Australia Pty Ltd</td>
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<td>GMT Australia Pty Ltd</td>
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<td>Hays Metier Personnel (Australia) Pty Ltd</td>
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<tr>
<td>Hays Personnel Services (Australia) Pty Ltd</td>
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<td>Hudson Global Resources (Aust) Pty Ltd</td>
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<td>Icon Recruitment Pty Ltd</td>
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<td>Icon Recruitment Pty Ltd – Canberra</td>
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<td>Julia Ross Recruitment Pty Ltd</td>
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<td>Lightsource Solutions Pty Ltd</td>
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<td>Manpower Services (Aust) Pty Ltd</td>
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<td>Matera Consulting Pty Ltd</td>
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<td>Select Write Recruitment - Lilydale</td>
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<tr>
<td><strong>Total Sum for 2005</strong></td>
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Recruitment Agencies
(Question No. 3292)

Mr Bowen asked the Minister representing the Minister for the Environment and Heritage, in writing, on 29 March 2006:

(1) Will the Minister provide a list of the recruitment agencies which were used by the department and each agency in the Minister’s portfolio in 2005.

(2) What sum was paid to each agency identified in (1)

(3) For 2005, what sum was spent on recruitment agencies by the department and each agency in the Minister’s portfolio

Mr Truss—The Minister for the Environment and Heritage has provided the following answer to the honourable member’s question:

(1) A list of recruitment agencies used by the Department and each agency in the Minister’s portfolio is attached (Attachment A).

(2) Details of the sum paid to each agency is listed in Attachment A.

(3) Details of the sum paid to each agency is listed in Attachment A.
Attachment A

Recruitment Agencies Used by the Department of Environment and Heritage and Portfolio Agencies During 2005

<table>
<thead>
<tr>
<th>Recruitment Agency</th>
<th>Department of Environment and Heritage</th>
<th>Office of the Renewable Energy Regulator</th>
<th>Great Barrier Reef Marine Park Authority</th>
<th>Sydney Harbour Federation Trust</th>
<th>Bureau of Meteorology</th>
<th>Total spent on each agency</th>
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</thead>
<tbody>
<tr>
<td>Allstaff</td>
<td>4,430</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4,430</td>
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<td>0</td>
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<td>42,176</td>
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<tr>
<td>Careers unlimited</td>
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<td>Gundjeihi Aboriginal Corporation</td>
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<td>Hays Personnel Services</td>
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<td>Omega Personnel Pty Ltd</td>
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<td>549,733</td>
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<td>Precruitment (Townsville) Pty Ltd</td>
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<td>222,810</td>
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<td>222,810</td>
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<td>Sage Micropay</td>
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<td>0</td>
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<td>6,686</td>
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<tr>
<td>Staffing and Office Solutions</td>
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<td>0</td>
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<td>227,867</td>
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<tr>
<td>Townsville Personnel Pty Ltd</td>
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<td>226,608</td>
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<td>Verosity Pty Ltd</td>
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<tr>
<td>Wizard Personnel and Offices Services</td>
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<td>206,909</td>
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<td>Workplace Research Associates</td>
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<td>500,170</td>
<td>110,655</td>
<td>15,790</td>
<td>2,826,287</td>
</tr>
</tbody>
</table>

*Note: The estimated expenditure includes all services provided by the identified recruitment agencies including temporary staffing (the bulk of the expenditure), candidate search and assistance with selection and assessment processes.

**Opinion Polls**

*(Question No. 3300)*

Mr Bowen asked the Treasurer, in writing, on 29 March 2006:

(1) Did the department or any agency in the Minister’s portfolio conduct or commission an opinion poll, focus group, or market research in 2005; if so, what was the:
   (a) purpose and;
   (b) cost of each opinion poll, focus group or market research survey conducted.

(2) What was the name and postal address of each company engaged to conduct the poll, focus group or research identified in (1).
(3) For 2005, what sum was spent on conducting or commissioning opinion polls, focus groups or market research surveys by the department and each agency in the Minister’s portfolio.

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

**Australian Bureau of Statistics**

(1) Yes.

(a) and (b) Market research (focus group) activities assessing advertising concepts during the creative agency tender process for the 2006 Census campaign:

- $13,072
- $2,028
- $2,064
- $920
- $13,072
- $2,028
- $2,064
- $920
- $13,072
- $4,056
- $6,536

Focus group testing of the 2006 Census Information Activities:

- $19,640

Focus group testing of a public consultation questionnaire for the Census Data Enhancement Project:

- $6,960

Focus group testing of a draft information paper and public submission questionnaire for the Census Data Enhancement Project:

- $506

(2) Market Attitude Research Services

PO Box 214

MIRANDA NSW 1490

(3) $68,854

All costs are GST exclusive.

**Australian Competition & Consumer Commission**

(1) Yes, during 2005, the ACCC conducted market research for a Tobacco Education Campaign. The cost of the market research was $179,927.

(2) The market research was carried out by Woolcott Research Pty Ltd, whose address is 40 Gloucester Street, The Rocks, NSW, 2000.

(3) The total sum spent during 2005 for market research was $179,927.

**Australian Office of Financial Management**

(1) No.

(2) Not applicable.

(3) Not applicable.

**Australian Prudential Regulation Authority**

(1) No

(a) Not applicable
(b) Not applicable
(2) Not applicable
(3) Not applicable

Australian Securities and Investments Commission
(1) (a) In the calendar year 2005, ASIC conducted two pieces of market research:
  • The Shadow Shopping Survey on Superannuation Advice. The purpose of the survey was to assess whether the advice given to consumers after the introduction of Superannuation Choice complied with the law.
  • And to better understand the motivations and experiences of people who have Self Managed Superannuation Funds.
(2) The total cost of the research was:
  • $163,714.80 (excl of GST) during the calendar year 2005 for the Shadow Shopping on Superannuation Advice market research.
  • $32,300.00 (exc of GST) for the calendar year 2005.
(3) The total cost of both amounts to: $196,041.80.

Australian Taxation Office
(1) to (3) For financial year 2004-05 please refer to Appendix 5, page 335 & 336 of the Commissioner of Taxation Annual Report 2004-05.
Required details for financial year 2005-06 will be tabled in the 2005-06 Commissioner of Taxation Annual Report on or before 31 Oct 06.

Corporations & Markets Advisory Committee
(1) No.
(2) Not applicable.
(3) Not applicable.

Inspector-General of Taxation
(1) No.
(2) Not applicable.
(3) Not applicable.

National Competition Council
(1) No opinion polls, focus groups or market research has been conducted by the Council in 2005.
(2) Not applicable.
(3) Not applicable.

Productivity Commission
(1) No
(2) Not applicable
(3) Not applicable

Royal Australian Mint
(1) (a) Yes, the Royal Australian Mint commissioned research in 2005 for the numismatic program with the purpose of: understanding market needs; preferred channels of purchase; preferred themes

QUESTIONS IN WRITING
for coins; how customers would like their products packaged; understanding the customer perception of customer service and to provide benchmarking figures and the level of brand awareness for the Mint;

(b) a series of six focus groups were conducted at a total cost of $30,000;

(2) Inside Story–Level 5, 2 Barrack Street, SYDNEY NSW 2000

(3) $30,000

Treasury

(1) Treasury contracted two firms to undertake market research in 2005.

(a) The purposes of these contracts were:

(i) To conduct a survey of financial literacy to act as a benchmark prior to the financial literacy campaign.

(ii) Developmental market research for the financial literacy campaign.

(b) The costs of these contracts in 2005 were:

(i) Nil (contract was let in 2005 but no work was undertaken)

(ii) $167,989

(2) The firms engaged to undertake this work were:

(i) DBM Consulting Pty Limited
5-7 Guest St
HAWTHORN VIC 3122

(ii) Quantum Market Research
96-98 Bridport St
ALBERT PARK VIC 3206

(3) Treasury spent $167,989 on conducting market research during 2005.

Opinion Polls

(Question No. 3302)

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 conduct or commission an opinion poll, focus group, or market research in 2005; if so, what was the (a) purpose and (b) cost of each opinion poll, focus group or market research survey conducted.

(2) What was the name and postal address of each company engaged to conduct the poll, focus group or research identified in (1).

(3) For 2005, what sum was spent on conducting or commissioning opinion polls, focus groups or market research surveys by the department and each agency in the Minister’s portfolio.

Mr Costello—The Minister for Finance and Administration has provided the following answer to the honourable member’s question:

<table>
<thead>
<tr>
<th>Purpose of research</th>
<th>Cost of research</th>
<th>Name &amp; address of Company engaged</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measure Australians’ use of, and satisfaction with, e-government services (2004-05).</td>
<td>$123,890.00</td>
<td>dandolopartners Pty Ltd Level 2, 50 Market Street MELBOURNE VIC 3000.</td>
</tr>
</tbody>
</table>

QUESTIONS IN WRITING
<table>
<thead>
<tr>
<th>Purpose of research</th>
<th>Cost of research</th>
<th>Name &amp; address of Company engaged</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal customer satisfaction survey on IT Services provided by Financial and e-Solutions Group and Volante. Review COMCAR’s Customer Service Charter and assess customer satisfaction with aspects of COMCAR’s service and to highlight possible areas for improvement.</td>
<td>$27,650.00</td>
<td>Strategic Outlooks Pty Ltd 17 Penrose Road BUNDANOON NSW 2578</td>
</tr>
<tr>
<td>Measure the satisfaction of staff employed under the Members of Parliament (Staff) Act 1984 with the provision of services provided by the Ministerial and Parliamentary Services Group within the Department of Finance and Administration. Conduct surveys of community attitudes to, and qualitative and quantitative research on, likely investor demand for Telstra as an input into the Telstra Scoping Study and the possible further sale of the Government’s shares in Telstra.</td>
<td>$8,933.12</td>
<td>New Focus Pty Ltd Unit 2, 28 Lower Portruch Road MARDEN SA 5070</td>
</tr>
<tr>
<td>Measure levels of customer satisfaction of members of the Comcover self-managed general insurance fund in 2005, usage levels of Comcover’s services, and possible areas for improvement in provision of services.</td>
<td>$503,212.95</td>
<td>DBM Consultants Pty Ltd, 5-7 Guest Street HAWTHORN VICTORIA 3122</td>
</tr>
<tr>
<td>Australian Electoral Commission Provide tracking data for the AEC to provide broad levels of enrolment amongst eligible Australians to be monitored.</td>
<td>$49,830.00</td>
<td>Colmar Brunton Social Research Pty Ltd PO Box 2212 CANBERRA ACT 2701</td>
</tr>
<tr>
<td>ComSuper Ascertain members’ levels of satisfaction with services provided by ComSuper and provide information on the relationship between ComSuper and employers. Professional fees for employer decision-makers’ user research on services provided to employers.</td>
<td>$84,826.00</td>
<td>ORIMA Research Level 3, 65-67 Constitution Ave CAMPBELL ACT 2612</td>
</tr>
<tr>
<td>CSS / PSS Board Assess member satisfaction, employer and other stakeholders’ satisfaction, perception and behavioral studies.</td>
<td>$73,414.00</td>
<td>Hoffmann Donohue Pty Ltd 267 Drewery Lane MELBOURNE VIC 3000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(a) ORIMA Research 65-67 Constitution Avenue CAMPBELL ACT 2612 and (b) Galileo Kaleidoscope 117 Harris Street PYRMONT NSW 2009</td>
</tr>
</tbody>
</table>

* (This amount includes only expenditure of relevant public moneys and excludes expenditure related to the management and investment of the CSS and PSS Funds.)

**Opinion Polls**

*(Question No. 3312)*

Mr Bowen asked the Minister for Agriculture, Fisheries and Forestry, in writing, on March 29, 2006:

1. Did the department or any agency in the Minister’s portfolio conduct or commission an opinion poll, focus group, or market research in 2005; if so, what was the (a) purpose and (b) cost of each opinion poll, focus group or market research survey conducted.

2. What was the name and postal address of each company engaged to conduct the poll, focus group or research identified in (1).
For 2005, what sum was spent on conducting or commissioning opinion polls, focus groups or market research surveys by the department and each agency in the Minister’s portfolio.

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

<table>
<thead>
<tr>
<th>Department/agency</th>
<th>Activity commissioned, eg. opinion poll, focus group, etc</th>
<th>Name and address of consultant</th>
<th>Purpose of activity</th>
<th>Cost of activity (GST incl.) in 2005 calendar year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Fisheries Management Authority</td>
<td>Client survey</td>
<td>Piazza Consulting PO Box 575 Woden ACT 2606</td>
<td>To provide AFMA with information to track its performance over time, identify areas of strengths and areas for improvement</td>
<td>$27,565</td>
</tr>
<tr>
<td>Australian Wine &amp; Brandy Corporation</td>
<td>Market Snapshot</td>
<td>AC Nielsen 11 Tavarezra Rd Macquarie Park NSW 2113</td>
<td>To determine the wine market data for analysis and distribution to the industry</td>
<td>$18,996</td>
</tr>
<tr>
<td></td>
<td>Monthly Wine Sales data</td>
<td>Australian Bureau of Statistics</td>
<td>Obtain month wine sales data for analysis and distribution to the industry</td>
<td>$36,358</td>
</tr>
<tr>
<td>Press clippings</td>
<td>Durrants 28-42 Banner Street London EC1Y9QE</td>
<td>To obtain market intelligence on the wine market in the UK and how it pertains to the Australian industry</td>
<td>$9,600</td>
<td></td>
</tr>
<tr>
<td>Press clippings</td>
<td>Burrelles Luce 589 Eighth Ave 16th Floor New York NY 10018</td>
<td>To obtain market intelligence on the wine market in the US and how it pertains to the Australian industry</td>
<td>$13,200</td>
<td></td>
</tr>
<tr>
<td>Monthly sales data for the UK</td>
<td>AC Nielsen 11 Tavarezra Rd Macquarie Park NSW 2113</td>
<td>To obtain market intelligence on the wine market in the UK and how it pertains to the Australian industry</td>
<td>$45,600</td>
<td></td>
</tr>
<tr>
<td>Research project</td>
<td>Synovate Garden Court Ijsbaanpad 1g 1076CV Amsterdam</td>
<td>To obtain market intelligence on the wine market in Scandinavia and how it pertains to the Australian industry</td>
<td>$14,112</td>
<td></td>
</tr>
<tr>
<td>Research project</td>
<td>Macron Koln Kloner Strabe 6 Bergisch Gladbach Germany 54129</td>
<td>To obtain market intelligence on the wine market in Germany and how it pertains to the Australian industry</td>
<td>$45,772</td>
<td></td>
</tr>
<tr>
<td>Fisheries Research and Development Corporation</td>
<td>Stakeholder research IPSOS 493 St Kilda Road Melbourne, Vic 3004</td>
<td>To ascertain how to communicate better with stakeholders</td>
<td>$48,721</td>
<td></td>
</tr>
<tr>
<td>Grains Research &amp; Development Corporation</td>
<td>Market research IPSOS Level 4 493 St Kilda Road Melbourne Vic 3004</td>
<td>Organisational performance survey</td>
<td>$223,629</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Market research Down To Earth Research 10 Caladena Circuit Frankston South Vic 3199</td>
<td>Information products and services</td>
<td>$96,186</td>
<td></td>
</tr>
<tr>
<td>Rural Industries Research &amp; Development Corpo-</td>
<td>Stakeholder &amp; client survey IPSOS Level 4 493 St Kilda Road Melbourne Vic 3004</td>
<td></td>
<td>$16,493</td>
<td></td>
</tr>
<tr>
<td>ration</td>
<td>Market research Austrade Ocean Watch Australia Pty Ltd Locked bag 247 Pyrmont NSW 2009</td>
<td>Market information</td>
<td>$13,110</td>
<td></td>
</tr>
<tr>
<td>Wheat Export Authority</td>
<td>Fishing industry consultations IPSOS Level 4 493 St Kilda Road Melbourne Vic 3004</td>
<td>Consultation with the commercial fishing industry on guidelines and protocols for addressing marine pest risks associated with the commercial fishing industry</td>
<td>$27,500</td>
<td></td>
</tr>
<tr>
<td>Department of Agriculture Fisheries and Forestry</td>
<td>Market research interviews with key stakeholders Open Mind Research 68 Drummond St Carlton Vic 3053</td>
<td>To determine stakeholder views of a biosecurity education and awareness campaign targeting farmers from non-English speaking backgrounds</td>
<td>$27,995</td>
<td></td>
</tr>
</tbody>
</table>
Mr Bowen asked the Minister for Health and Ageing, 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 Abbott—The answer to the honourable member’s question is as follows:

(1) As part of Health and Wellbeing Month in November 2005 the Northern Territory Office of the Department of Health and Ageing, as a one-off, part-paid for staff massages at a total cost of $344. No portfolio agency paid for massages for their staff.

(2) The cost to the department per massage was $10.75 (each staff member also paid $8 per massage).

(3) 32 staff made use of the service.

Mr Bowen asked the Minister representing the Minister for Communications, Information Technology and the Arts, 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 this service.

Mr McGauran—The Minister for Communications, Information Technology and the Arts has provided the following answer to the honourable member’s question:

(1) to (3) In 2005, the Department of Communications, Information Technology and the Arts engaged the following massage services for its staff;

<table>
<thead>
<tr>
<th>Department/agency</th>
<th>Activity commissioned, eg. opinion poll, focus group, etc</th>
<th>Name and address of consultant</th>
<th>Purpose of activity</th>
<th>Cost of activity (GST incl.) in 2005 calendar year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Annual client satisfaction survey</td>
<td>Dr Fadil Pedic &amp; Associates Pty Ltd (trading as The Research Forum), Level 3, 96 Phillip St Parramatta NSW 2150</td>
<td>To conduct a telephone survey of nominated AQIS clients to measure the current level of client satisfaction with AQIS’s services and to prepare a report on the results.</td>
<td>$60,654</td>
</tr>
<tr>
<td></td>
<td>Developmental research (focus groups) tracking surveys and creative concept testing</td>
<td>Open Mind Research, 68 Drummond Street, Carlton VIC 3053</td>
<td>To support strategy development and creative implementation of the Quarantine Matters Campaign</td>
<td>$200,643</td>
</tr>
<tr>
<td></td>
<td>Telephone survey</td>
<td>Campbell Research and Consulting Pty Ltd, PO Box 441, Clifton Hill Vic 3068</td>
<td>To determine Western Australian consumers’ attitude towards Country of Origin Labelling of food products.</td>
<td>$19,355</td>
</tr>
</tbody>
</table>
Questions in writing

Sum spent on massage services in 2005 (calendar year) | Cost per massage per person (including GST) | Number of staff which made use of this service
--- | --- | ---
$1,347.50 | The massage services were not itemised on an individual staff basis. The services were provided by a roving masseur as part of the department’s health week activities. The number of staff that utilised this service was not recorded. | The number of staff that utilised this service was not recorded.

In 2005, the following portfolio agencies engaged in providing massage services for staff:

<table>
<thead>
<tr>
<th>Name of Agency</th>
<th>Sum spent on massage services in 2005 (calendar year)</th>
<th>Cost per massage per person (including GST)</th>
<th>Number of staff which made use of this service</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Archives of Australia</td>
<td>$544.85</td>
<td>$14.34*</td>
<td>38</td>
</tr>
<tr>
<td>AFC</td>
<td>$2,680</td>
<td>$24 Sydney and Canberra, $50 Brisbane</td>
<td>97 in Sydney and Canberra, 2 in Brisbane</td>
</tr>
<tr>
<td>Australia Post</td>
<td>Post spent around $29,880 on therapeutic massages under its Health Lifestyle Program, which is an internal program that aims to support staff in relation to health and lifestyle matters.</td>
<td>$5 to $16</td>
<td>Approximately 296</td>
</tr>
<tr>
<td>Telstra</td>
<td>Whilst Telstra does from time to time employ such services for its staff, no centralised record is maintained that would allow this information to be provided.</td>
<td>No centralised record available.</td>
<td>No centralised record available.</td>
</tr>
</tbody>
</table>

Media Training

(Question No. 3354)

Mr Bowen asked the Minister for Veterans’ Affairs, 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 Billson—The answer to the honourable member’s question is as follows:
(1) No
(2) Nil

Media Training
(Question No. 3360)

Mr Bowen asked the Minister for Transport and Regional Services, in writing, on 29 March 2006:
(1) Did the (a) Minister and (b) his personal staff receive any media training in 2005.
(2) What was the cost of the media training.
(3) What was the name and postal address of each company engaged to provide media training.

Mr Truss—The answer to the honourable member’s question is as follows:
(1) (a) and (b) No.
(2) Not applicable.
(3) Not applicable.

Media Training
(Question No. 3371)

Mr Bowen asked the Minister representing the Minister for the Arts and Sport, in writing, on 29 March 2006:
(1) Did the (a) Minister and (b) his personal staff receive any media training in 2005.
(2) What was the cost of the media training.
(3) What was the name and postal address of each company engaged to provide media training.

Mr McGauran—The Minister for the Arts and Sport has provided the following answer to the honourable member’s question:
(1) No.
(2) and (3) Not applicable

Media Training
(Question No. 3376)

Mr Bowen asked the Minister for Local Government, Territories and Roads, in writing, on 29 March 2006:
(1) Did the (a) Minister and (b) his personal staff receive any media training in 2005.
(2) What was the cost of the media training.
(3) What was the name and postal address of each company engaged to provide media training.

Mr Lloyd—The answer to the honourable member’s question is as follows:
(1) (a) and (b) No.
(2) Not applicable.
(3) Not applicable.
Media Training
(Question No. 3380)

Mr Bowen asked the Special Minister of State, in writing, on 29 March 2006:

1. Did the (a) Minister and (b) his personal staff receive any media training in 2005.
2. What was the cost of the media training.
3. What was the name and postal address of each company engaged to provide media training.

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

1. (a) No
   (b) Yes. I am advised that there was one occurrence of media training undertaken by a staff member of my predecessor’s office during 2005.

2. and (3)

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Address</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rogen International (Australia) Pty Ltd</td>
<td>PO Box 6113, Frenchs Forest NSW 1640</td>
<td>$1,089</td>
</tr>
</tbody>
</table>

Media Training
(Question No. 3381)

Mr Bowen asked the Minister representing the Minister for Ageing, in writing, on 29 March 2006:

1. Did the (a) Minister and (b) his personal staff receive any media training in 2005.
2. What was the cost of the media training.
3. What was the name and postal address of each company engaged to provide media training.

Mr Abbott—The Minister for Ageing has provided the following answer to the honourable member’s question:

1. (a) Neither I nor the previous Minister for Ageing received any media training in 2005.
   (b) None of my personal staff received any media training in 2005.

2. and (3) Not applicable.