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SITTING DAYS—2006

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- **NEWCASTLE**: 1458 AM
- **GOSFORD**: 98.1 FM
- **BRISBANE**: 936 AM
- **GOLD COAST**: 95.7 FM
- **MELBOURNE**: 1026 AM
- **ADELAIDE**: 972 AM
- **PERTH**: 585 AM
- **HOBART**: 747 AM
- **NORTHERN TASMANIA**: 92.5 FM
- **DARWIN**: 102.5 FM
FORTY-FIRST PARLIAMENT
FIRST SESSION—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—Mrs Kay Elizabeth Hull 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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**PARTY ABBREVIATIONS**

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

### Heads of Parliamentary Departments

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

Prime Minister
Minister for Trade and Deputy Prime Minister
Treasurer
Minister for Transport and Regional Services
Minister for Defence
Minister for Foreign Affairs
Minister for Health and Ageing and Leader of the House
Attorney-General
Minister for Finance and Administration, Leader of the Government in the Senate and Vice-President of the Executive Council
Minister for Agriculture, Fisheries and Forestry and Deputy Leader of the House
Minister for Immigration and Multicultural Affairs
Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues
Minister for Families, Community Services and Indigenous Affairs and Minister Assisting the Prime Minister for Indigenous Affairs
Minister for Industry, Tourism and Resources
Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service
Minister for Communications, Information Technology and the Arts and Deputy Leader of the Government in the Senate
Minister for the Environment and Heritage

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

(The above ministers constitute the cabinet)
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<td>Minister for Community Affairs</td>
<td>The Hon. John Kenneth Cobb MP</td>
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<td>Minister for Revenue and Assistant Treasurer</td>
<td>The Hon. Peter Craig Dutton MP</td>
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<td>Special Minister of State</td>
<td>The Hon. Gary Roy Nairn MP</td>
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<td>The Hon. Dr Sharman Nancy Stone MP</td>
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SHADOW MINISTRY

Leader of the Opposition
The Hon. Kim Christian Beazley MP

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

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

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

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

Shadow Treasurer
Wayne Maxwell Swan MP

Shadow Attorney-General
Nicola Louise Roxon MP

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

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

Shadow Minister for Defence
Robert Bruce McClelland MP

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

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

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

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

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

Shadow Minister for Finance
Lindsay James Tanner MP

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

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

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

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

Shadow Minister for Consumer Affairs and Shadow Minister for Population Health and Health Regulation  Laurie Donald Thomas Ferguson MP
Shadow Minister for Agriculture and Fisheries  Gavan Michael O’Connor MP
Shadow Assistant Treasurer, Shadow Minister for Revenue and Shadow Minister for Small Business and Competition  Joel Andrew Fitzgibbon MP
Shadow Minister for Transport  Senator Kerry Williams Kelso O’Brien
Shadow Minister for Sport and Recreation  Senator Kate Alexandra Lundy
Shadow Minister for Homeland Security and Shadow Minister for Aviation and Transport Security  The Hon. Archibald Ronald Bevis MP
Shadow Minister for Veterans’ Affairs and Shadow Special Minister of State  Alan Peter Griffin MP
Shadow Minister for Defence Industry, Procurement and Personnel  Senator Thomas Mark Bishop
Shadow Minister for Immigration  Anthony Stephen Burke MP
Shadow Minister for Ageing, Disabilities and Carers  Senator Jan Elizabeth McLucas
Shadow Minister for Justice and Customs and Manager of Opposition Business in the Senate  Senator Joseph William Ludwig
Shadow Minister for Overseas Aid and Pacific Island Affairs  Robert Charles Grant Sercombe MP
Shadow Minister for Citizenship and Multicultural Affairs  Senator Annette Hurley
Shadow Parliamentary Secretary for Reconciliation and the Arts  Peter Robert Garrett MP
Shadow Parliamentary Secretary to the Leader of the Opposition  John Paul Murphy MP
Shadow Parliamentary Secretary for Defence and Veterans’ Affairs  The Hon. Graham John Edwards MP
Shadow Parliamentary Secretary for Education  Kirsten Fiona Livermore MP
Shadow Parliamentary Secretary for Environment and Heritage  Jennie George MP
Shadow Parliamentary Secretary for Industry, Infrastructure and Industrial Relations  Bernard Fernando Ripoll MP
Shadow Parliamentary Secretary for Immigration  Ann Kathleen Corcoran MP
Shadow Parliamentary Secretary for Treasury  Catherine Fiona King MP
Shadow Parliamentary Secretary for Science and Water  Senator Ursula Mary Stephens
Shadow Parliamentary Secretary for Northern Australia and Indigenous Affairs  The Hon. Warren Edward Snowdon MP
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**THURSDAY, 7 SEPTEMBER**

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Thursday, 7 September 2006

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

BUSINESS

Rearrangement

Mr BILLSON (Dunkley—Minister for Veterans’ Affairs and Minister Assisting the Minister for Defence) (9.01 am)—by leave—I move:

That, for this sitting, so much of the standing and sessional orders be suspended as would prevent questions without notice being called on at 2.30 p.m.

Mr PRICE (Chifley) (9.01 am)—Mr Speaker, the opposition are not opposing this motion, but clearly we are very anxious to ensure that we will be able to ask 10 questions as normal in question time. The opposition are keen to facilitate the important visit of the Fijian Prime Minister and have offered some consideration in return. I am hopeful and optimistic that these matters can be satisfactorily agreed to by both sides of the House.

Question agreed to.

LAW AND JUSTICE LEGISLATION AMENDMENT (MARKING OF PLASTIC EXPLOSIVES) BILL 2006

First Reading

Bill and explanatory memorandum presented by Mr Ruddock.

Bill read a first time.

Second Reading

Mr RUDDOCK (Berowra—Attorney-General) (9.02 am)—I move:

That this bill be now read a second time.


In October 2004, the government announced in its National Security Policy its intention to accede to the convention.

This convention is the last of the 13 United Nations counterterrorism conventions to which Australia is not yet a party.

In September 2005, Australia was one of the first countries to sign the new Convention for the Suppression of Acts of Nuclear Terrorism.

Accession to this MARPLEX Convention is a further demonstration of Australia’s ongoing commitment to overcoming international terrorism and further improves Australia’s counterterrorism measures.

To date, the convention has 128 parties including Australia’s international partners, the United States of America, the United Kingdom, Canada and New Zealand.

The convention and the bill will impose important obligations on Australia in relation to regulating and monitoring the manufacture, possession, trafficking, import and export of plastic explosives.

The convention was drafted and is administered by the International Civil Aviation Organisation following the December 1998 bombing of the Pan Am Flight 103 over Lockerbie, Scotland, which claimed the lives of over 270 people. The actual bomb which caused the disaster was located in a portable radio-cassette player and contained plastic explosives set with a detonator. The bomb had passed undetected through Customs.

The broad purpose of the convention is to provide a scheme to detect plastic explosives. The convention does this by obliging state parties to restrict the manufacture, and place controls over the use by each state party, of plastic explosives which have not been ‘marked’ with a specific chemical agent prescribed in the technical annex to the convention. The marker is a chemical vapour
which can be detected by using specialised equipment.

The requirement to mark all plastic explosives manufactured or held by legitimate sources, combined with a regime which more closely manages stocks of plastic explosives in the country, will minimise the risk of plastic explosives being diverted from legitimate sources and used for criminal activity.

The bill adopts the obligations of the convention by inserting a new subdivision B into division 72 of the Criminal Code, and creating offences of trafficking in, manufacturing, possessing, importing or exporting unmarked plastic explosives.

The bill has a six-month delayed commencement period which will provide Australian manufacturers with a total of 12 months in which to comply with the provisions of the bill.

The bill also amends the Customs Act 1901 to ensure that Customs officers have appropriate powers to search and seize where necessary to facilitate the application of the legislation at Australia’s borders.

The bill provides for exemptions from the requirement to mark a plastic explosive to permit the use of existing stocks, use for defence and police purposes and research uses.

Other exemptions will allow the Australian Defence Force and/or the Australian Federal Police to use unmarked plastic explosives for a seven-day period, before requiring a specific authorisation for their use, in the event that unmarked plastic explosives are discovered or obtained in the course of overseas operations. The ADF or AFP will then be allowed to destroy that unmarked plastic explosive if required.

The bill also provides that unmarked plastic explosives which are forfeited as a result of court proceedings, or surrendered to authorities will become the property of the Commonwealth.

The bill has been the subject of consultation with industry as well as the states and territories and the Joint Standing Committee on Treaties.

On 14 August 2006 the Joint Standing Committee on Treaties tabled its report into the convention. The committee supported the convention and recommended that binding treaty action be taken to accede to the convention.

The committee also noted that that accession to the convention will confirm Australia’s commitment to combating the global threat of terrorism, particularly in the Asia-Pacific region.

I thank the committee for their work in considering the convention and this bill as part of their review of the convention.

Debate (on motion by Mr Gavan O’Connor) adjourned.
System, which is commonly referred to as ‘the harmonised system’.

The harmonised system is a hierarchical system that uniquely identifies all traded goods and commodities. This system is used uniformly throughout most of the world. Australia’s goods and commodity classifications have been based on the harmonised system since 1988 and are contained in the customs tariff for imports and the harmonised export commodity classification for exports.

As a signatory to the international convention on the harmonised system, Australia is required to implement the changes from 1 January 2007.

As with the last review of the harmonised system, which was implemented on 1 January 2002, this review has deleted classifications for goods where there have been low levels of international trade. Amendments have also been made to clarify existing descriptions and terminology in the harmonised system.

The current review of the harmonised system will also provide new classifications to separately identify a number of hazardous or dangerous chemicals, pesticides, or wastes such as chlorofluorocarbons, mercury compounds, aldrin and asbestos. This will facilitate the monitoring and control of international trade in these products under various United Nations conventions including the Rotterdam convention.

The third review will also introduce amendments to reflect developments in technology and changes in industry practices including the significant restructure of tariff classifications for a wide range of information technology and consumer electronic products.

While giving effect to the changes to the harmonised system, the Customs Tariff Amendment (2007 Harmonized System Changes) Bill 2006 ensures, to the greatest extent possible, the preservation of existing duty rates and levels of tariff protection for Australian industries and margins of preference accorded to Australia’s trading partners.

The Customs Tariff Amendment (2007 Harmonized System Changes) Bill 2006 also includes amendments that will impact on the concessional items contained in schedule 4 of the Customs Tariff. In addition, amendments will also be made to schedules 5 and 6 of the Customs Tariff which give effect to the application of customs duty on goods the subject of free trade agreements with the United States and Thailand respectively.

This bill will provide certainty for Australia’s importers and exporters, and ensures consistency with Australia’s international trading partners.

Debate (on motion by Mr Gavan O’Connor) adjourned.
orders that will be affected by the amendments to the Customs Tariff Act 1995 contained in the Customs Tariff Amendment (2007 Harmonized System Changes) Bill 2006. Up to 1,200 tariff concession orders will also need to be made to replace those that will be revoked.

Tariff concession orders provide ‘free’ rate of customs duty for imported goods when there are no substitutable domestically produced goods.

This bill will ensure the seamless application of tariff concession orders to goods imported before and after 1 January 2007.

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

COMMITTEES
Public Works Committee
Approval of Work

Mr NAIRN (Eden-Monaro—Special Minister of State) (9.12 am)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Australian Institute of Police Management redevelopment, North Head, Manly, NSW.

The Australian Federal Police proposes to undertake a redevelopment, at an estimated out-turn cost of $16.224 million, of the Australian Institute of Police Management at North Head, Manly in New South Wales.

The proposed redevelopment will:

• construct soft and hard landscaping to various areas of the site, including consolidation of surface car parking;
• remove existing barrack style accommodation buildings and miscellaneous stores buildings; and
• undertake landscaping works to improve the environment for both human and native fauna occupants of the site.

In its report, the Public Works Committee has recommended that the proposed works should proceed subject to the recommendations of the committee.

The Australian Federal Police accepts and will implement those recommendations.

Subject to parliamentary approval, construction is planned to commence late this year with a construction period of approximately 26 months.

On behalf of the government, I would like to thank the committee for its support and I commend the motion to the House.

Question agreed to.

Public Works Committee
Approval of Work

Mr NAIRN (Eden-Monaro—Special Minister of State) (9.14 am)—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Tactical Unmanned Aerial Vehicle Facilities Project, Enoggera, Qld.

The Department of Defence proposes a facilities project to support the introduction of the new tactical unmanned aerial vehicle capability and the establishment of the 20th Surveillance and Target Acquisition Regiment at Gallipoli Barracks, Enoggera, Queensland.
The project will involve the refurbishment of a number of existing facilities at Gallipoli Barracks, with the construction of some new purpose-built facilities to support the tactical unmanned aerial vehicles specialised maintenance and training requirements. The estimated out-turn cost of the proposal is $17.45 million.

In its report, the Public Works Committee has recommended that the proposed works should proceed. Subject to parliamentary approval, the works would be committed late this year, for completion by early 2008. On behalf of the government, I would like to thank the committee for its support, and I commend the motion to the House.

Question agreed to.

AUSTRALIAN NUCLEAR SCIENCE AND TECHNOLOGY ORGANISATION AMENDMENT BILL 2006

Second Reading

Debate resumed from 6 September, on motion by Ms Julie Bishop:

That this bill be now read a second time.

upon which Ms Macklin 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 condemns the Government for:

(1) its extreme and arrogant imposition of a nuclear waste dump on the Northern Territory;
(2) breaking a specific promise made before the last election to not locate a waste dump in the Northern Territory;
(3) its heavy-handed disregard for the legal and other rights of Northern Territorians and other communities, by overriding any existing or future State or Territory law or regulation that prohibits or interferes with the selection of Commonwealth land as a site, the establishment of a waste dump, and the transportation of waste across Australia;
(4) destroying any recourse to procedural fairness provisions for anyone wishing to challenge the Minister’s decision to impose a waste dump on the Northern Territory;
(5) establishing a hand-picked committee of inquiry into the economics of nuclear power in Australia, while disregarding the economic case for all alternatives sources of energy; and
(6) keeping secret all plans for the siting of nuclear power stations and related nuclear waste dumps”.

Mr SNOWDON (Lingiari) (9.16 am)—I am delighted to be able to continue my contribution, which was interrupted by the adjournment last evening. As I was saying then, the US industry currently has a problem disposing of nuclear waste, with one company, Silex, lamenting that it has a hole in the ground in Nevada, 63,000 tonnes of waste to fill it and a mountain of regulations to climb over to do it. Perkovich, whom I referred to earlier, describes it as an intractable waste problem. The US President may also be offering Australia membership of the exclusive GNEP club, and the Prime Minister appears to be highly receptive. He believes, apparently, that we should have a look at all the angles, including enrichment, if it is viable and safe. Should we supply raw fuel to overseas buyers as a member of GNEP? Should we be expected to take back their waste, and where would it go?

I would submit that this places further pressure upon the community of the Northern Territory to be the waste receptacle for not only Australia’s nuclear waste but potentially the world’s nuclear waste, and I can tell you that that is not a prospect which the people of the Northern Territory would look forward to. That is why, as I said in the earlier part of my contribution, I am surprised at the audacity of the member for Solomon—whose electorate, after all, is Darwin and Palmerston, 333 square kilometres—in try-
Dr JENSEN (Tangney) (9.19 am)—Australia’s legislation regarding nuclear and radiation issues has an unfortunate legacy that goes back to a past where the mere words ‘radiation’ or ‘nuclear’ engendered fear and loathing in the community. As such, we find that the legislation is overly prescriptive, with the result that many unforeseen issues that are currently appearing are not able to be adequately dealt with due to the rigid and overly confining clauses within the acts. The Australian Nuclear Science and Technology Organisation Amendment Bill 2006 seeks to redress some of the issues that have surfaced.

For example, there are a number of Commonwealth facilities that deal with radioactive material in some form or another. Problematically, the act as it currently stands effectively prohibits ANSTO from assisting in preparing the material for disposal or indeed storing this material. The legacy of this is that there are numerous Commonwealth facilities throughout Australia that have radioactive material, and it is dealt with by these individual organisations. ‘Haphazard’ would be too strong a word to be used for the current situation, but it is fair to say that it would be preferable to have a coordinated approach for the Commonwealth radioactive material. It is also clear that Australia’s premier nuclear research organisation, the Australian Nuclear Science and Technology Organisation, is the body that is best equipped and resourced to accept responsibility for this coordinated approach.

I believe that most in this House would accept that some radioactive materials in Australia are essential. Some of our colleagues have benefited from nuclear medicine, and I am certain that they would acknowledge the benefits that have accrued from their treatment. As we know, however, everything has a cost, and the cost associated with this treatment is some radioactive waste. In addition to medical treatments, we accept that we need to conduct scientific research. Neutron scattering is used in the characterisation of many materials, and this brings considerable benefit to our understanding of material science. We also insist that houses and other buildings have smoke detectors. Smoke detectors use americium-241 in order to detect the smoke particles. The obvious cost, once again, is that we have radioactive waste that we need to dispose of.

We have future medical treatments that also need to be considered. I have spoken previously in this House about a very effective cancer treatment known as proton beam therapy. Hadron beam therapy is a very similar technology and, using a synchrotron, allows the generation of either hadrons or protons for treatment. My colleague the member for Moore has already spoken about this in his talk on the bill. The cost, once again, is some radioactive material that we need to deal with.

Radiation does not need to be feared; it needs to be understood. Radiation is all around us. There is no such thing as a natural background radiation level. Radiation levels vary with geology, building construction methods, climate, altitude and the time of day, among a whole raft of factors that influ-
ence the radiation that we are exposed to. European homes tend to have far higher radiation levels than Australian homes, due to the fact that they tend to be sealed in cold weather. As such, the radon that emanates from many of the building materials is not flushed by natural airflow that we enjoy most of the time in Australia with open windows. Perhaps members opposite who are paranoid about radiation should consider a career change. This building that we all work in has relatively high levels of radiation, due to the large amounts of granite used in the construction. Add to that the fact that the building is not open to natural airflow and you end up with relatively high radon levels as well. Radon is a daughter product of uranium decay.

The fact is we evolved in a sea of radiation. We are still bathed in a radiation sea, albeit of lower intensity than was the case many millions of years ago. Having evolved in the surrounding radiation, our bodies not only adapted to radiation but, indeed, need radiation to survive. Studies have been conducted and conclusively show this. Tests were conducted on lab rats where the level of surrounding radiation was reduced to the greatest extent possible. It was found that these rats became ill to a far greater extent than a group of control rats.

This has been further highlighted by studies conducted in the United States of America. Cancer rates were compared between three Rocky Mountain states and three gulf states. The Rocky Mountain states, being both at altitude and having large amounts of granite, have levels of radioactivity approximately three times higher than the gulf states. If people such as Helen Caldicott who say that there is no safe lower threshold and any additional radiation is harmful were correct, you would expect that the Rocky Mountain states would have a higher incidence of cancer than the gulf states. In fact, it was found that the reverse was the case, that the gulf states had a cancer rate 21 per cent higher than the Rocky Mountain states.

There was a similar instance in Taiwan with so-called ‘hot’ apartments. There were 1,700 apartments built in the early 1980s, and the steel used in the reinforcement had hot cadmium 60—and I am talking about ‘hot’ in a radioactive sense. When this was discovered about 15 years later, a study was conducted. It was found that some of the inhabitants had been exposed to radiation levels high enough that, if they had received this dose in one hit, they would have been killed. What is interesting is that, when the rates of both cancer and birth deformities for the inhabitants were analysed, it was found that the rates for the inhabitants of these ‘hot’ apartments were only about one-twentieth of the Taiwanese average.

This phenomenon is known to medical science as hormesis. In simple terms, it means that something that is fatal in large doses can actually be beneficial in small doses. Arsenic is an example of chemical hormesis, as is selenium. In fact we need some levels of arsenic and selenium in our systems in order to survive. As such, the so-called linear, no threshold hypothesis on exposure to ionising radiation is shown to be incorrect. This theory was the result of studies conducted on fatalities of people due to the atomic bombing of Hiroshima and Nagasaki. The trend is correct at higher doses of radiation, but extrapolation for very low doses resulted in an error.

One of the facts that those deploring all things nuclear fail to acknowledge is that the waste from nuclear processes is contained and small in volume. The fact is that all of the waste can be safely handled and disposed of, unlike in many other industrial processes, where emissions go out of the flue and into the atmosphere. There are various other
solid, liquid and gas waste forms that cannot be adequately handled and disposed of. These wastes, therefore, find their way into the natural environment with all of the resultant consequences.

This bill is about allowing ANSTO, as the foremost expert on things nuclear in Australia, to deal with these radioactive wastes—to handle and dispose of these wastes in a manner that has a minimal environmental impact. In this way, Commonwealth generated radioactive waste will be better and more safely disposed of than just about any other waste that is generated in Australia. As with many in the environmental group, I wish to see our industry and power generators leave a smaller environmental footprint. Earlier I indicated that the footprint left by the nuclear industry is minuscule compared with that of most other industries. This is something that we need to embrace, not shy away from.

There is also the economic cost of energy production to consider. When I stated to one of my constituents in Tangney that it might be possible to generate most of our power using renewables but at 10 to 15 times the cost, she said she would be happy to pay for it. This constituent, understandably, was from one of the more affluent areas in my electorate. I pointed out that, while she may be able to afford it, the majority of Australians do not have the luxury of the large amount of disposable income required to achieve this. This is a problem we have with some of the so-called green elites. It is very easy for them to say, ‘To hell with the cost—this is what we need to do,’ but it shows scant regard for the wellbeing of their fellow Australians, the people whom they state they are speaking for.

There are of course all the flow-on costs that would be associated with such an increase in the cost of electricity. Consider the motor vehicle industry. Car manufacturers are moving to using more and more aluminium in the structure of engines to reduce weight. This weight reduction will have a resultant beneficial effect on fuel consumption. Now think about what would happen if the price of electricity increased massively. Aluminium production uses electricity intensively, so a large increase in electricity costs would increase the cost of aluminium. Car manufacturers, who are focused on the bottom line, would then not continue the move to aluminium, instead returning to steel and thus using greater amounts of cheaper steel again. This would have a negative effect on fuel consumption, so more oil would be consumed, exacerbating our dependence on oil imports, whilst at the same time adding to emissions from vehicle tailpipes.

Many other industries would be similarly affected. In terms of the general cost of electricity production, we need to consider not only the situation now, but into the future. Natural gas has already seen significant increases in price, leading to higher gas generated electricity prices even before you talk about carbon capture. I have never shied away from the fact that I am a sceptic when it comes to anthropogenic climate change, but it appears that the world is moving toward carbon capture. State of the art with carbon capture technologies means that, if introduced right now, the price of electricity is likely to double for coal fired power. Optimistic projections are that around 20 to 30 years into the future the penalty would be about a 30 per cent increase in power bills. The problem with these capture technologies is that they reduce the efficiency with power generation, so more coal or gas is required. This means more oil will be consumed for the mining, transportation and so on of the fuel, adding to our imports and increasing the emissions from other sources, such as trucks or diesel electric trains, which would also not have carbon capture technologies.
Oil is running out. There are synthetic alternatives, such as oil from coal using the Fischer-Tropsch process. This has been used economically in South Africa for the past 50-odd years, and the process allows oil production at approximately $US40 per barrel, depending on the price of coal. The fact we need to face in this context is that the price of coal—or gas, as the Fischer-Tropsch process can be used for gas-to-liquids as well—will increase significantly, further adversely affecting the price of electricity. ANSTO recently commissioned an independent study on the economics of nuclear energy. This study concluded that nuclear power is competitive for Australia using advanced generation III reactors. This is provided that a few reactors are built and is the same as would occur with any other power generation method where the economies of scale associated with having more than one power plant are critical.

The economics associated with generation IV reactors will be even better, given modular construction, standardised design and inherent safety. The lower power output of these units will allow their introduction on a staged basis, allowing their economically viable introduction into service. A factor that is also included in the bill relates to allowing ANSTO to conduct analysis with any event where there is a presence of radiometrics. This is critical, as we need to have our most expert body involved in any event of this sort in order to facilitate a timely resolution to these events.

There has been some discussion of the possibility of a terrorist attack. A nuclear reactor is one of the toughest targets for a terrorist to attack. It would be far easier for them to target coal or gas fired power stations, various chemical factories, oil refining, et cetera. Nuclear reactors are extremely tough targets. They have very high site security. By their nature they are extremely tough, due to containment buildings. Many generation IV reactors will be sited below ground level, making effective attack very difficult. The contrast between this and many other chemical or power facilities is stark. In this age of terrorism, the most secure method of power generation is nuclear power. Of all the facilities that have been targeted, nuclear reactors have not been.

It was, sadly, predictable that many of the speakers from the other side of the House should seek to use this bill to continue their efforts to raise fear in the community regarding nuclear energy and waste. The reality is that community attitudes are evolving. People accept nuclear medicine. Many of us have friends and family members who have been assisted by these medical breakthroughs. Nuclear power generation is no longer the scary monster Labor seeks to promote. What Labor is really concerned about is that understanding brings acceptance, and for a party with little understanding and a lot of fear it exposes them to the electorate.

I encourage members opposite to contact ANSTO and ask for a site visit—to find out the facts and gain an understanding of the way that uranium touches each and every one of us in our daily lives. Then decide your policy position. It is scary and disconcerting to watch otherwise. The public are over your shuffling around. They want information and hard facts. You are in danger of losing the debate before it starts. They are suffering motion sickness just watching you. I commend ANSTO, their board and staff for their commitment and dedication. I trust that this bill gives them the additional protections and authorities they need. I commend the bill to the House.

Ms PLIBERSEK (Sydney) (9.37 am)—On the website of the International Atomic Energy Agency, there is a quote that says:
A State lacking control of nuclear material and activities may risk becoming the target of non-State actors involved in the proliferation of nuclear weapons technology or in clandestine nuclear-related activities.

That is the worst-case scenario with the Australian Nuclear Science and Technology Organisation Amendment Bill 2006. The legislation gives the Australian Nuclear Science and Technology Organisation the scope to handle, manage or store radioactive materials but also to deal with radioactive waste from Commonwealth entities or, in the worst-case scenario, if there were an accident or if a dirty bomb were used in an attack, it would allow ANSTO to assist state and federal authorities without limitations.

The bill goes some way to implementing—despite the fact that the government has not yet ratified it—the United Nations Convention for the Suppression of Acts of Nuclear Terrorism, particularly article 2, which makes it illegal not only for anyone to possess radioactive material or to possess a device with the intent to cause death or serious bodily injury or substantial damage to property or to the environment but also to use radioactive material or to damage a nuclear facility to cause a release of radioactive material. They are all, obviously, very sensible measures. However, Labor is concerned—and I am concerned—that in allowing ANSTO more scope to deal with radioactive waste, the Lucas Heights reactor and the land around it will become a de facto radioactive waste repository. I grew up in the Sutherland Shire and I did not take a particular interest in ANSTO, the reactor and the area around it. However, since I was a child, the area around Lucas Heights has become very much more populous than it was 30 years ago and a lot of families who live in that Menai, Illawong, Bangor and Woronora Heights area are worried about the potential for ANSTO, which is right in their backyard, to become a de facto repository for all sorts of radioactive waste. That is why Labor’s deputy leader moved a second reading amendment to this legislation that picks up on some of these issues about storing nuclear waste around Australia.

Before the last election, the government promised that there would not be a nuclear waste dump in the Northern Territory. That has changed quite dramatically—in fact, completely—since the election, and the government will impose a nuclear waste dump on the Northern Territory. To the people who live around the reactor, around Lucas Heights, any assurances that they have been given that this legislation will not encourage more and longer term storage around the reactor is probably pretty meaningless, given what is happening in the Northern Territory.

This bill, in conjunction with the Commonwealth Radioactive Waste Management (Related Amendments) Bill 2005, protects ANSTO from legal action and allows them to transport radioactive material from any Commonwealth entity or its contractor to Lucas Heights. Unlike the Sutherland Shire Council, which took successful action against ANSTO in the New South Wales Land and Environment Court in 1991-92, local residents will have absolutely no legal recourse under this bill to oppose more waste being transported to Lucas Heights. They will also have no way of preventing Lucas Heights from becoming a major storage facility for ANSTO. People in the Sutherland Shire area in particular are worried about this.

The majority of the waste that is held at the facility at the moment is of pretty low grade, but people who are raising their families near the reactor are worried about the fact that in the last 18 months there have been 13 separate recorded safety breaches at ANSTO, including the incident of a worker who was exposed to abnormally high levels.
of radiation. Earlier this year there were four incidents reported in just one week, including radioactive material spilling onto one worker’s clothes and another worker getting such material in their eye and, further, taking in a small amount of gas. Fortunately, none of these workers were seriously injured. The response of the minister was something that would have done Joh Bjelke-Petersen proud: ‘Don’t you worry about that.’ It was quite concerning and it does not give local residents any comfort that the government will consult with residents about what role the reactor at Lucas Heights will play as a storage facility into the future.

As I said, just as the government has refused to consult local residents around Lucas Heights about the role that the reactor facility will play in waste disposal or waste storage, there has been an absolutely appalling lack of consultation with the residents of the Northern Territory about what will happen with the storage facility there. The Minister for Education, Science and Training said in her second reading speech on this bill:

The Commonwealth’s resolve to establish the Commonwealth radioactive waste management facility in the Northern Territory for this purpose was made abundantly clear by the enactment of the Commonwealth Radioactive Waste Management Act in 2005.

I do not know whether it was. What Northern Territory residents were told very clearly before the last federal election, in particular by the member for Solomon, was that there would be no such facility in the Northern Territory. Even after the election, the member for Solomon said:

There’s not going to be a national nuclear waste facility in the Northern Territory ... That was the commitment undertaken in the lead-up to the federal election and I haven’t heard anything apart from that view expressed since that election. He could not have been listening too well to his colleagues. It is a breathtaking broken promise to the people of the Northern Territory. They were promised very clearly before the election that such a facility would not be established in the Northern Territory. Since the election everything has changed.

In February the Minister for Foreign Affairs said that we need medium- and high-level storage as well. I think the people of the Northern Territory are pretty worried about the potential for high-level storage. The opposition of the residents, community organisations and the government of the Northern Territory has been fierce. They believe that they were lied to. In a public statement made last year, the Central Land Council also expressed their opposition. They said:

The traditional owners are concerned about safety and the future security of a nuclear waste dump, the waste being transported on the roads that they use every day, the negative impact on businesses ... the impact on their traditional country and the ability to hunt and get bush tucker, pollution of the water in the event of an accident and the future for their grandchildren.

I think there are many Australians who would understand that concern for the future of their grandchildren. It is really the fundamental flaw with nuclear power as a power source. The long-term problem of safely and securely disposing of waste, I think, makes this power source something that we should not be pursuing in Australia.

At one stage the government wanted to force a nuclear waste dump on South Australia. Fortunately, the South Australian government was successful in challenging the federal government. This bill makes it very difficult for state governments and the community to make these sorts of challenges. If the government does push ahead with its plans to impose a nuclear waste dump on the Northern Territory, it will be able to. There will not be anything that the Territory gov-
ernment or the community can do to prevent it.

It has been the Prime Minister's dream for many years now to establish a nuclear industry in Australia—not just a mining and extraction industry; he talks constantly about downstream processing and perhaps even nuclear power for Australia. I think it was the head of the Sierra Club in the US who said that talking about using nuclear power as a way of dealing with pollution and global warming is like saying that you are going to take up smoking crack cocaine because you want to give up cigarettes. The point he makes is a very good one. It is an absolutely disingenuous intellectual argument to say that you will deal with one very serious environmental hazard, global warming, by creating waste that is dangerous to the people who are exposed to it and that is potentially able to enter the nuclear weapons cycle. You will create this waste that will hang around for hundreds of thousands of years. We cannot predict what Australia is going to be like in 500 years, let alone 1,000, 5,000 or 10,000.

While there is a substantial debate in the Labor Party at the moment about the mining of uranium—and there have been for many years a variety of views in the Labor Party about the mining of uranium—there is one thing that we are absolutely 100 per cent clearly agreed on, and that is that we oppose a nuclear power industry in this country. There is very good reason for that. There are all of the economic arguments against it. It is not an economical way of generating power for us.

Aside from the issues that I have mentioned—dealing with waste, the potential security threats of having this waste available and the lack of economic argument for nuclear power—the other reason I feel very strongly about this is that there are so many things that we could be doing better when it comes to sustainable energy sources. There are so many ways that we could be tackling global warming and Australia's future energy needs that we are not doing. To say that we have a problem with greenhouse, for the Prime Minister to admit that and to reach, as his first solution, for the most potentially polluting alternative—polluting in a different way—is illogical. There is no logical follow-on from the proposition that because we have an environmental problem we should move right on to nuclear energy as the solution to that.

The film An Inconvenient Truth, which was shown here on Monday night, went through many of the many environmental effects that we are facing: the ice caps melting; the extreme weather events—I think that is what people are calling them; the size of storms; the effects they are having; the economic damage that they are causing; the potential that water levels will rise and what that means for environmental refugees, I guess you would call them; the effect that temperature changes are having on our flora and fauna; and the fact that we are losing species at a rate of knots because their environments are being altered and made uninhabitable for these creatures. Obviously these things are of concern to anyone who follows the issue, but the idea that the logical response to global warming is nuclear power is, I think, stunningly short-sighted. For a start, we could look at a national emissions trading system in Australia. We could sign on to the Kyoto protocol and start to reduce our greenhouse gas emissions. We could change some of the ways that we live our individual lives: change the environmental footprint that each of us leaves.

It takes about 10,000 years for high-level radioactive waste to be broken down. The notion that we can guarantee the political stability of this country, let alone its envi-
ronmental stability, for that long or anything approaching it—even half that time; even 10 per cent of that time—I think is highly optimistic. It is also curious, when we are looking around—or the Prime Minister seems to be looking around—for alternative energy sources, that so very little support is given to renewable energy. Australia could and should be a world leader in renewable energy sources and renewable energy technology. We have the environment to do it, and the fact that we are missing this opportunity and instead are looking around for highly polluting, highly expensive, highly inefficient sources of power, like nuclear power, really is beyond belief.

ANSTO has said that, for a nuclear power industry to be viable in Australia, there would need to be at least three nuclear power plants built, preferably on the east coast. I challenge every member of the coalition who refuses to speak up against a nuclear power industry in Australia to tell us where these reactors are going to go. Where are these three reactors going to go? Under the Prime Minister’s desired plan, the east coast of Australia—the most populous part of Australia—would get three nuclear reactors and all of the associated waste that goes with a nuclear power industry. I think the Australian public deserves to know where those reactors would go under the Prime Minister’s plan. Certainly, if the broken promise to the people of the Northern Territory is any guide, even people who are told that they will not be getting a nuclear reactor in their backyard would be very sceptical about that promise if it were made to them.

This government has been completely unwilling to consult local communities about the disposal of nuclear waste. It has been unwilling to allow state or territory governments or major community representatives to have any say in the establishment of a nuclear waste dump in the Northern Territory.

Why would Australians be confident that they would be consulted about the location of any nuclear power plants? Why would they be confident even if they were told that they were not getting a power plant in their backyard?

Mr Martin Ferguson (Batman) (9.57 am)—I welcome the opportunity to participate in the debate on the Australian Nuclear Science and Technology Organisation Amendment Bill 2006 and, in doing so, I seek to bring a bit of balance, integrity and honesty to the debate, given some comments that have been made over the last day about what is a pretty straightforward issue. The issue is ANSTO. This is not a debate about nuclear power and this is not a debate about downstream processing and the issue of enrichment in Australia. This is a debate about whether we as a nation are mature enough to select a site where we should store our low-level and intermediate-level nuclear waste. It is our waste; it is no-one else’s waste.

In that context, can I make it clear from the point of view of the Labor Party that there is no proposal to establish a nuclear power plant in Australia. It just does not stack up economically. In terms of processing, I simply say that there is a world excess capacity for at least a decade at this time and, more importantly, the International Atomic Energy Agency has said that we as a global community are obligated not to permit the establishment of any more enrichment facilities throughout the world until we attend to our responsibilities to review the nuclear non-proliferation treaty and improve the resourcing of the International Atomic Energy Agency.

Given those comments, let us go to what this debate is really about. This debate is about ANSTO. I want to say at the outset that, as far as I am concerned, ANSTO is one of Australia’s iconic research institutions. It
is as important as CSIRO, it is as important as our CRCs and it is as important as our universities. Every one of us has been the beneficiary—either personally or through family or friends—of the success of the operation of ANSTO. In that context I refer to our dependence as a nation on nuclear medicine. It is therefore our responsibility, if there are any weaknesses in the operation of ANSTO, to deal in a proper way with those weaknesses and improve the performance of ANSTO. It is our responsibility not to seek to politically destroy the reputation and standing of ANSTO but more importantly to improve its performance. There is no question in my mind that it is the appropriate or- ganisation to have responsibility for managing radioactive materials in Australia. That is what the debate is about. ANSTO—and people should remember this—is Australia’s national nuclear research and development organisation and the centre of Australian nuclear expertise. That has been the position of all major political parties—that is, not one side of politics but all sides of politics; of the government and the alternative government, which on this occasion is the Labor Party—in Australia for decades.

ANSTO’s nuclear infrastructure includes the research reactor HIFAR, particle accelerators, radiopharmaceutical production facilities and a range of other unique research facilities that we as a nation should be proud of. The HIFAR is Australia’s only nuclear reactor. It is used to produce radioactive products for use in medicine and industry, as a source of neutron beams for scientific research and to irradiate silicon for semiconductor applications. It is well known that HIFAR will soon be replaced by a new reactor, to be known as OPAL, the Open Pool Australian Light-Water reactor. I am pleased to report that to date all the testing of the new reactor has been regarded as highly successful. I urge all members of this House to take the time, if they are interested in this debate, to go out to Lucas Heights and thoroughly examine and then debate what is actually going on at Lucas Heights. I have been there on a number of occasions, first as a union official in 1977 and since then in a variety of employment opportunities that I have had as a representative of the labour movement in Australia. I am certainly not ashamed of the existence of Lucas Heights. It has been to the benefit of all Australians.

ANSTO also operates—and people want to start remembering this—the national medical cyclotron and accelerator facility used to produce certain short-lived radioisotopes for nuclear medicine procedures. It is located, interestingly, right in the heart of Sydney in the grounds of the Royal Prince Alfred Hospital—and my parents have benefited from the operation of the Royal Prince Alfred Hospital—in Camperdown, next door to the University of Sydney. In addition, ANSTO manages Australia’s synchrotron facilities at a number of overseas locations. Just yesterday morning I attended a breakfast briefing by CSIRO on its Light Metals Flagship projects. Interestingly, the Australian synchrotron facilities overseas have been critical to CSIRO developing and understanding at an atomic level its new low-cost processes for the production of titanium powder, metal and parts. The potential of these new titanium technologies for Australian resources and Australian manufacturing is extraordinary. They can also make a major contribution to savings in energy consumption. The synchrotron facilities have been important infrastructure that have helped CSIRO achieve what it has with these new technologies.

I am pleased to say that Australia now has its own synchrotron, built by the Victorian government and located adjacent to the Monash University and CSIRO campuses at Clayton, Victoria. CSIRO and ANSTO are
both foundation investors and members of
the Australian Synchrotron Company. The
synchrotron will be a world-class facility that
will deliver beams of very intense X-rays
with unique characteristics, which can be
used for a wide range of scientific experi-
ments, including—and it is about time some
people thought about this, as they are things
we will all benefit from—new drug design,
advanced manufacturing, medical imaging,
materials research and mineral analysis. And
people want to destroy the standing of
ANSTO! I just shake my head and wonder
why some people are involved in the politi-
cal processes in Australia.

That takes me to the need for the effective
operation of ANSTO. The effective operation
of the synchrotron will support a large num-
ber of Australia’s national research priorities
and the associated priority goals. We are very
fortunate to have this world-class facility at
the leading edge of technology development
in so many areas. I wonder why politicians
are not talking up the benefits of this facility.
CSIRO and ANSTO are both outstanding
research and development organisations, and
Australia would be simply the poorer with-
out them. Unfortunately, ANSTO is too often
pilloried by those who should know better,
for their own political purposes. It is one
thing, I suggest to the House, to run an anti-
nuclear campaign underpinned by sound sci-
ence, logic and belief. It is quite another to
stoop to ludicrous fearmongering about
ANSTO and the Lucas Heights nuclear facil-
ity, which is so important to the Australian
community for its contribution to nuclear
medicine, to industry and to the future of
high technology manufacturing in this coun-
try.

The bill we have before us deals with the
unavoidable consequences of nuclear medi-
cine and nuclear technology in industry. This
is an important debate. Let us have a factual,
objective, non-emotional debate about this
issue. It was interestingly started—and not
many people refer to this—by Labor in gov-
ernment and the then Minister for Science
and Technology, Simon Crean. The Labor
government recognised two decades ago, as
a responsible Labor government would and
should, that Australia needed a national ap-
proach and a national solution to the issue of
nuclear waste. I am delighted that the proc-
ess was started by the forward-looking and
performing Hawke and Keating Labor gov-
ernments. There is not a member or senator
in this parliament who would not agree that
there is a need for us as a nation to solve our
own problems.

It is time the games stopped at a state, ter-
ritory and national level and at a political
level. It is time we worked to deliver a re-
sponsible and honest outcome for the Austra-
lian community. Australians deserve and ex-
pect better from us than cheap politics over
such an important national issue. So I am
very pleased today to speak in this debate.
The purpose of this debate is to permit
ANSTO to handle, manage or store radioac-
tive materials from a broader range of
sources and circumstances than it is currently
allowed to under the Australian Nuclear Sci-
ANSTO is a competent organisation. It has
the required expertise to perform this role for
Australia as a nation and for our community
at large.

The fact is that, at the moment, radioac-
tive waste—and not many have mentioned
this; they want to create fearmongering in the
suburbs of our capital cities and regional
communities—is already stored at over 100
locations around Australia, in government
stores, universities, hospitals and factories.
Radioactive waste is disposed of at the WA
government’s Mount Walton East integrated
waste management facility and in the Queen-
sland government’s purpose-built radioactive
waste store at Esk. It is stored at Woomera in
South Australia and the Lucas Heights facility in Sydney; in Defence facilities in and around Melbourne, Ipswich, Wodonga, Adelaide, Newcastle, Darwin, Sydney and Nowra; at CSIRO facilities in Canberra, Sydney, Adelaide, Mount Gambier, Brisbane and Melbourne; and—guess where?—right at the heart of Canberra, the national capital, at the Australian National University. And some suggest we cannot store it safely? It is not dangerous waste if it is properly managed and stored.

It includes contaminated laboratory equipment, such as protective clothing, paper, rubber gloves, plastic and glassware; lightly contaminated soil arising from previous CSIRO research into mineral extraction that was transported to Woomera in 1995; and low-activity disused radioactive sources like smoke detectors and exit signs. It includes intermediate-level waste like the residues from overseas reprocessing of—guess whose?—Australia’s spent research reactor fuel, waste arising from the production of radiopharmaceuticals by ANSTO and higher level disused radioactive sources from industry, medicine and research.

Whilst we can only assume that these wastes are already being safely stored in over 100 locations around this country, clearly it would be desirable and in the nation’s and the community’s best interests if the government could finally deliver a national repository for our nuclear waste—a national repository in the safe and trusted hands of ANSTO. The decision for the site for the national repository leaves a lot to be desired, based on recent political activities. The Labor Party supports a national repository and always has. It has reaffirmed that position as a result of the consideration of two ANSTO bills and at the shadow ministry and caucus level twice over the last 12 months, as a result of submissions by the appropriate shadow minister with the responsibility for this, the member for Jagajaga.

I do not agree with the arbitrary imposition of the national repository on the Northern Territory, without proper scientific assessment and community consultation. The government’s decision to impose the national repository on the Northern Territory is a ‘pin the tail on the donkey’ response to an issue that requires the most rigorous scientific, security, safety and consultation processes. It is a lazy decision and a quick-fit political fix. It is likely to backfire. The way it is being handled is not right.

I therefore draw attention to a forthcoming antinuclear campaign called the Beyond Nuclear Initiative Symposium being held in Melbourne later this month. Topics to be covered at the symposium include the proposed Northern Territory radioactive waste dump, and one—that particularly intrigues me, as the shadow minister for resources—which is billed as ‘radioactive racism’. For too long antinuclear campaigners, various environmental non-government organisations and other interest groups have used Indigenous communities for their own short-term political purposes. And what have Indigenous communities got in return? Certainly not jobs and economic prosperity, certainly not better education for Indigenous kids and certainly not economic empowerment. The simple fact is that Indigenous empowerment is not in the interests of special interest groups, including environmental NGOs, because they might make their own decisions.

I describe ‘radioactive racism’ as paternalism. Fortunately, Indigenous communities in the 21st century are awake up, and I am pleased to see they are starting to make their own decisions about these complex issues. They are working with industry—for example, Rio Tinto, Great Southern Plantations and Accor Asia Pacific—to get jobs, educa-
tion and training, and sustainable business investment and opportunities for the future. They are seeking information from all sides of these debates. They are starting to determine their own future, and I encourage them to do so and, by doing so, to grow in confidence.

With respect to the Northern Territory nuclear waste dump, the government has made it easier for the antinuclear campaigners because of the process it pursued. How can a decision that is not properly based on scientific or appropriate consultation be defended? And that is where my head is at. There has been a lack of competence by government in determining this issue. A national repository is required by Australia. It is our nuclear waste and we have to sort this problem out. Also, as was considered by the Labor Party caucus in considering this bill, ANSTO has to be supported for the purposes of boosting our efforts in the area of nuclear waste technology research. I had hoped that that would be included in the second reading amendment, but it has not been. You cannot say that we have a nuclear waste problem unless you are also prepared to support efforts to solve the problem of storage and waste disposal.

For over 25 years, ANSTO has been a leading-edge research organisation in this capacity. I was therefore pleased to note ANSTO’s announcement last month to fund up to five fellowships each worth up to $250,000. This is about re-equipping ANSTO not just with a nuclear reactor but also with the manpower which will enable it to rebuild its scientific capacity in the nuclear field. I am calling on the nuclear industry and the uranium mining companies to also devote additional research money to assist in this endeavour.

We as a nation have a problem with respect to our own waste. It is our responsibility to engage with the Australian community to sort out where we store our waste based on scientific understanding and proper research. In that context, I also say that Australian scientists and engineers have a proud record in nuclear technologies, just like they have in solar, light metal, coal and other technologies. We have to continue to develop our nuclear technology capacity.

The Labor Party supports and has reaffirmed during the consideration of this bill the need to establish a national repository to store low- and intermediate-level waste. That support also potentially includes support for a site in the Northern Territory, if it is selected through a proper process, including scientific consideration. Our opposition to the current process relates to the manner in which the Australian government has gone about that process, lying during the course of the last federal election and, after the last election, coming up with a couple of sites picked out of nowhere in the Northern Territory for the purposes of resolving their own political difficulties.

I say to the Howard government: step back. The way you are going is wrong. You are undermining an important decision that this community must make. You are undermining a process that was, in a very proud way, commenced by Labor in government with Simon Crean as the Minister for Science and Technology. We are not opposed to this outcome, but we are opposed to the methods being pursued by the Howard government to solve their political problems.

In conclusion: as the Australian Strategic Policy Institute reported in its paper last week, there is no security imperative for Australia to provide a safe service for the long-term storage of waste beyond our own needs, provided we store our own waste under proper supervision with appropriate safeguards. We have to solve our problems. Stop the emotion and dishonesty that surrounds
this debate on all sides of politics, including amongst some of the Labor Party state and territory governments. Work with the Commonwealth government that has failed the test to date and front up to your responsibility to solve Australia’s problems about how we store our waste. We benefit from nuclear based medicines. Sort out the problems.

(Time expired)

Mr GARRETT (Kingsford Smith) (10.17 am)—There have been a number of contributions to this debate and I have listened very carefully to what members opposite in particular have had to say, and, of course, to members on this side as well. I listened in particular to the comments made by the member for Lingiari, who is the member of this parliament whose constituents are most affected by the Australian Nuclear Science and Technology Organisation Amendment Bill 2006, and the issues they face are addressed by the amendment that the Deputy Leader of the Opposition brought forward, to which I will speak today.

There is no doubt that the interests and rights of the people of the Northern Territory were both ignored and compromised by the Howard government in its recent legislative agenda on nuclear issues, including the bill that was forced through this parliament last year. There is a great deal at play here and a great deal of debate in relation to nuclear matters at present. The Howard government is pushing for a full-scale nuclear industry in Australia. It is enthusiastic about all aspects of the nuclear cycle itself, including expanding exports of uranium, possibly to India, although this would clearly compromise the terms of the nuclear non-proliferation treaty. It has launched an inquiry—a very narrow inquiry, it has to be said, without the involvement of a single environment expert or any person with sufficient expertise to make a judgement about environment issues—on nuclear energy. That inquiry was launched with a preliminary broadside from the Prime Minister, when he observed and endorsed the virtues of nuclear energy. I hope that all the members of the inquiry had their hands firmly over their ears when those comments were made by the Prime Minister.

There is no doubt that the Minister for Foreign Affairs is particularly keen on the prospect of Australia getting into nuclear enrichment. According to the Minister for Foreign Affairs, it is all about money and we should get on with it as quickly as we can. I note concerns that have been raised at high levels by the Indonesian government about the comments by the foreign affairs minister, but as well as that I suspect there are concerns further afield. As the International Atomic Energy Agency has already observed, there are so many substantial problems with the existing safeguard protocols and regime that the prospect of any other nation at this point in time entering into enrichment further jeopardises an already fairly shaky safeguards regime. Mohamed ElBaradei has been pretty clear in his comments that there ought to be a moratorium on enrichment. One would have hoped that the foreign affairs minister, who is very keen about enrichment, would have reflected on that international dimension before he actually spoke. The foreign affairs minister also does not point out to the Australian public that the enrichment process actually produces nine times as much waste on the way through. Very difficult, intractable toxic waste comes about as a result of that.

Additionally, the government has been willing to accommodate the idea of global nuclear energy partnerships as part of the increasing push, particularly by the United States, for nuclear energy to be ultimately considered as a replacement technology to coal to combat global warming. It is true that there is a continuing debate worldwide about the best means of safely managing and dis-
posing of nuclear waste, but it is a debate that is not resolved. The disposal of waste remains the intractable problem—the most difficult problem—in this debate, particularly in terms of the production of waste. There are many in the community who question what technologies we ought to be embracing as we seek to move into a world which is clearly carbon constrained. In the event that we cannot come up with a prudent, long-term, economically and ecologically feasible means of disposing of nuclear waste, there is strong community interest, I think, in considering those alternatives.

The ANSTO Amendment Bill is supported by the opposition. I have referred to the second reading amendment moved by the Deputy Leader of the Opposition, and I will come back to that. The primary purpose of the bill—namely to extend to the role of ANSTO in the difficult area of management of radioactive material, including where such material could be involved in terrorist or criminal incidents—is supported by Labor. It is the case that the present situation, namely, that ANSTO can only provide advice to Commonwealth, state or territory governments or authorities, needs to be addressed. In the case, for instance, of a group or individual gathering material for a dirty bomb, it is prudent that ANSTO has a role sufficient to enable that organisation to handle that material itself, organise and conduct the transport of the material in safe containers, store the material safely at an ANSTO facility and so on. This is something that previously ANSTO was unable to do.

That the organisation could have offered advice but not actually applied its expertise to engaging with any incident that arose in the handling of nuclear materials was a deficiency, and it is a deficiency in the operating procedures of handling radioactive waste which is probably the most critical handling issue that authorities face. So these are important matters and they need to be addressed. Labor well understands the significant dangers and risks that attach to the transport and storage of radioactive materials, and it supports measures which increase the capacity and expertise available to manage that task. This bill, by permitting ANSTO to handle and store nuclear waste from other Commonwealth sources, including the Department of Defence and CSIRO, further remedies some gaping holes that were present in previous legislation.

I am a little surprised that this legislation has arrived so late in the day. It is a fact that the risk of terrorist attack has been with us for some time. It is certainly the case that it is more pronounced of late—that fact was recognised in the Gittus report. But there are a number of examples of earlier terrorist threats, including against the ANSTO facility at Lucas Heights itself. Serious questions have been raised, particularly by some parts of the media and the community who live in and around Lucas Heights, about the security of the Lucas Heights facility. It is the case that for a number of years it was simply something approaching a rather rickety old cyclone fence that surrounded this facility. I have been out to the facility and I am familiar with the fence. I am not being facetious or trying to make fun of the need for a facility like the reactor at Lucas Heights to be operated by ANSTO to be absolutely prudently and effectively secured. But it is clear that the institution itself has been vulnerable for some time, so why is this legislation only now making an appearance?

It seems that the legislation means that larger quantities of radioactive waste will be transported to Lucas Heights prior to eventually being stored at the Commonwealth’s planned nuclear waste dump, and that this is partly a result of the imminent return of reprocessed waste from overseas as well as waste stored in other Commonwealth facili-
ties. It is a fact that in relation to the return of waste there may be, in that reimported waste after it has been reprocessed, waste which was not generated in Australia, so the legal capacity of ANSTO to handle that waste should not be subject to challenge. We on this side of the House accept that and support legislation which ensures ANSTO has the necessary powers to accept, manage and store the waste.

As the member for Jagajaga pointed out in her speech in the second reading debate, the government also needs to clarify whether the bill is aimed at expanding the Commonwealth’s defence of any possible future legal challenges to the nuclear waste dump decision contained in the Commonwealth Radioactive Waste Management Bill 2005 and the Commonwealth Radioactive Waste Management (Related Amendments) Bill 2005. Immunity to legal challenge is already provided for in the Commonwealth Radioactive Waste Management Act. If briefings by the department to the Deputy Leader of the Opposition’s office staff indicate that the bill is intended to have that effect of buttressing legal challenge then it is absolutely essential that the minister comes into the House and makes that clear, and we call on the minister to do just that.

It is important that the minister is up front about this issue because the government has not been up front on any other part of the issue of the storage of nuclear waste. Labor supports prudent and effective management of radioactive waste; it does not support forcing a nuclear waste dump on the people of the Northern Territory—on small and remote communities—in the absence of a proper, thorough, participatory, scientifically exhaustive and consent based process. The decision by the Howard government to dump nuclear waste in the Northern Territory was a clear breach of an existing election promise. The legislation was rammed through the parliament last year and it represented another glaring broken promise of the Howard government. The member for Solomon promised the people of the Northern Territory that there would not be a nuclear waste dump in the NT. He was elected on the basis of that promise, and the government promptly tore up his commitment to the people of the Northern Territory once they were re-elected.

The Commonwealth radioactive waste management acts that enabled that decision were a disgrace. There was no willingness to adopt a proper and consultative process; instead we had legislation which overrode existing laws that this parliament had passed previously to protect the environment and the cultural heritage of the people of the Northern Territory, particularly Indigenous communities who now face the prospects of a nuclear waste dump being forced on them in their country and against their wishes. This legislation overrode the EPBC Act, the Native Title Act and the Aboriginal and Torres Strait Islander Heritage Protection Act. We have witnessed previously an assault in this House on land rights legislation. This was yet another indication of the approach that the government takes to land rights and the rights of traditional owners in the Northern Territory. The legislation, by overriding so much existing Commonwealth legislation, sets an extraordinary and worrying precedent for the government’s plans for an expanded nuclear industry as well.

If amending legislation prevents legal challenges and overrides existing legislation that protects the environment and Indigenous heritage become the norm for this government, what will happen when it takes the logical next step in its embrace of all things nuclear, including enrichment and power plants, in Australia? It is clear that the government wants enrichment and nuclear power plants.
The Prime Minister’s vision is for Australia to produce greater volumes of nuclear waste, but he has an additional component to this vision—that is, to take the problems of nuclear waste disposal that other countries face, particularly in the United States, and offer up Australia as the world’s storage place for all long-lived radioactive waste—tonnes and tonnes of it. This is not a vision that we on this side of the House share. I certainly do not.

The principle of prior informed consent is one that for some time has been a yardstick by which decisions in relation to proposed developments—be they mining or construction developments—slated to take place on or around people’s land, including Indigenous people’s land, have been measured. In the case of nuclear waste, the United Kingdom’s Committee on Radioactive Waste Management, which reported on 31 July this year, stated:

There is a growing recognition that it is not ethically acceptable for a society to impose a radioactive waste facility on an unwilling community. They considered the issue of safe storage of radioactive waste and made a number of recommendations that are pertinent for this House to consider. They recommended that community involvement for any proposal for the siting of a long-term radioactive waste facility be based on the principle of volunteerism. I would argue in this House that this is the bedrock of democracy. Communities, wherever they are located, should be involved in decisions of this magnitude, and even more so when there is a distinct possibility that a proposed facility will, at a later stage, be under consideration as a storage location for even greater volumes of waste generated in Australia and possibly overseas. Yet we have not had that debate in this House.

Further, if community involvement in the proposal for siting the location of a radioactive waste dump is the bedrock of democracy and given that the sites chosen by the government in an ad hoc process are either on or near Aboriginal land, then equally such community involvement and consent is the bedrock of reconciliation. How can we reconcile ourselves with the Indigenous people of the Northern Territory when the government insists on imposing a nuclear waste dump in the country of Indigenous people against their wishes?

The experiences of the United Kingdom and other places abroad clearly demonstrate that there are many failures with what might be described as the ‘top down’ approach to implementing long-term radioactive waste management facilities. There is the example of Yucca Mountain in the United States, which has been an extremely long, drawn out saga of waste disposal. There is also ample evidence from the way in which the Japanese government and authorities are approaching the issue of long-term storage of waste. A voluntary process is essential—and communities will demand it—to ensure equity, efficiency and the likelihood of successfully completing any process. The UK committee simply asserts that it is not ethically acceptable for society to impose a radioactive waste facility on an unwilling community. I think that applies in this case more than in any other. There is no indication in this legislation that the potential host community would be afforded any of these measures.

Mr Deputy Speaker, I draw your attention to the history of identifying sites. A number of proposals and processes have been undertaken over time. In 1997, there was a list of 14 sites, including some in New South Wales, in Western Australia—the electorates of O’Connor, Pearce, Brand and Canning—and in South Australia—the Mount Lofty Ranges and, of course, Woomera. A number
of sites were identified but kept secret from the public. The former Minister for Science, Mr McGauran, said that the short-listed sites should be kept secret because ‘release of information about alternate sites may unnecessarily alarm communities in the broad areas under consideration’.

The original site selection process for low-level waste facilities went for 10 years. It followed criteria established by the National Health and Medical Research Council. Woomera was the first site chosen, and no Central Australian sites were nominated. The National Store Advisory Committee siting process identified a further 22 sites but, again, no sites were identified in or around Central Australia. The fact is that Aboriginal people are the closest to the proposed new low- and intermediate-level sites being imposed by the Howard government on the people of the Northern Territory. Even though the Commonwealth has already called for tenderers for a contract to manage, coordinate and undertake the technical assessments of the site identified in the bill, there has been no requirement that I am aware of to survey Aboriginal social and cultural interests in relation to the site.

No consideration has been given to the fact that the proposed site near Alcoota and Harts Range is only 16 kilometres from the community at Engawala. Mount Everard is only four kilometres from the community at Werre Therre, 16 kilometres from Athengehere, 22 kilometres to Jay Creek and other Aboriginal communities, and 23 kilometres from Alice Springs. Additionally, and of most concern, is the prospect of significant flooding in some of the proposed sites, particularly at the Harts Range site, where there is ground water. The site is located between two active waterways—the Engawala and Anarama Creek.

For any government process that involves the introduction of a radioactive waste site to be fair, it has become increasingly acknowledged that the local community should be better off after the siting than before. This reflects and acknowledges that the community provides a service to society at large. In any process of this kind, community involvement needs to be developed through a partnership approach, where there is an open and equal relationship between the host communities and those—in this case the government—responsible for the implementation of a project.

In a democratic nation, there can be no more glaring example of the failure to implement the processes so necessary for something like this proposal to take place than those that led to the government imposing a nuclear waste dump on the people of the Northern Territory. Once this stuff gets in you cannot get it out, at least not without enormous difficulty and cost. Any problem experienced, such as faulty storage techniques, accidents, climate change induced extreme weather variations, disturbance of the site or political instability, means that the government’s action of imposing sites on the people of the Northern Territory is completely unacceptable. *(Time expired)*

Mr ADAMS (Lyons) (10.37 am)—The purpose of the Australian Nuclear Science and Technology Organisation Amendment Bill 2006 is to amend the Australian Nuclear Science and Technology Organisation Act 1987 to allow the Australian Nuclear Science and Technology Organisation, ANSTO, to condition, manage and store radioactive material and radioactive waste which is not derived from their activities. This will be done by adding six new definitions to allow some changes to be made to the applications.

The government intends that ANSTO, as the most expert body on radioactive materi-
als and radioactive waste technology in Australia with the facilities and trained personnel for managing radioactive material and waste, should be able to fully participate in the management of radioactive material and waste in the possession or under the control of any Commonwealth entity. The bill ensures that ANSTO is able to provide effective assistance to state and territory jurisdictions, if asked, to ensure public health and safety in the event of an incident, including a terrorist or criminal incident, involving radiological material. Authority to accept and manage radioactive material arising from a terrorist incident is an important component of Australia’s counterterrorism response.

Spent nuclear fuel from ANSTO’s reactors is sent overseas under contractual arrangements for reprocessing to convert it into an intermediate-level waste form suitable for long-term storage and eventual disposal in Australia. Australian spent fuel may be combined with spent nuclear fuel from other sources and processed in bulk campaigns. Accordingly, the bill clarifies ANSTO’s authority to condition, manage and store the material returned to Australia as a result of the contractual arrangements entered into for this purpose. The bill allows ANSTO to manage radioactive material at the ANSTO Lucas Heights premises, or elsewhere.

There has been some discussion on this bill. The matter came before the Senate Employment, Workplace Relations and Education Legislation Committee, to which the Federation of Australian Scientific and Technological Societies, FASTS, submitted that, although they agreed with the basis of the bill, they felt there were two additional issues the committee should consider with a view to possible amendments: firstly, to clarify that ANSTO may also condition, manage and store radioactive materials and waste for state and territory organisations and other licensed entities, including private firms; and, secondly, that services provided by ANSTO to the Commonwealth, states and territories and their entities, law enforcement agencies and disaster or emergency services should be on the basis of full cost recovery.

One of the reasons governments invest in public sector research is to build and sustain high-level scientific capacities and capabilities as a form of insurance against risk and uncertainty. It therefore follows that an important policy principle of publicly funded science should be that the knowledge and expertise of organisations such as ANSTO is not unnecessarily constrained and is available to serve the public good.

Permitting non-Commonwealth entities to access ANSTO’s expertise and facilities on the same basis as Commonwealth agencies not only is a rational use of Australia’s pre-eminent nuclear and radioactive materials agency but also ensures there will be no technical and scientific impediments should some or all of the states and territories seek to enter into arrangements with the Commonwealth to consolidate all radioactive waste in the one facility.

FASTS also suggests it is appropriate that ANSTO should provide its expertise and facilities to the Commonwealth, states and territories and their agencies on a full cost recovery basis. This means ANSTO will not be financially penalised through broadening its functions. It is reasonable that governments and their agencies can access the expertise and facilities of a publicly funded agency without a commercial premium being charged above costs. What arrangements ANSTO makes with private firms in such circumstances is a commercial matter for the ANSTO board and management, and there is no need to specify that in this legislation. These suggestions to the Senate committee were clarified in the press recently. Professor
Snow Barlow put it very succinctly in an article in the Canberra Times. He stated:

Much of the political debate has focused on site selection for storing radioactive waste. But storage is only one part of the equation. Australia must aim for safe and efficient disposal.

Quite so. He argues:

The key object of safe disposal is to sufficiently dilute radioactive materials so that its radioactivity is comparable to naturally occurring background radiation. In the case of long-lived radioactive waste (materials with a half-life of more than 30 years), radioactive waste needs proper shielding from the biosphere in a geologically stable site.

Australia has the relevant scientific and engineering expertise to design, build and manage disposal of such waste.

At the moment, the amount of waste generated under the state and territory licences is small. This waste is currently stored in over 100 locations around the country in metropolitan and regional sites. Professor Barlow said:

Dispersed storage of radioactive waste is not a viable long-term strategy and is potentially hazardous, inefficient and impossible to be completely secure. That is why the States and Territories must demonstrate political leadership and join the Commonwealth to ensure the proposed site is a comprehensive national facility that is state of the art in terms of environmental safety, efficiency and security.

The next debate will be that Australia needs to adopt a similarly responsible attitude to waste generated from our export of uranium. If we are to seriously ramp up our participation in the nuclear industry then the option of being a full service provider must be considered, including accepting the waste as a part of the deal.

The Australian Nuclear Science and Technology Organisation is Australia’s national nuclear research and development organisation and the centre of Australia’s nuclear expertise, and it is very capable of being the adviser and manager of things nuclear. With a salaried staff of approximately 860, ANSTO is responsible for delivering specialised advice, scientific services and products to government, industry, academia and other research organisations. It does so through the development of new knowledge, delivery of quality services and support for business opportunities.

ANSTO’s nuclear infrastructure includes the research reactor, HIFAR, the high-flux Australian reactor; particle accelerators; radiopharmaceutical production facilities; and a range of other unique research facilities. HIFAR is Australia’s only nuclear reactor. It is used to produce radioactive products for use in medicine and industry, as a source of neutron beams for scientific research and to irradiate silicon for semiconductor applications. A replacement for HIFAR, OPAL—the open pool Australian light-water reactor—is in its final stages of construction. ANSTO also operates the Australian medical cyclotron, an accelerator facility used to produce certain short-lived radioisotopes for nuclear medicine procedures. It is located in the grounds of the Royal Prince Alfred Hospital in Camperdown. ANSTO also manages Australian synchrotron facilities at a number of overseas locations.

ANSTO also undertakes research in its own right. ANSTO has for many years been involved in studies of radioactivity in coastal and marine environments. These investigations focus on applied and strategic research on in situ oceanographic processes relating to the biogeochemical cycling of radionuclides and stable trace elements. Nuclear tracer and dating techniques are combined with advanced analytical facilities and oceanographic expertise to provide a unique perspective on the pathways of natural and contaminant material entering the world’s oceans. There are many projects involved in
They have included local investigations on the fate and behaviour of contaminant discharges in Sydney coastal water, studies of climate-induced changes in beach morphology and offshore sediment movements in the New South Wales coastal zone and assessing the contribution of large tropical rivers to the global flux of terrestrial material to the oceans through participation in the international Tropical River-Ocean Processes in Coastal Settings Project. Projects have also included defining the role of plankton—which is, microscopic marine plants and animals—in controlling the natural distribution and dispersion of radionuclides and trace elements in the marine environment, assessment of the radiological situation at Mururoa and Fangataufa atolls following the nuclear testing in French Polynesia, and coordinating International Atomic Energy Agency, United Nations Development Program and AusAID projects sponsored by a regional cooperative agreement.

So we are dealing with an organisation which could be at the forefront of research and environmental monitoring, and it is important that its expertise is available to both state and federal governments. I believe that we have an opportunity here to expand the debate on the value of nuclear technology while having in place a tool to ensure the safety and prudence of current operations. We will be supporting the bill.
waste in the possession or control of any Commonwealth entity—this includes material designated to be stored at the proposed Commonwealth radioactive waste management facility in the Northern Territory; and, thirdly, deal with the reprocessed spent fuel waste that is due to return to Australia from France and Scotland for storage and/or disposal. ANSTO is already able to receive its own reprocessed waste from overseas. However, under ANSTO’s contractual arrangements, Australian spent fuel may be combined with spent nuclear fuel from other sources and processed in bulk. Thus, technically, returned waste may not be the product of ANSTO reactor fuel exclusively, although it will be of an equivalent quantity.

One of the most disturbing aspects of this proposal is the extension of immunity to contractors in order to limit potential legal action by the Northern Territory government in relation to the siting and operation of a waste dump in the Northern Territory. The extension of immunity would ensure that nuclear waste handled by contractors is considered to be Commonwealth waste under the ANSTO Act.

Whilst not spelt out either in the explanatory memorandum or in the minister’s own speeches, this bill is an attempt to prevent any capacity which may exist for legal challenge to a nuclear waste dump, by removing the possibility of challenging ANSTO’s authority to manage waste generated from non-ANSTO sources. This should be seen as part of the government’s wider agenda to extend and expand nuclear power, which the Prime Minister has occasionally flagged when needing a convenient distraction, I would contend, from his party’s latest troubles. The government refuses to provide any details of its plans for future nuclear power stations and waste dumps in Australia, as to do so would court embarrassing questions in coalition marginal seats. The Australian people will condemn this government for its undemocratic imposition of a nuclear waste dump on the Northern Territory, and Labor will be moving amendments to remove contractor immunity.

As a consequence of this bill, all Commonwealth radioactive waste from across Australia could be taken to Lucas Heights for processing. Lucas Heights already holds a significant quantity of nuclear waste generated by ANSTO, but as it is currently limited to handling only its own waste, this would potentially involve much larger quantities being transported to and held at Lucas Heights. One wonders how the member for Hughes will attempt to justify to the people in her electorate a massive increase in nuclear material resting beside their suburban houses. Labor will be seeking ministerial assurances that Lucas Heights will not become a de facto national waste dump as a result of the provisions of this bill.

It is important to note that this bill is not without its merits. It will bring Australia into line with standards set out in the United Nations Convention for the Suppression of Acts of Nuclear Terrorism. Australia has not yet ratified the convention, but these changes are a positive step for the country towards ratification. It gives ANSTO, as an expert agency, the power to assist state and federal authorities in the event of a terrorist attack involving radioactive materials.

ANSTO’s involvement in emergency situations of the sorts that have now occurred across the Western world was not envisaged during the drafting and amendment of the original ANSTO Act. Given ANSTO’s nuclear research and management expertise, it is appropriate that law enforcement, emergency and disaster agencies should be able to access ANSTO’s capabilities and facilities, including during terrorist events using radioactive materials. It is a benefit to the com-
munity’s peace of mind that nuclear science and research experts will be able to be involved in national security management and will be able to lend their expertise to the management of nuclear waste in Australia.

The opposition strongly supports the provisions relating to ANSTO’s role in dealing with nuclear terrorism incidents, including controlling and storing radioactive material which may be involved in a dirty bomb. Labor also supports appropriate actions that bring Australia into line with standards set out in the United Nations Convention for the Suppression of Acts of Nuclear Terrorism.

Of course the extension of ANSTO’s involvement, as the Commonwealth’s primary agency in nuclear waste and security management, is a positive development. Government investment in public sector nuclear research is premised on building and sustaining scientific capabilities and expert management of nuclear materials. The knowledge and expertise of ANSTO should not be limited to its own activities and materials. But Labor condemns the government’s authoritarian attempt to force a waste dump on the Northern Territory. This government cannot even gain community consent to establish a low- or intermediate-level nuclear waste dump, let alone the high-level facility that would be needed should Australia ever establish nuclear power—a possibility squarely in the Prime Minister’s mind, judging by his recent public statements.

There are some positive dimensions to this bill, but there are some alarming concerns for the opposition, and I think for the community, particularly in the Northern Territory. Therefore, the government should reconsider the bill and provide protection to those who may be adversely affected by the consequences of this bill. The government should be open and transparent about the way in which it chooses to make decisions that involve nuclear waste.

Ms HALL (Shortland) (11.00 am)—The Australian Nuclear Science and Technology Organisation Amendment Bill 2006 allows the Australian Nuclear Science and Technology Organisation, ANSTO, to handle, manage or store radioactive material from a broad range of sources and circumstances. That range will be extended by this legislation. It will be much broader than currently is allowed under the Australian Nuclear Science and Technology Organisation Act 1987. The bill extends ANSTO’s power in three broad circumstances. The bill enables ANSTO, when it is requested to do so by a Commonwealth, state or territory law enforcement or emergency response agency, to deal with radioactive material and waste arising from incidents including terrorism or criminal acts, and it brings Australia in line with standards set out in the United Nations Convention for the Suppression of Acts of Nuclear Terrorism. I believe that is a very important point, and it is one that we on this side of the House support.

The bill also enables ANSTO to participate in the management of radioactive material and waste that is in the possession or control of any Commonwealth entity. This includes material designated to be stored at the proposed Commonwealth radioactive waste management facility in the Northern Territory. I will spend some time discussing that issue further into my speech. The bill also enables ANSTO to deal with reprocessed spent fuel waste that is currently due to return to Australia from France and Scotland for storage and disposal. The majority of Australia’s medium-term nuclear waste is currently being stored in France. This legislation deals with the long-term storage of that waste and our obligation to accept back waste from France and store it here in Australia.
The bill also reinforces ANSTO’s ability to operate the Commonwealth nuclear waste dump, should the Commonwealth decide to transfer overall responsibility to ANSTO, and it ensures that nuclear waste handled by contractors is considered to be Commonwealth under the ANSTO Act. Currently there is some ambiguity around this—or at least the government feels there is some ambiguity—and this legislation seeks to deal with that ambiguity.

The key issues in this legislation relate to ANSTO’s power to assist state and federal authorities in the event of a terrorist attack involving radioactive material. ANSTO’s involvement in emergency situations such as dirty bombs was not envisaged during the drafting and amendment of the ANSTO Act. Things have moved on and, as members of this House are aware, issues surrounding terrorism are changing each and every day. The legislation in its current form limits the initial assistance that ANSTO could provide in an emergency to little more than the provision of advice. To my way of thinking, it is imperative that the organisation that has the expertise should take a much more active role than just providing advice. At the moment ANSTO cannot take possession of nuclear material in the event of an incident. This bill brings Australia in line with the standards set out in the United Nations Convention for the Suppression of Acts of Nuclear Terrorism. It is my understanding that at the moment Australia is not a signatory to that convention. These changes will enable us to be a signatory to that convention. I hope that is the way the government will consider going.

The bill clarifies ANSTO’s role in assisting in the management of nuclear waste in Australia by lending its expertise to general waste management. Earlier this year I visited ANSTO and was very impressed with the expertise and dedication of the people who work there. It is a facility that, as a nation, we can be very proud of. It is at the leading edge of research worldwide. I, like previous speakers on this side of the House, have some serious concerns relating to the transportation and storage of waste at the proposed facility, but I shall deal with those concerns later in my contribution to this debate. ANSTO and its contractors can now be treated as part of the Commonwealth in relation to nuclear management. The Commonwealth’s liability for ANSTO and its contractors’ actions is very important. The bill clarifies that ANSTO and its contractors have the same immunities as the Commonwealth in relation to nuclear waste dumps. The Commonwealth believes that this provision will limit potential legal challengers from the Northern Territory.

Late last year I spoke on the Commonwealth Radioactive Waste Management Bill 2005, which related to the establishment of a nuclear waste dump in the Northern Territory. At that time, I expressed my serious concerns about the establishment of that dump as well as the decision-making process to set up the dump in the Territory. This was a very good example of an arrogant government drunk with power, because it failed to consult with the community in a way governments should be expected to consult. Instead, the government rode roughshod over the communities of the Northern Territory and introduced legislation that overrode Northern Territory legislation and Commonwealth legislation which dealt with the storage of nuclear waste. That issue needed to be considered very seriously.

I was quite confused, and I still am, as to how the government could change its position in a very short time. In July 2004 the Prime Minister, who was anxious about the result of the impending election, announced that he would cease pursuing a national waste dump near Woomera, in South Austra-
The then minister gave an indication that the Commonwealth would prioritise an offshore site for nuclear waste. In the election campaign, the Minister for the Environment and Heritage, Senator Ian Campbell, ruled out the Northern Territory as a dump site. His very words were: ‘The Commonwealth is not pursuing any option anywhere on the mainland.’ I find it most surprising that now the government has approved this waste dump in the Northern Territory without proper consultation.

I suspect even the member for Solomon was surprised when it eventuated, even though he did speak in the debate and seemed to support the legislation. Earlier in 2005 he said:

There’s not going to be a national nuclear waste dump in the Northern Territory ... That was the commitment undertaken in the lead-up to the federal election and I haven’t heard anything apart from that view expressed since the election.

It seems like he was left out of the loop. The Northern Territory News picked up on the fact that the member for Solomon said one thing earlier in the year and then later supported the legislation here in the parliament.

The Chief Minister of the Northern Territory acknowledged at the time that there needed to be an Australian waste management storage facility—that is our obligation as a nation—but she could not come to terms with the fact that the federal government was riding roughshod over the Territory and not going through the normal course of approvals and regulatory controls; in other words, it was bypassing the Northern Territory. It was presented to the Northern Territory government as a fait accompli.

This is a very worrying indication of where this government is heading on nuclear energy and the storage of nuclear waste. This government does not feel that it needs to consult the Australian people. The government is drunk with power. When we hear the response from the minister, it will confirm my thoughts. Although there are elements to this bill that Labor supports, I support the issues reflected in the amendment moved by the member for Jagajaga.

This legislation relates to the management of waste by ANSTO in an emergency. The New South Wales Emergency Management Committee previously sought advice from ANSTO on the storage and disposal of radioactive material which, in the event of an emergency—for example, an act of malice—the committee may be required to deal with. ANSTO’s involvement in emergency situations such as dirty bombs is not envisaged but, given ANSTO’s background in nuclear research and its management expertise, it is appropriate that law enforcement agencies and emergency and disaster agencies be able to access ANSTO’s capabilities and facilities, including during incidents of terrorism involving the use of radioactive materials—something I am sure every member of this House hopes will never eventuate. In its current form, the ANSTO Act limits initial assistance.

ANSTO is currently constrained to the management of its own waste, as well as that from other sources, such as Defence or the CSIRO. ANSTO is licensed to operate a store for research on spent reactor fuel prior to it being sent overseas for reprocessing. One of the consequences of this bill will be much larger quantities of waste being transported to Lucas Heights for conditioning and being held there during the processing, before eventual storage at waste dumps. I am sure that that will lead to enormous community concern. Over the years, the community surrounding Lucas Heights has expressed time and again its concerns about the facility. The fact that there could in the future be more waste being transported to and stored at
Lucas Heights is something that the community will be concerned about and something that I as a member of this House am concerned about.

It is interesting to note that Lucas Heights has been identified as a possible target by terrorists. Willie Brigitte was allegedly planning to undertake some sort of terrorist attack with Lucas Heights as the target. That is important to remember. As a parliament, we need to be very mindful of the dangers associated with the nuclear industry. One thing in particular that concerns me is that it only takes three to four kilograms of plutonium to create a nuclear weapon. That is not very much. I believe that currently there is something like 250,000 kilograms of civil plutonium worldwide. That is enough to produce 60,000 nuclear weapons.

This government seems committed to promoting the nuclear industry. The member for Tangney has spoken in this debate, and I know that he is an advocate of and a mouthpiece for the nuclear industry. He is promoting the building of nuclear reactors throughout Australia, something that I am very opposed to. I certainly do not want to see a nuclear reactor situated in the Shortland electorate. Maybe Nora Heads, which is one of the most beautiful areas of the Central Coast, might be an area thought appropriate for a nuclear reactor. This is something that members on the other side of the House have not thought through.

They have made a commitment to a nuclear industry—sorry, I should say that they are holding an inquiry into whether or not we make that commitment. Ziggy Switkowski, who was the chair of ANSTO and who is somebody very committed to the development of the nuclear industry, is chairing that inquiry. That is very much an example of how the Howard government approach all issues: they put in place a person to chair the inquiry who is going to deliver them the result. That is what Ziggy Switkowski is: the person who has been put in control of that committee and who will head up that inquiry because he is going to deliver to the minister and the Prime Minister the results that they want.

The nuclear industry has problems associated with it—for example, the problem of waste. The Howard government has solved that by riding roughshod over the Northern Territory and establishing a waste dump there without proper consultation. It has many other problems associated with it. The main problems, though, are issues surrounding waste. Until those issues can be resolved in a long-term way, I do not think that as a nation we can embrace the further expansion of the nuclear industry. I am fully supportive of the work that ANSTO carries out in the area of medical research, but we should not go down the path of nuclear power and further expand our activities in that area. I do not believe that we can be certain that the proper safeguards will be in place or that the communities that we in this parliament represent will be safe.

Ms JULIE BISHOP (Curtin—Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues) (11.20 am)—The Australian Nuclear Science and Technology Organisation Amendment Bill 2006 makes important changes to the Australian Nuclear Science and Technology Organisation Act to allow ANSTO to fulfil one of its statutory functions—namely, the provision of services in connection with the conditioning and management of radioactive materials and radioactive waste. I thank the speakers for their contribution to this debate and I acknowledge the fact that the opposition is supporting this bill. However, I will take this opportunity to clarify some of the more misleading comments that have been made, as
evidenced by the opportunistic and blatantly false assertions contained in the proposed amendments.

The Australian government has no intention of establishing a long-term storage facility at Lucas Heights for non-ANSTO waste. In July 2005, the government made clear its intentions in relation to radioactive waste management when three potential sites in the Northern Territory were nominated for the Commonwealth radioactive waste management facility. Any Australian government waste conditioned at Lucas Heights will be subsequently transferred to the facility in the Northern Territory.

Concerns were raised regarding the impact on the local community of managing additional waste at Lucas Heights. The volume of radioactive waste held by other Australian government agencies—excluding CSIRO soil currently at Woomera, which is unlikely to require conditioning at Lucas Heights—is less than 25 per cent of the ANSTO waste already held at Lucas Heights. Compared with the average activity levels of all radioactive materials managed at Lucas Heights, the activity of other government agencies’ waste is dwarfed of the order of 14,000 times. I can put it another way: the activity of other agencies’ waste is about seven-thousandths of one per cent of radioactive materials at the Lucas Heights site.

A point worth noting about transporting other agencies’ waste to Lucas Heights is that ANSTO safely and securely transports on a daily basis radioisotopes from Lucas Heights to hospitals and medical facilities. These daily shipments have the order of twice the total radioactivity of all other agencies’ existing waste inventory combined.

The government remains fully committed to establishing a radioactive waste management facility in the Northern Territory, as evidenced by the introduction and subsequent passage through this parliament of the Commonwealth Radioactive Waste Management Act 2005. Because of the very real concerns about politically motivated obstruction of the Commonwealth’s activities and the need to progress this important project, the Aboriginal and Torres Strait Islander Heritage Protection Act 1984 and the Environment Protection and Biodiversity Conservation Act 1999 will not apply to the site investigation phase of the project. Let us be clear about this: the three sites in the Northern Territory are existing Commonwealth properties that have been owned for 20 or 30 years with no environmental or heritage issues previously being raised. Two of the sites already have extensive Defence infrastructure.

The claims of the opposition that the Australian government would seek to circumvent proper Commonwealth regulatory scrutiny are simply nonsense. The Commonwealth Radioactive Waste Management Act explicitly provides that the government must comply with processes under the Environment Protection and Biodiversity Conservation Act 1999, the Australian Radiation Protection and Nuclear Safety Act 1998 and the Nuclear Non-Proliferation (Safeguards) Act 1987.

This government’s definitive steps towards establishing radioactive waste management facilities stand in contrast to the opportunistic comments made by the Leader of the Opposition during his recent visit to the Northern Territory. In promising to repeal the Commonwealth Radioactive Waste Management Act, the Leader of the Opposition neglected to address a most important issue: what would a Labor government do with Australia’s radioactive waste? Where would it intend to store ANSTO’s spent fuel reprocessing waste if a facility were not established in a timely manner? This highlights Labor’s total hypocrisy on this issue. Of the opposi-
tion speakers who have sought by virtue of their support of this amendment to condemn the government for the legislation enabling the Commonwealth to use existing Commonwealth land for radioactive waste management, not one has offered any alternative proposal. But then the opposition turns around and calls for a consensus approach to siting waste facilities.

We have seen how shallow the opposition’s commitment to a consensus approach is. When the member for Solomon introduced amendments to the Commonwealth Radioactive Waste Management Bill allowing nominations of volunteer sites, the member for Jagajaga stood up in this House and said:

... the member for Solomon’s amendment is, frankly, completely meaningless.

The member for Lingiari said:
It has no impact and is just a cute political stunt ...

The opposition says it wants a consensus approach but, when given the opportunity to support exactly such an approach, all it could do was seek to denigrate the member for Solomon. Quite frankly, Labor has offered nothing in this debate to suggest an alternative approach to the provisions of the Commonwealth Radioactive Waste Management Act.

This bill will allow ANSTO to have some involvement in the Commonwealth radioactive waste management facility. ANSTO is the Australian Nuclear Science and Technology Organisation. It has the practical, day-to-day experience in managing and handling radioactive materials and waste. It has both the infrastructure and the qualified personnel capable of managing radioactive waste. If ANSTO is not permitted to condition and package waste destined for the Commonwealth radioactive waste management facility, we will be required to duplicate at another location the existing waste management facilities at Lucas Heights.

These government amendments have another important purpose. The existing ANSTO Act unnecessarily restricts the functions of ANSTO by requiring a regulation to be made each and every time ANSTO is requested to provide waste management services. While I sincerely hope that a radiological incident never occurs in Australia, if it were to, I doubt that the responding emergency services would find it expedient to have to contact the Governor-General to find out if the Governor-General is willing to allow ANSTO to assist. Passage of this bill will allow ANSTO to provide its expertise to law enforcement and emergency service organisations in the unfortunate event that such assistance is ever required.

In conclusion, protection of the health and safety of people and the environment should be a higher priority for the opposition than scaremongering about the sensible, safe and rational approach taken by the government to the management of radioactive materials and waste in this country. I commend the bill to the House.

Question put:
That the words proposed to be omitted (Ms Macklin’s amendment) stand part of the question.

The House divided. [11.32 am]

(The Deputy Speaker—Hon. BK Bishop)

Ayes............ 80
Noes............ 55
Majority........ 25

AYES
Abbott, A.J. Andrews, K.J.
Bailey, F.E. Baird, B.G.
Baker, M. Baldwin, R.C.
Barresi, P.A. Bartlett, K.J.
Billson, B.F. Bishop, J.I.
Broadbent, R. Brough, M.T.
Cadman, A.G. Causley, I.R.
Thursday, 7 September 2006

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Chamber

Ciobo, S.M. Cobb, J.K.
Downer, A.J.G. Draper, P.
Farmer, P.F. Forrest, J.A.
Ferguson, M.D. Georgiou, P.
Gambaro, T. Hardgrave, G.D.
Haase, B.W. Henry, S.
Hartsuyker, L. Hunt, G.A.
Hockey, J.B. Hull, K.E. *
Hunt, G.A. Jull, D.F.
Johnson, M.A. Kelly, D.M.
Keenan, M. Laming, A.
Kelly, J.M. Lindsay, P.J.
Ley, S.P. Macfarlane, I.E.
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Prosser, G.D. Richardson, K.
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Schultz, A. Slipper, P.N.
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Tollner, D.W. Vasta, R.
Turnbull, M. Washer, M.J.
Vale, D.S. Wood, J.
Wakelin, B.H.
Windsor, A.H.C.

NOES

Adams, D.G.H. Albanese, A.N.
Andren, P.J. Beazley, K.C.
Bevis, A.R. Bird, S.
Bowen, C. Burke, A.E.
Burke, A.S. Byrne, A.M.
Corcoran, A.K. Danby, M. *
Edwards, G.J. Elliot, J.
Ellis, A.L. Ellis, K.
Emerson, C.A. Ferguson, L.D.T.
Ferguson, M.J. Fitzgibbon, J.A.
Garrett, P. Georganas, S.
George, J. Gibbons, S.W.
Gillard, J.E. Grierson, S.J.
Hall, J.G. * Hatton, M.J.
Hayes, C.P. Hoare, K.J.
Irwin, J. Jenkins, H.A.
Kerr, D.J.C. King, C.F.
Lawrence, C.M. Livermore, K.F.
Macklin, J.L. McClelland, R.B.
McMullan, R.F. Melham, D.
Murphy, J.P. O’Connor, B.P.
O’Connor, G.M. Owens, J.
Plibersek, T. Price, L.R.S.
Quick, H.V. Ripoll, B.F.
Roxon, N.L. Sawford, R.W.
Snowdon, W.E. Tanner, L.
Thomson, K.J. Vamvakinou, M.
Wilkie, K.

* denotes teller

Question agreed to.

Original question agreed to.

Bill read a second time.

Third Reading

Ms JULIE BISHOP (Curtin—Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues) (11.39 am)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

CONDOLENCES: HON. DONALD LESLIE CHIPP AO

Report from Main Committee

Order of the day returned from Main Committee for further consideration; certified copy presented.

Ordered that the order of the day be considered immediately.

The DEPUTY SPEAKER (Hon. BK Bishop)—The question is that the motion be agreed to.

Question agreed to, honourable members standing in their places.

MARITIME TRANSPORT AND OFFSHORE FACILITIES SECURITY AMENDMENT (MARITIME SECURITY GUARDS AND OTHER MEASURES) BILL 2005

Debate resumed from 11 May.

CHAMBER
Second Reading

Mrs DE-ANNE KELLY (Dawson—Parliamentary Secretary (Trade) (11.41 am)—I present the explanatory memorandum to this bill and move:

That this bill be now read a second time.


The bill will strengthen Australia’s maritime security by enhancing the capacity of ports and other maritime industry participants to deter and deal with unauthorised incursions into maritime security zones. Under the act maritime security zones are established in security regulated ports or on board security regulated ships to prevent unauthorised access to areas requiring additional security measures. Maritime industry participants are required to monitor and control access to these zones, and strict liability offences apply under the Maritime Transport Security Regulations 2003 (the regulations) to persons entering without authorisation.

Maritime security guards are deployed by maritime industry participants as part of their preventive security arrangements. In the course of his or her duties, a maritime security guard might detect a person who has entered a maritime security zone unlawfully. Under the act, guards have the power to restrain an unauthorised person and detain the person until a law enforcement officer—usually a state or territory police officer—arrives. However, maritime security guards do not have the power to request identification from the person, ask the person why he or she is in the zone, or request that the person move on if it has been established that the person has breached the provisions concerning access to zones. Nor do maritime security guards have the power to remove occupied or unoccupied vehicles or vessels found without authorisation in zones. In these circumstances, they would have to call the police to arrange removal. This is not always a quick and convenient solution to effect the removal of a potential threat from a maritime security zone.

Following a comprehensive review of Australia’s maritime security policy settings conducted by the Secretaries Committee on National Security in 2005, the Australian government decided to enhance the powers of maritime security guards under the act through provision of limited move-on powers. These new powers are contained in schedule 1 of the bill, as well as some powers incidental to the implementation of the move-on powers.

Under the new powers a maritime security guard may request that a person found within a maritime security zone provide identification and reason for being in the zone. When confronting the person the guard will be required to identify himself or herself, advise the person of his or her authority to request information, and tell the person that non-compliance is an offence under the act. These safeguards are intended to provide a balance between the coercive nature of the move-on powers and the rights of the individual.

If a maritime security guard has established that a person is in the zone without authority, then the guard can request that the person leave the zone. The previously mentioned safeguards apply in these circumstances as well. If a person fails to comply, the maritime security guard may remove the person from the zone, but may not in the process use greater force, or subject the person to greater indignity, than is necessary.

Schedule 1 provides that a maritime security guard may remove, or cause to be removed, a vehicle or vessel found in a zone...
without authorisation. These provisions apply to occupied or unoccupied vehicles or vessels. There is a statutory obligation not to cause unreasonable damage to the vehicle or vessel being removed, and a requirement to notify the owner of the removal. Expenses incurred for the removal, relocation and storage may be claimed from the owner of the vehicle or vessel.

These powers acknowledge a key difference between airports and ports. Where persons can be prevented from unauthorised access to airports through traditional access control arrangements, such as fences and monitored gates, ports are, by their very nature, open on at least one side—the waterside. Providing maritime security guards with the means to request that waterside intruders move on or else face removal and potential fines for noncompliance will address this natural weakness in port security.

It is expected that these new powers will complement the extensive waterside protection arrangements already in place, and enhance their deterrent effect. Of course, they will not eliminate the need for state or territory police forces to respond to an incident or threat when called. But they will provide ports with an immediate response capability, and an ability to promptly deal with nuisance incursions into zones without having to call on police resources.

Schedule 2 of the bill provides for a number of miscellaneous amendments to the act which clarify meaning, including an amendment which provides that a higher security level relevant to specified waters can be given to a regulated Australian ship.

The Maritime Transport and Offshore Facilities Security Amendment (Maritime Security Guards and Other Measures) Bill 2005 will strengthen Australia’s maritime security arrangements, providing for better security for our ports, port facilities and ships against the scourge of international terrorism, and enhancing the protection of both Australia’s maritime transport sector, and the Australian community.

Mr BEVIS (Brisbane) (11.48 am)—In 2003, the Maritime Transport and Offshore Facilities Security Act introduced a maritime security framework for Australian ports, Australian shipping and some aspects of foreign shipping in Australian waters. That security framework was subsequently extended to oil and gas facilities in offshore Australian waters by the Maritime Transport Security Amendment Act 2005. The Maritime Transport and Offshore Facilities Security Amendment (Maritime Security Guards and Other Measures) Bill 2005 amends the 2003 act to increase the statutory powers of maritime security guards. Maritime security guards are required to have a certificate II in security operations or the equivalent training as the appropriate qualification level. The Maritime Transport and Offshore Facilities Security Regulations 2003 required the guard to have ‘a working knowledge of the act and these regulations’.

Section 162 of the act already deals with the prescribed training and qualification requirements for maritime guards. In short, it requires that a maritime security guard must (1) hold at least a certificate II in security operations that is in force or (2) hold a certificate or qualification that is in force and that is equivalent to at least a certificate II in security operations—for example, a certificate II in security guarding—or (3) have undergone training and acquired experience while working as a security guard that is sufficient to satisfy the requirements for obtaining a security guard licence in the state or territory where the person intends to work as a maritime security guard. The person must hold a licence to work as a security guard, being a licence that was issued or recognised by the relevant state or territory and that is
current and in force, and the person must have a working knowledge of the act and these regulations, including knowledge about how to restrain and detain persons in accordance with section 163 of the act.

This bill allows a maritime security guard (1) to request that a person found within a maritime security zone provide identification and reason for being in the zone, (2) to request a person found in a maritime security zone without authorisation to move out of the zone and, if that request is not complied with, to remove the person from the zone and (3) to remove or have removed vehicles and vessels found in maritime security zones without authorisation. This bill further provides that, when confronting a person, the guard will have to identify themselves, advise the person of their authority and advise that noncompliance is an offence. The guard, of course, may not use greater force than is necessary. When removing a vehicle or vessel, a guard also must not cause unreasonable damage and must notify the owners.

These new powers are significant. A number of concerns are held within the industry and on this side of the parliament about whether the training of guards is adequate, having regard to the powers that they will now have conferred on them by and be able to exercise through this bill. These are, in fact, quasi law enforcement officers, with powers to move on and powers to use reasonable force in the circumstances.

To exercise these significant powers they are required to have simply a level II certificate in training. It is worth noting what constitutes a level II certificate. The Australian Standard Classification of Education sets out the criteria for the award system of certification in Australia. It describes certificate I and II in these terms:

Certificate I & II level provides a knowledge and skills base ranging from basic knowledge in a narrow range of areas to basic operational knowledge in a moderate range of areas.

It does not get more basic! Level I and level II qualifications are the most basic form of post compulsory education training. Indeed, entry to level I and level II need not require a year 10 school certificate, although year 10 level or equivalent is a standard point of entry for someone undertaking certificate I or II work. The guidelines in fact say:

Entry to this level is by various pathways which may include the completion of Year 10 or equivalent, or completion of a recognised programme and/or recognition of prior learning.

So we have in this bill quasi-legal powers, law enforcement powers, being afforded to people with minimum levels of training and experience. How long does it take for someone to get a level I or level II certificate? I actually had a look on the internet at a few course providers for level I and level II certificates in security and looked at the courses of the first two that came up under the Google search. One was a one-week course, continuing with one night a week on occupational health and safety matters for a couple of weeks after that first week; the other was a nine-day program. So we are talking about people with a week to two weeks of training to empower them to exercise these powers, including requiring vessels to be moved—not an insignificant matter in maritime safety or, indeed, in the operation of a maritime fleet. Moving vessels can be an expensive and time-consuming business, and the power to determine whether a vessel is going to be moved is afforded to these security guards whose training is, as defined, basic.

Evidence was given to the Senate Rural and Regional Affairs and Transport Legislation Committee expressing concern about this. The Association of Australian Ports and Marine Authorities, in its evidence to the committee, said:
The quality of that training has been queried by some of our members. It is certainly nowhere near the level of that provided to law enforcement officers, yet MSGs—maritime security guards—are expected to carry out the duties set out in the Bill.

I think the Australian ports and marine authorities association’s concerns should be heeded. We should look closely at the operation of this bill in practice. It may well be that this parliament will need to revisit this bill in the not too distant future if the concerns of the Association of Australian Ports and Marine Authorities, along with those of others, prove to have substance.

For all that, we know that improving port security is an important matter. The government, for all of its rhetoric, has been quite slow to act on this. This bill was introduced into the Senate on 23 June 2005—well over a year ago. The Senate’s Rural and Regional Affairs and Transport Legislation Committee reported on this bill in September 2005. Here we are in September 2006 now dealing with it. It has been a long gestation. Now that it is in the parliament, Liberal and National Party members seem to have no interest in it at all. If you look at the speakers list as it stands at the moment, there are three government members listed to speak on this bill—only three. There are 12 Labor Party members listed to speak on this bill.

Labor are fair dinkum about maritime security. We are fair dinkum about homeland security. We are fair dinkum about national security. We think they are important. Part of the problem we have in this debate in Australia at the moment is that the Howard government like to talk the terrorist threat. They divide the Australian community, setting Australian against Australian. They promote extreme laws that Senate committees and even their own backbench will not support. But they fail to implement the necessary sensible safeguards and procedures to protect Australians from the threat of terrorists or organised crime. The government’s mismanagement and incompetence have exposed Australians to a higher level of risk.

Labor have repeatedly lobbied for specialised port police at Australia’s ports. We think the maritime environment does require specialised people who understand that unique environment if we are to properly improve security. It is those concerns that lead me to move the following amendment that is being circulated in my name. I move:

That all words after “That” be omitted with a view to substituting the following words: “whilst not declining to give the bill a second reading, the House condemns the Government for its failure to provide necessary maritime security and protect Australians, including:

1) its careless and widespread use of single and continuing voyage permits for foreign vessels with foreign crew who do not undergo appropriate security checks;

2) permitting foreign flag of convenience ships to carry dangerous goods on coastal shipping routes; and

3) failing to:
   a) ensure ships provide details of crew and cargo 48 hours before arrival;
   b) x-ray or inspect 90 per cent of containers;
   c) establish and properly fund an Australian coastguard; and
   d) establish a Department of Homeland Security to better coordinate security in Australia”.

I spoke just a couple of days ago in the debate on the Maritime Transport and Offshore Facilities Security Amendment (Security Plans and Other Measures) Bill 2006, to which I moved a second reading amendment in similar terms. I raised then the massive security dangers posed by ammonium nitrate being carried by foreign crewed, foreign
flagged vessels around our coastline. That is an important part of this debate as well. In the evidence that was given last year to the Senate committee that looked at this there were some startling admissions made by the government’s own representatives. In answer to questions about the issuing of permits to flag of convenience vessels to ply their trade around the Australian coast, DOTARS, the Department of Transport and Regional Services, advised the Senate:

Our responsibilities are really around the risk profiling of those foreign vessels and dealing with a foreign vessel when it indicates its intention to come to an Australian port. 

... there is not an additional check looking at particular seafarers when considering the approval of a single voyage permit or a coastal permit, because that has in effect already been done when the ship came to Australia.

Let me restate the important part of the evidence DOTARS gave. They said that there is not an additional check looking at particular seafarers when they consider the approval of a single voyage permit—that is, the department does not care about the security background on the crews of foreign ships. Most of them come from flag of convenience nations where there is little or no regulation governing either the quality of the ship or the seafarers. No check is done. Last year, in evidence to the Senate committee, the department of transport said that they did not think that was part of their job before they handed out a permit.

Earlier this week, I commented that the government’s approach to handing out permits to foreign flagged ships, particularly flag of convenience vessels, is like handing out tickets for a Friday night chook raffle—and there is the evidence to prove it. The department told the Senate that they do not think checking the background of foreign seafarers is something they need to bother about. Most countries in the world think it is something they should bother about. Most countries in the world understand that there is a real and growing threat from ships being used for terrorist and illegal activities.

For the benefit of the House and this debate, I should recap some of the points that I made earlier this week about dealing with the threat that this presents. At the moment, the Australian government happily allow foreign crewed vessels to carry thousands of tonnes of ammonium nitrate around our shores without knowing whether or not criminals or terrorists are members of those crews; indeed, no proper security check is done on any of them.

This is not the case for Australian ships and crews. As members of this House should know, Australian seafarers are obliged to undergo quite intrusive security checks. Federal police and ASIO checks are done on all Australian seafarers. The members of the MUA, the people who work on our waterfronts and ships, undergo security checks that we in this parliament do not put ourselves through and that most of our staff do not have to go through, although some ministerial staff might have to. The simple fact is that Australian seafarers must have a maritime security identity card, which they get only after the Federal Police and ASIO have vetted them and found them suitable—but not so for foreign crews. Foreign crews can turn up on ships that we know little about, because they are flag of convenience vessels; the government takes little interest in their background and allows them to carry dangerous and explosive chemicals into our major cities and ports.

There are a number of examples of where that threat has been real. Last year, a flag of convenience vessel, the Pancaldo, carried 3,000 tonnes of ammonium nitrate around the Australian coastline. If 3,000 tonnes of
ammonium nitrate were to explode in a major harbour like those of Geelong or Botany Bay, it would leave a very substantial disaster in such a city. To put that disaster into some perspective, I will describe the only known case where such a large quantity of ammonium nitrate exploded. I say 'such a large quantity' because ammonium nitrate is regularly used by terrorists. The Oklahoma bomber used a very small amount of ammonium nitrate to blow up the building in Oklahoma City.

Just after World War II, a ship was carrying 2,300 tonnes of ammonium nitrate. It was a French vessel called the SS Grandcamp and it was in Texas City. In 1947 it exploded in the harbour. The ammonium nitrate had ignited and the explosion from it was heard 150 miles away. It produced a mushroom cloud that rose to the height of 2,000 feet over Texas City. Locals thought the nuclear holocaust had begun, that there had been a nuclear bomb attack on Texas City, so great was the devastation. The anchor of the Grandcamp, which weighed 1½ tons, was flung two miles from the site. Finally, it was found embedded 10 feet in the ground. That is the only known example of a large quantity of ammonium nitrate exploding on a ship.

We have a problem here: ships carrying more than that amount of ammonium nitrate operate around the Australian coastline on a regular basis. They are not Australian vessels or crewed by Australians. We know little or nothing about the people who crew these vessels; they are from flag of convenience countries that make an industry out of not asking questions of merchant carriers. This should be doubly worrying because it is a widely accepted fact that al-Qaeda either own or have long-term leases on between 15 and 18 vessels. It does not take a lot of imagination to foresee a circumstance in which one of those vessels might be used as a floating bomb. Indeed, I have made a number of comments warning of that threat.

But these things could happen by accident as well. Earlier this year, in Geelong, another vessel, the Pos Auckland—thankfully, not carrying ammonium nitrate but, nevertheless, carrying chemicals that you would not want to see dispersed around the harbour—found itself in a very dangerous situation when one of the crew members stabbed a fellow sailor, threatened to take over the ship and then blow up the ship. On that occasion, thankfully, the authorities were able to disable the individual who had gone berserk. That was not a planned terrorist attack; it was just one of those unfortunate incidents that can occur.

However, it highlights the fact that the security checks do not exist on those foreign seafarers. It highlights the fact that, even without a planned attack, incidents of that kind, which can have devastating effects, can easily unfold. Against that background, we now know from evidence to the Senate committee that the government do not believe that it is their job to check the background of sailors before they hand out permits for those foreign ships to work the Australian coastal route.

My advice to the government is to adopt Labor's policy on this, which is that no dangerous chemicals should be transported in Australian waters unless they are being transported by people who have had a full security check. We already have plenty of those people. They are called Australian seafarers and the Australian maritime industry. The maritime security identity card was established precisely for that purpose. Let us make sure that the security checks done are Australian and are the standard applied when people are transporting dangerous chemicals in and out of our ports, to our major cities and around our coastline.
That failure of the government in dealing with these matters is in itself alarming. Sadly, it is not the only area of concern and not the only point raised in my second reading amendment to the bill. As well as the careless and widespread use of those single voyage permits for foreign crews, most of the containers that arrive in Australia are not scrutinised or checked. The government relies on a system based on intelligence and the information it gets about containers, ships or ports that containers may have come from that present a risk. That has resulted in 90 per cent of containers coming into this country not being X-rayed or checked.

Members of the government may regard that as a satisfactory situation but I am not sure that people listening to this debate would regard it as satisfactory. Knowing that this government, which makes such a big thing about defence and security matters for its own political purposes, is comfortable with 90 per cent of all containers coming to Australia are not opened or X-rayed is something to which I think most Australians would object. It is something that countries around the world are now starting to question. Hong Kong, one of the major trading ports and, I think, the second- or third-busiest port in the world, is now trialling at two of its nine terminals a system in which 100 per cent of containers will be X-rayed. Legislators in the United States are talking about this trial. They are very interested in the approach being adopted at those two terminals in Hong Kong, because they think that is the sort of security they need in the United States at their major ports to make them safe from the threat of terrorist activity coming through their naval ports. Unfortunately, the Howard government time and again have defended their approach, which is that 90 per cent of containers can come to Australia and we will not bother opening them or X-raying them. That is unsatisfactory.

Even when laws have been passed, the government’s incompetence allows unsatisfactory practices to continue. This bill is supported by Labor, and we hope that maritime security guards will improve the situation on our wharves, notwithstanding the concerns I have about their level of training and the desirability of having fully fledged police officers conducting these sorts of activities. Even when the parliament has carried sensible laws, the government still get it wrong. The parliament some time ago approved arrangements in which all vessels coming to Australia are to advise the authorities of their cargo and crew 48 hours before they arrive in port. In answer to a question in the Senate just recently, the government said ‘67 per cent of containers that arrived in Australia between 13 January 2005 and May 2005 complied with that provision’—that is, 67 per cent of vessels provided details of their cargo and crew. That is about two-thirds, which means that one-third of all the ships that came to Australia during that period did not comply with the requirement. What did the government do about that one-third? Absolutely nothing. The ships kept coming and arrived at Australian ports.

In fact, again from the evidence the government gave to the Senate in an answer to a question on notice in May last year, 15 per cent of vessels did not bother telling the authorities in Australia who the crew were or what their cargo was until they actually got into port. It is a bit late after the vessels are in port. If there happen to be people on those vessels with ill-intent or, worse, there are explosives and other harmful devices on those vessels, it is a bit late once they are in Botany Bay or in one of the major ports close to one of our large cities to find out that the cargo is not what it is supposed to be or...
that the crew are not who you thought they were.

In our corner of the world that is an important matter. Few people understand or appreciate that our corner of the world just happens to be one of the worst places on the planet for piracy. The greatest incidence of piracy in the world occurs in the waterways to our immediate north-west—around Indonesia, Malaysia and the Strait of Malacca. On average, two ships a week have reported pirate activities—that is, they were subjected to piracy—in the last year. That understates the real situation, because a number of shipowners do not like to report that their ships have been subjected to piracy. Some think it is not a fantastic advertisement for their operations. So the official figure understates the reality. Not only are two ships a week on average subjected to piracy; last year four ships were hijacked.

So when we talk about requiring ships to give Australian authorities the details of crew and cargo 48 hours before they arrive, it has real meaning. In our corner of the world it is extremely important. The parliament accepted that. The power is there. The government are just too incompetent to administer it. It is all well and good for the government to talk up these questions of security, but it is about time they started to deliver. One of the reasons they are too incompetent to deliver is that they will not swallow their pride and do what everybody in this debate knows should be done: establish an Australian coastguard. If the Labor Party had not said years ago, ‘We think there should be an Australian coastguard,’ I suspect the government would have set one up. But, because the Labor Party has for years advocated the cause of a coastguard, government members think they should not adopt that.

I am quite happy to stand here now and offer that to government members. I suggest to them that they take it up and then we can have a bipartisan view about the establishment of an Australian coastguard. Do it for the benefit of all Australians. Other countries in the world understand this. Other countries in our region understand this. There is a significant list of nations. Whenever the word ‘coastguard’ comes up we think of the United States, but in fact there are many countries in our region that have coastguards—and for good reason.

The government, instead of establishing a coastguard, tries to conduct interdepartmental committees and establishes two-hat organisations where people are responsible to two ministers and two departments. It beefs up Customs, which is not part of the Defence Force, so it has some quasi coastguard role. It tries to beef up Fisheries so that it can do a bit of that as well. The truth is that the government has a patchwork quilt with a few pieces missing—and it has the overlap.

Other countries recognise the problem. Indeed, the international community recognises the problem. The other place in the world that rivals our corner of the world for piracy is off the coast of Africa. The response of the international community there has been to work with the African countries to set up a coastguard for those nations so that they can deal with this threat. It is about time the Australian government swallowed its false pride in these matters and did the same thing.

The other matter that has prevented the government from properly dealing with many of these issues in maritime security is their continuing attitude of dividing responsibility for homeland security across half-a-dozen different ministers. Not every government in the world has a department called the homeland security department. In the UK, they have a Home Secretary, who has traditionally had many of those responsibli-
ties. But it is about time, on this front, as with the coastguard, that the government did what most Australians know should be done and indeed what most commentators in security matters have advocated for some years now—that is, establish one department, with one minister, bringing together the range of responsibilities that make up the web of services to secure our borders and to secure the life of Australians here at home.

Port security is an important aspect of that. This bill will make a minor adjustment, hopefully a positive one. I said earlier that I think the parliament may have to revisit this in the not too distant future, because I remain somewhat concerned that the tasks that are now being provided to maritime security guards to perform do require a little bit more training than a week. But the government is going to persist with that, and we are willing to work along with the government and industry to see how that unfolds in the hope that it does improve the situation.

But, like some of the main players in the maritime industry, we have our doubts about whether or not that will work. We think that there needs to be a specialised police service for the maritime environment, as is now being put in place for the airport environment. It took this government four years after the September 11 disaster and the report of Sir John Wheeler before it accepted the need for properly coordinated airport security officers—Federal Police. I hope it will not take a disaster or any greater length of time for the government to understand the need for the same sort of service in our maritime environment. We will support the bill, although the concerns I have raised in my speech in the second reading debate are significant—they are important. We will continue to press this government to try and fix those loopholes rather than just playing with words as it has wont to do for so long in this area.

The DEPUTY SPEAKER (Hon. BK Bishop)—Is the amendment moved by the honourable member for Brisbane seconded?

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

Debate interrupted.

PRIVILEGE

Mr Lindsay (Herbert) (12.18 pm)—Madam Deputy Speaker, I seek the chair’s indulgence to raise a matter of privilege.

The DEPUTY SPEAKER (Hon. BK Bishop)—Indulgence is granted.

Mr Lindsay—Thank you. Madam Deputy Speaker, this morning the state member for Townsville has, I believe, sought to interfere with the free performance by me of my parliamentary duties. Mr Reynolds has tried to intimidate me into not communicating with my electorate. Such an action is a breach of privilege and a contempt of this parliament. I am seeking enforcement of the full sanctions of the parliament in the matter of privilege and contempt. I will provide the Speaker with the evidence that I have, and I will request that this be referred to the Privileges Committee.

The DEPUTY SPEAKER (Hon. BK Bishop) (12.19 pm)—I thank the honourable member for Herbert. Such a serious matter having been brought to the chair’s attention, I will advise the Speaker of what the member has advised the House, in order that the Speaker may look at the matter.

Mr Lindsay—I thank the Deputy Speaker.

Mr Bevis—Madam Deputy Speaker, I raise a point of order. I do recognise the gravity of the matter as raised by the member for Herbert, but I thought the normal practice was that, in raising the matter in this chamber, the member would set out the circumstances that give rise to the privilege issue. As I heard the member for Herbert, he said
he was going to write to the Speaker. Would it not be the normal practice for the matter to be raised on the floor?

The DEPUTY SPEAKER—I thank the member for Brisbane for his point of order and ask him to resume his seat. In fact, when a member sees that there is a breach of privilege that they feel they are subject to, the member can bring it to the attention of the House as soon as that is practicable. This was as soon as practicable, and the procedure is now that the member supplies the correct information to the Speaker for his consideration as to whether or not it will be referred to the Privileges Committee. So I rule that your point of order is out of order.

**MARITIME TRANSPORT AND OFFSHORE FACILITIES SECURITY AMENDMENT (MARITIME SECURITY GUARDS AND OTHER MEASURES) BILL 2005**

Debate resumed.

Mr WOOD (La Trobe) (12.20 pm)—Today I stand in support of the Maritime Transport and Offshore Facilities Security Amendment (Maritime Security Guards and Other Measures) Bill 2005. Before I start, I would just like to touch on a couple of points raised by the member for Brisbane. One is that I respectfully share his concerns about foreign ships. We need to ensure that we have everything done to ensure that those who enter our waters are properly checked. However, he did raise the point that this government has done very little for security. The sad reality is that, if we had a Labor federal government, we would just have to look at what they have done at the state level with regard to security.

We have the absolutely ridiculous situation that across this country people can purchase or get hold of explosives licences using false identification. This is in the realms and control of the state governments. That needs to be urgently changed. At the same time, there is no national database. Where a person purchases explosives in one state and moves to another state and the police check that person again, they have no ability to find out whether that person actually had a licence to possess explosives. The same goes for chemicals, and we have heard about ammonium nitrate fertiliser.

This bill is intended to enhance maritime transport security while benefiting the Australian economy and reinforcing Australia’s international obligations. Its provisions are consistent with this government’s policy of awareness of the very real possibility of a terrorist attack. Although the Australian people have fortunately not seen a terror attack on home soil, they have nonetheless suffered at the hands of terrorism.

Ten Australians were killed in the attacks on 11 September 2001 and numerous others were injured. Of the 202 killed in the tragic Bali bombings in October 2002, 88 were Australians. The London bombings have not left Australians unscathed. Twenty-eight-year-old Australian citizen Sam Ly was a victim of one of the bus bombings, and in recent times we have seen more arrests in London.

On 9 September 2004, a car bomb exploded outside Australia’s embassy in Indonesia’s capital, Jakarta. Though no Australians were among the 10 killed in the explosion, the attack has been seen as a threat directed towards Australia. The suffering and fear engendered by terrorism is repugnant to this government and, I am sure, to all members in this House. We will not tolerate these attempts to terrorise the Australian people.

Terror knows no bounds. We have seen attacks on land and from the air. But terrorists have also attacked at sea. On 12 October 2002, as the US navy destroyer Cole docked
briefly to refuel, a small boat approached. It was laden with explosives. The suicide terrorist attack killed 17 members of the ship’s crew, wounded 39 others and seriously damaged the ship.

In 21st-century Australia, international terrorism on the land, in the air and on the sea is a reality we are forced to confront. In recognition of the fact, the International Maritime Organisation established the International Ship and Port Facility Security Code in December 2002. The ISPS code is an addition to the International Convention for the Safety of Life at Sea of 1974, to which Australia is a party. The code creates an international framework for detecting and assessing security threats to ships and port facilities and for taking preventative measures against them. It creates international cooperation on the maritime front.

In Australia, the requirements of the ISPS code have been implemented through the Maritime Transport Security Act 2003, recently amended and now called the Maritime Transport and Offshore Facilities Security Act 2003. Today’s bill amends that act. The act establishes maritime security zones, which are zones in ports and on ships that require additional security measures. The zones enable maritime security guards to monitor and control access to security regulated ports and ships and prevent unauthorised access to those areas. The act also provides for three maritime security levels and heightened levels in times of higher security risk.

From July this year, people requiring unmonitored access to maritime security zones must display a maritime security identification card when within maritime security zones. The card is nationally consistent and confirms that the holder has met the minimum background checking requirements to work in a maritime and/or offshore security zone.

At present, the 2003 act provides maritime security guards with the power to restrain an unauthorised person and to detain them until a law enforcement officer arrives. However, maritime security guards are prevented from requesting identification from a person within a maritime security zone, asking why he or she is there and requesting that he or she move on if it is established that his or her access is unauthorised. They are also prevented from removing vehicles or vessels found to be in a maritime security zone without authorisation. These limits inhibit the effectiveness of security within the higher risk zones. They would also limit the effectiveness of the new ID card system. That is why today’s amendment bill has been brought to the House.

Schedule 1 of the bill provides for increased efficiency in dealing with potential threats to maritime security by creating a quick response mechanism for dealing with unauthorised entrants to maritime security zones. As a former police officer, I cannot speak too highly of the need for effective and swift measures for dealing with unlawful behaviour. This is particularly so in the present international climate, with the heightened threat of terrorism.

Today’s amendment bill provides maritime security guards with the power to request that a person found within a maritime security zone provide identification and a reason for being there. They may also request a person they reasonably believe to be in a security zone without authorisation to move on and are permitted to remove them if they refuse to comply. Similar provision is made for the removal of vehicles and vessels found in a maritime security zone without authorisation. A maritime security guard must first make reasonable efforts to have
the person in control of the vehicle or vessel remove it, but may then remove it them- 
selves or cause it to be removed.

By giving limited additional move-on powers to maritime security guards, potential security breaches can be dealt with immedi-
ately. Without this amendment, maritime security guards are required to detain unau-
thorised entrants to maritime security zones until a law enforcement officer, usually a state or territory police officer, arrives. The proposed changes mean that resources need not be diverted from these law enforcement agencies. In the fight against terror our po-
lice forces need to be assisted in every way possible. While police officers can still be called in when required, the new arrange-
ments allow ports to deal immediately with perceived threats to maritime security. Ports can deal promptly with unauthorised entrants into zones without needing the additional support of police resources.

I commend the Attorney-General and his department for the work that has gone into this legislation. It recognises that a balance must be struck between the legitimate use of force to protect maritime security zones from unauthorised entry and the rights of the indi-
viduals to whom the provisions may apply, and the reasonable care of property.

The amendment bill requires that a mari-
time security guard exercising the new pow-
ers identify himself or herself, advise the person of his or her authority to request in-
formation, and tell the person that non-
compliance is an offence under the act. In the case where a person is found to be in the zone unauthorised, as I mentioned earlier, the guard may remove them. In the process, that person must not be subjected to greater force or indignity than is necessary and reasonable to remove them. These amendments, while safeguarding the rights of individuals and reasonable care of property, mean that mat-
ters of maritime security can be dealt with simply and immediately, keeping our ports and ships secure.

This legislation will affect every maritime security zone in Australia. Affected ships may be cargo ships, with at least 500 gross tonnes of cargo, or passenger ships. So we are not just talking cargo here—we are also talking people. The people of my electorate, La Trobe, will be affected by the proposed legislation. Station Pier, in Victoria, houses the *Spirit of Tasmania*. This pier is part of Melbourne Port and is classified as a mari-
time security zone. The proposed amend-
ments mean that passengers travelling on board the *Spirit of Tasmania* can be confident in greater security on board the ship and within the ports where the ship docks. The same could be said for other passenger ships and ports that have been classified as mari-
time security zones. This goes directly to helping the people of La Trobe, and Austra-
lia, feel confident that adequate security is provided at our ports. We must not succumb to a fear of the threat of an attack by sea.

Nor should trade be hindered by a fear for the security of cargo and trade vessels. Aus-
tralia’s geographical isolation means that our success in international trade is dependent on maritime trade. With credit to this govern-
ment’s sound economic policy and economic management, Australia currently has just over 12 per cent of the world’s shipping task and seaborne trade, worth approximately $188 billion a year. Australia must maintain international confidence in the safety of its trading ports. The enhancement of security arrangements at ports and on ships helps to ensure Australia’s continued economic strength and competitiveness internationally. As for the cost of implementing the changes, that is covered by ongoing funding to the Department of Transport and Regional Ser-
vices, as part of its responsibility for mari-
time security.
The miscellaneous amendments contained in schedule 2 of today’s amendment bill clarify the meaning of some of the terms in the 2003 act. They also deem the interpretation of certain terms to be consistent with the meaning found in the Convention for the Safety of Life at Sea, reinforcing Australia’s commitment to its international obligations. The schedule clarifies that a higher security level relevant to particular waters can apply to a regulated Australian ship. These changes help to ensure that our maritime security structure is clear, again making it more effective. This government is delivering on its promise from July 2004 to grant limited move-on powers to maritime security guards.

Security is an immensely important issue in these times. While respecting the rights of individuals and property, this bill will enhance Australia’s national maritime security regime through more effective law enforcement. It will help to maintain Australia’s significant role in international trade. It will promote international cooperation in maritime security across the globe through consistency with the ISPS Code and the SOLAS convention.

In the face of global terrorism, Australia must continue to develop strong counter-terrorism policies and measures that enhance national security. The maritime front is one of natural vulnerability, where one side—the water side—will always lie exposed. As we have seen in the USS Cole attack, terrorists are prepared to attack at sea. This government is standing up to that threat. That is why I support this bill. In closing, I would like to thank Elisa Parham, a young and talented lady, for her assistance in undertaking research and her keen interest on maritime security. Again, I strongly support this bill, which reinforces the Howard government’s commitment to national security and the war against terrorism.

Mr HAYES (Werriwa) (12.35 pm)—It is timely that the Maritime Transport and Offshore Facilities Security Amendment (Maritime Security Guards and Other Measures) Bill 2005 comes before the House today for debate. In a few days time it will the fifth anniversary of the September 11 attack on the United States. It will be five years since a major terrorist attack went from being considered to have a relatively low probability of occurring in this country—and other Western nations, for that matter—to being a serious concern for the people of this nation. This 11 September will also mark five years of Howard government inaction when it comes to introducing measures to protect the community—measures which it promised to deliver. This 11 September, in a few days time, will mark five years of this government preying on the fears of the community rather than protecting its people.

Earlier this week it was revealed just how easy it would be for a direct attack to occur on Australian airports. This government has failed to implement the Wheeler report’s expert recommendations on regional airports, leaving more than 3.9 million passengers a year at risk. It is not just the regional airports that do not have baggage screening in place. Even in major centres, capital cities, airports do not have the required level of baggage protection recommended in the Wheeler report. Tens of thousands of passengers have travelled from 11 regional airports into the heart of Australia’s largest city, Sydney, without having had their bags screened. That is, nearly 67,000 regional flights in this country go unchecked each year.

The failure of this government on this and other security measures is reason enough for the government to support Labor’s second reading amendment that, among other things, calls for the establishing of a department of homeland security to enable the security gaps that have been identified and that can
expose our population to be closed. It is a concerted attempt to coordinate the efforts and to make sure that our people are secure.

Another important aspect of Labor’s second reading amendment goes to the heart of the bill before us today. Too much time has passed with Australia not having a coastguard. There is only one group of people to blame for the failure to implement a proper, trained, adequately resourced coastguard, and that is this government. For many years now, the Labor Party has called for the establishment of an Australian coastguard. The establishment of a coastguard goes to the heart of the bill before us because, as the government has claimed, this bill is aimed at strengthening maritime transport and empowering maritime security guards to respond to unauthorised vessels, including the extension of a range of information-gathering powers. The stated purpose of the bill before us is to improve Australia’s maritime security, and that is precisely what Labor’s second reading amendment seeks to achieve.

This bill has been introduced on the premise that there are problems within Australian maritime security. The government has accepted that Australia’s maritime security is grossly inadequate. Through this bill, the government is setting about correcting its failures in maritime security by providing limited move-on powers, some further information seeking and gathering powers and some powers that will allow maritime security guards to remove vessels found in maritime security zones without authorisation. There is no doubt that these are important developments and should be supported—they certainly do improve the security of our coastlines—but the question remains as to whether this is an adequate response.

The government has already accepted that it has failed miserably in securing our coastline. Even after the provisions of this bill have been enacted, that situation will remain. Australia is an island nation and with an island nation comes a large coastline to protect. A porous border, a coastal one, should not be allowed to continue. Australia’s coastline is approximately 37,000 kilometres. It is no mean feat to secure such an extensive coastline. It is a task that would be greatly assisted through the establishment of an Australian coastguard such as the one Labor has advocated for a number of years.

The United States Department of State’s Report on Terrorism 2005, released earlier this year, noted that there is a problem in our region with maritime security. It made the following observation:

JI has had links to al-Qaeda and was responsible for the August 2003 bombing of the Marriott Hotel in Jakarta and the bombing outside the Australian Embassy in September 2004. While Indonesia has significantly improved its efforts to control the maritime boundary area with the Philippines, the area remains difficult to control, surveillance is partial at best, and traditional smuggling and piracy groups provide an effective cover for terrorist activities in the area.

The International Maritime Organisation reported that nearly half of the world’s reported piracy incidents occurred in South-East Asian waters. Of 266 cases, 117 were in the South China Sea and around the Indonesian Archipelago. It takes resources to protect and secure a coastline of 37,000 kilometres. That is not disputed. It takes resources to stop the more than 13,000 suspected illegal fishing boats that were sighted last year in Australian waters. Government members will claim that the government has dedicated resources to the task, and they will claim that as recently as the last budget the government committed to doubling the number of illegal fishing boats caught in Australian waters. Well, last year they caught 200. Their commitment to doubling the number caught
means that they will aim to catch 400 illegal fishing vessels, so more than 12½ thousand will still sail by.

Despite the passage of this legislation, and despite the impressive commitment to catch double the number of vessels this year, ships will sail through Australian waters uninhibited. Illegal fishermen will continue to land on our shores, set up camps and moor their vessels well upstream. We know this already happens, and we know that it will continue to happen. If fishermen can get through and set up camp in Australian waters uninhibited, as occurs presently, what else might be happening?

This is one reason, among others, that part of Labor’s plan to secure our coastline has been the establishment of an Australian coastguard. It was a policy proposal put forward at the last election that included the acquisition of a further eight vessels and additional aircraft, as well as the recruitment of some 250 personnel to serve in an Australian coastguard.

Through this bill the government is edging closer and closer towards the establishment of a coastguard. Its first tenuous steps are to develop and, now, to further empower maritime security officers. But this edging towards a coastguard is not getting there quickly enough. As the polls reported in the Telegraph a week or so ago show, people want this government to act when it comes to protecting them from the threat of terrorism. I hope this government is not resisting serious considerations to establish an Australian coastguard solely because it was a policy development of the Australian Labor Party. Bipartisan support on matters of security is essential if we are to genuinely protect Australian people. Hence there is bipartisan support for the initiatives that have been introduced in the bill before us, to develop and further empower maritime security guards.

This is because, as I said earlier, they assist in the security of our borders and enhance our level of security. But in dealing with that in any tangible way and being in a position to protect Australian waters, given that we know that even last year there were 13,000 illegal fishing vessels sighted, we need the development of a properly resourced and properly trained Australian coastguard. People want action when it comes to security; they do not want the government rejecting ideas solely because they were not their own.

I note that the bill includes the extension of a number of powers of maritime security guards. Maritime security guards are not all that dissimilar from their airborne colleagues the aviation security guards. They have broadly similar tasks and responsibilities, and they undergo training and receive a level of qualification which I think is broadly similar. I understand the maritime security guards are required to have a certificate II in security operations or an equivalent qualification or training. The maritime transport security regulations of 2003 also require the guards to have ‘a working knowledge of the act and these regulations’. The passage of this bill will extend some of the powers and responsibilities of these guards. One of the provisions of the bill will grant operative maritime security guards a limited move-on power, which certain police already have. They are also given powers to request information, so it is an enhanced information-gathering power. They will be granted the power to remove, or have removed, vessels found in a maritime security zone without authorisation.

Maritime security is a specialist area and requires special security guards. As someone who has spent some time with professional bodies representing state and territory police and other law enforcement organisations, I understand the importance of providing those tasked with enforcing laws and protecting
the community with the proper equipment and training. It must go through to the actual qualifications that some of these people are required to get to exercise these powers on behalf of the community. It concerns me that, as I understand it, maritime security guards will only receive quite limited training, which I suggest a level II certificate might be. Compare this to the typical police officer, who is trained by a state or territory police force and required to undergo some 12 months of training and a further 12 months on-the-job training to complete probation. Or you can compare it to our Australian Federal Police officers, who, depending on their area of expertise, could be training for years. Indeed, there are also Australian protective security officers of the AFP who I think undergo about 10 weeks of training, which is quite extensive, to be able to serve in an airport. Not only are they trained in the matters at hand; they are also licensed to carry firearms. To that extent they form a first line in a response to terrorism. In addition to all that, AFP protective security officers are subject to the new Commonwealth integrity regime. I think that is rightfully so.

With the extension of power comes an extension of responsibility, and therefore to be subject to the integrity powers of the Commonwealth would, I think, have been appropriate. But the responsibility is not only on those who exercise the powers under this bill; it is also the responsibility of the government to make sure that those who are granted these legal rights are trained to exercise those powers properly. I trust that the government will be investing money in the ongoing training of our maritime security guards in the future. I hope that it is reviewed to the point that they are the equivalent of Australian Federal Police protective service officers.

Five years ago the world changed. The Western nations, Australia included, that had not had direct experience with non-state terrorism were shocked by the realisation of the September 11 attacks on the United States and what they meant—that terrorism could strike anywhere at any time. The Jakarta bombings showed that the threat was at our very own door. The London bombings showed that the threat could come from within. The one clear fact from all these instances was that non-state terrorism displayed a capacity to strike at any time. It demonstrated and reinforced how security failures can be lethal, can disrupt our communities and our economies and can undermine public safety and confidence. Border control and the protection of our nation’s population have always been a central plank of the task of our federal government, but events of the last few years have shown that the stakes are now particularly high. Every effort must be made to protect our borders at sea and in the air.

In the United States, border security, as you appreciate only too well, Mr Deputy Speaker Kerr, has been given the highest priority, yet still problems exist. The Government Accountability Office reported that material that could have been used to conduct acts of terror has been able to get through US border checks. This is in a country that has dedicated itself to the task of protecting itself from acts of terrorism.

Given the resources that have been allocated to that task by the United States government—and they still cannot guarantee success—it is somewhat disappointing that this government seems to take the optimistic view that Australia is making good progress. I do not know that it rates as good progress that last year 13,000 illegal fishing vessels were spotted off our coast. I do not know that you can rate it as good progress when you discover that illegal fishing vessels are not only landing on our mainland but setting up camp on rivers. The Howard government has
dropped the ball on maritime security, just as it has on airport security, and this situation needs to be rectified immediately.

I particularly support Labor’s second reading amendment because it goes a long way towards protecting our maritime borders. The best way, and the only way, to do that properly is to clean up the maritime industry through the introduction of an Australian coastguard. That should be the immediate priority of the government.

Mr SLIPPER (Fisher) (12.55 pm)—There has been a significant amount of debate in this House over the past few years in relation to national security and safety. Topics have related to the Federal Police, defence forces, regular police, Customs and the like, and often the discussion has focused on issues such as terrorism and terrorist organisations. Clearly, the debate has increased dramatically, not only in the parliament but more generally in the community, in the wake of attacks such as those on the twin towers in New York and the Sari nightclub in Bali, the train bombings in Spain, the terrorist attacks in London and so on.

Personally, I have been involved in discussion of these issues through various bills. It could be said that the security environment around the world is in a dynamic and fluid state. Adjustments are regularly made to security safeguards and the global security situation is still adjusting to the ongoing repercussions of terrorist attacks. It is pretty clear that this situation will continue as the world adjusts to the security demands in the aftermath of those events. Changes to Defence, policing and Customs programs are needed from time to time to ensure that safety remains at very high levels for all of us in Australia.

The Maritime Transport and Offshore Facilities Security Amendment (Maritime Security Guards and Other Measures) Bill 2005 has the purpose of increasing further the measures available to enhance national security. In the overall scheme of things, the new measures that will be introduced by this bill are relatively minor, but they are sensible and practical nonetheless. The most significant measure to be instigated by this amendment is beefed-up move-on powers for maritime security guards.

Safety threats have the potential to come through any number of entry points into Australia, from threats at our airports through to illegal boat landings on remote coastlines, and the potential at our ports is also a matter of concern. Australia can never let its guard down in an uncertain world. The bill gives maritime security officers stationed in and around these ports of Australia the legitimate powers and therefore the confidence to take the necessary steps to ensure that their zone is safe—in particular, those zones that are deemed to be maritime security zones.

The bill gives maritime security guards the power to request identification from those found in sensitive locations, and the bill gives maritime security officials the additional power to order unauthorised people found in those areas without authority and without a reasonable excuse to vacate the area. The move-on provisions of the bill also extend to vessels and vehicles that are found to be in those security zones. The bill gives the guards the authority to remove from a security zone those who fail to adhere to security guards’ advice and requests to move on.

Security officers will require some additional training in line with these changes, and, of course, these extra powers for security guards will not replace the use of police in all situations where a significant disturbance or threat is identified. This bill does, however, give those who are already on site
significant first-response powers to address problem situations.

The ongoing legislative and security changes that are continuing throughout the world as a result of terrorist attacks all have the aim of improving safety levels. Those companies that have the duty to manage the daily operation of our ports cannot be lumbered with the responsibility of playing a part in the protection of Australia if they do not have the relevant tools and laws available to them to support them adequately in fulfilling that role. This bill gives them the ability to meet those responsibilities.

These port operators will breathe a sigh of relief that a legal difficulty will be removed with the passage of this bill—a legal situation whereby they wanted to maintain highly secure operations and they were responsible for maintaining acceptable security levels in waterside zones, but they may not have all the legislative backing to enable them to do the job properly. The port operators will be able to focus better on the larger requirement of those businesses—that of facilitating the efficient transport of goods in and out of our country.

The total financial cost around the world in relation to terrorist activity since 2001 is continuing to accumulate and, unfortunately, Australia is not immune to these costs. The financial implications of this bill, however, are negligible compared with the improved safety standards it will deliver. The costs will include those associated with retraining security staff or hiring staff who hold the relevant qualifications. The government will maintain an ongoing relationship with industry to facilitate the implementation of these changes. The Maritime Transport and Offshore Facilities Security Amendment (Maritime Security Guards and Other Measures) Bill 2006 is another vital weapon to be placed in Australia’s security and safety toolbox, and I am pleased to commend the bill to the House.

The DEPUTY SPEAKER (Hon. DJC Kerr)—I thank the member for Fisher and take this moment, while we are waiting for another speaker, to congratulate him on his recent marriage. I am certain all members of the House would join with me.

Mr DANBY (Melbourne Ports) (1.01 pm)—We find ourselves in a slightly strange situation of debating two bills on the same subject with almost identical titles in the same week. I cannot blame the honourable member for Fairfax for speaking on the wrong bill on Tuesday, but I have made quite sure that I have brought the right speech with me today. The Maritime Transport and Offshore Facilities Security Amendment (Maritime Security Guards and Other Measures) Bill 2005 is a response to demands from the maritime industry to tighten the security regime at Australian ports and on offshore marine facilities, such as oil-drilling platforms. The bill gives maritime security guards the power to request a person found within a maritime security zone to provide identification and a reason for being in the zone. It gives them the power to request a person found in a maritime security zone without authorisation to move out of the zone and, if that request is not complied with, the power to remove the person from the zone. It also gives the guards the power to remove or have removed vehicles or vessels found in the maritime security zones without authorisation. These provisions are sensible and necessary and reflect the wish of those who work in the maritime industry for a more rigorous regime in ports and maritime facilities. For this reason, Labor welcomes these provisions. Labor has repeatedly argued the need for specialised security guards in Australian ports with defined powers, because we recognise that the maritime security envi-
environment requires specialised people to upgrade and maintain security.

This bill is another in a series of bills which make piecemeal changes to Australia’s maritime security environment. As I said in my speech on the first of these bills earlier this week, it is the opposition’s view that these changes do not go far enough and that the government has not done enough to tighten Australia’s maritime security system.

That is why, although we are supporting the bill as far as it goes, we have moved a second reading amendment, which was moved by the honourable member for Brisbane, the shadow minister for homeland security. This amendment condemns the Howard government for its failure:

... to provide necessary maritime security and protect Australians, including:

(1) its careless and widespread use of single and continuing voyage permits for foreign vessels with foreign crew who do not undergo appropriate security checks;

(2) permitting foreign flag of convenience ships to carry dangerous goods on coastal shipping routes; and

(3) failing to;

(a) ensure ships provide details of crew and cargo 48 hours before arrival;

(b) x-ray or inspect 90 per cent of containers;

(c) establish and properly fund an Australian coastguard; and

(d) establish a Department of Homeland Security to better coordinate security in Australia”.

That is our second reading amendment. Yesterday we had clear confirmation of the correctness of the charges made in this Labor amendment. This confirmation came from none other than the Minister for Transport and Regional Services. In the Main Committee yesterday morning, the minister was summing up for the government in the debate on the Maritime Transport and Offshore Facilities Security Amendment (Security Plans and Other Measures) Bill 2006. As is appropriate in the Main Committee, I used the intervention process to ask the minister whether he would comment on the fact that, while liquefied natural gas ships coming into Japanese or Korean ports must meet very strict security guidelines for seamen who are on the ships, this is not the case in relation to Australian LNG shipping. The minister replied that we do have strict requirements in relation to security and checking of the seamen on vessels coming into this country. He failed to mention the fact, which I referred to in my speech on the bill on Tuesday, that a full third of all ships coming into Australia do not comply with the government’s own safety regulations—that is, we do not know who the crews are of a third of the foreign ships that come into Australian ports—and nothing is being done to enforce Australia’s laws.

The honourable member for Batman also used the intervention process in the Main Committee to ask the minister to give an assurance to the House that all ships berthing in Australia are supplying their crew manifest prior to berthing, as required by law. The minister dodged the question, saying that the law exists and that there are penalties for those who fail to comply with it. He avoided giving the commitment that the member for Batman asked for. It is hardly a radical commitment; just a commitment that the existing law, passed by this government, was being complied with. The honourable member for Batman then asked the minister if he could advise how many successful prosecutions had been launched against shipping companies not meeting the requirements of Australian law and what fines were being imposed on the shipping companies. The minister gave a truly extraordinary answer to this question. He said:
Obviously I would have to take a question of that detail on notice, but I remind the member the regulations have been recently amended and changed. Because of the tightening of recent rules and the relatively recent action of that, it would not surprise me if there had not been any prosecutions yet because those rules have not had time to take effect.

So the Minister for Transport and Regional Services, the minister responsible for Australia’s maritime security, in the space of five minutes in the Main Committee yesterday did the following: (a) he refused to give a guarantee that Australian law would be enforced at Australian ports; (b) he admitted that he did not know how many ships were failing to comply with Australian law; (c) he admitted he did not know how many shipping operators, if any, were being prosecuted; and, finally, (d) he gave a convoluted and unconvincing explanation for why it might be the case that no prosecutions at all had been launched.

This is one of the worst performances by a cabinet minister that I have seen since I have been in this House, since 1998. Coming from a minister responsible for a large area of Australia’s security policy it was astonishing and alarming. It really is a disgrace that this government, and particularly the minister, have no idea of what is going on in Australian ports and apparently have no intention of doing anything about it. Five years after September 11, ministers in the Howard government do not seem to care that Australian ports are still wide open to terrorist attack and that port communities, such as my community of Port Melbourne, are being left unprotected.

The threat of attacks on Australian ports is not an idle threat. As I said in my speech on Tuesday, we live next to a part of the world with the highest rate of maritime piracy in the world. The member for Brisbane gave some of the detail of that in his opening remarks on this bill and our amendment. Half of all the incidents of maritime piracy, including the hijacking of ships, take place in waters around Indonesia and the Philippines. As the US State Department points out, this area is rife with smuggling and similar activities that provide a perfect cover for terrorist planning.

During the debate on this series of bills, Labor members have repeatedly pointed out that it would be easy for terrorists to hijack a ship loaded with ammonium nitrate and use it as a floating bomb in an Australian port. For people in the gallery who may not know what ammonium nitrate is, it is a commonly used agricultural fertiliser but it is also the preferred method of terrorists for blowing up places, like they did in Oklahoma and in Bali. It may be argued that no-one has ever attempted to do such a thing. The reply to that is, of course, that before 11 September 2001 no-one had ever attempted to hijack an airliner and fly it into a skyscraper. Now we know that such things are possible.

In the case of ship hijacking we at least have the advantage of having thought of that possibility. We can bet that if we have thought of it so have al-Qaeda and Jemaah Islamiah. But our precautions against such an attack are totally inadequate. Even those precautions we do have, such as the requirement that ships advise of their cargoes and crews 48 hours before they dock, are not being enforced. As I said in my speech the other day, 33 per cent of foreign ships coming into Australia are defying the Australian law. The Australian government has launched no prosecutions against them and we are having these crews just arrive in Australia and we have no idea of who they are before they enter into such places as Garden Island in the middle of Sydney, Port Melbourne, Port Adelaide et cetera.
As well as the security aspects, the matters raised in this bill and by Labor in its amendment have serious implications for the Australian economy. Australia lives by its export trade, and the bulk of that trade is still conducted by sea. To reach our principal export markets in China, Japan and Korea ships must pass through the waters of South-East Asia which is, as I have said, the location of half of the world’s maritime piracy incidents. A particular concern is Australia’s growing export trade in liquefied natural gas, or LNG. The security of Australian LNG is one of Australia’s most important marketing advantages in the global LNG market. Australia’s reputation as a reliable supplier is one of our key selling points with our Asian customers, and our ability to guarantee the security of our LNG carriers is a key component of that reputation.

That is why the use of Australian shipping and the use of skilled, qualified Australian crews is an important part of a strong maritime security regime. Australian LNG tankers, crewed by Australians, have a demonstrated commitment to the highest levels of maritime security, aimed at maintaining the security of both the LNG tankers and their cargoes. That is why this government’s lack of commitment to maintaining an Australian shipping industry and Australian crews is so short-sighted. A report produced in 2004 by Sandia National Laboratories, under contract to the United States Department of Energy, entitled *Guidance on risk analysis and safety implications of a large liquefied natural gas (LNG) spill over water* stated that the Australian LNG risk management strategies represented world’s best practice and safety in shipping LNG.

It is obvious that the same level of risk assessment and commitment to high-quality risk management strategies cannot be guaranteed, and will not be maintained, if the Australian government allows the use of underpaid, undertrained foreign crews and flags of convenience ships. This is not an attack on non-Australian seafarers. It is an attack on a small number of shipping operators who seek to maximise their profits by exploiting their crews, many of them drawn from low-wage and poorly skilled countries, and who notoriously cut corners on safety, environmental protection and security. It is a scandal that this government consistently favours this small minority of unscrupulous shipowners at the expense of Australian seafarers. This is the view of not simply people employed in the shipping industry, the employees. This is the view of the Australian shipping industry. This practice of the Australian government is at the expense of the responsible majority of shipowners and at the expense of Australian security.

This government is fond of blaming the unions for everything that goes wrong in Australia’s transport system. In particular, it has spent more than a decade demonising the Maritime Union of Australia. But when it comes to maritime security the MUA has a much better record than this government does. After all, its maritime workers and their families will be the first to suffer if there is an attack on an Australian port or a hijacking of an Australian ship. The MUA members in my electorate are as much concerned about Australia’s security as any member of this government, and they have shown that concern in practice.

The MUA supported and fully cooperated with the introduction of the maritime security identification card, MSIC, from 1 November last year. The MSIC arrangements involve police and security checks on all seafarers and related personnel who require access to maritime security zones and the facilities and ships within those zones. The MUA fully cooperated in this despite the fact that there was a risk of some of their members losing their jobs because of having mi-
nor criminal convictions long ago, not related to security but sufficient for them to fail the eligibility requirements. The muddle and confusion that has surrounded the introduction of the MSIC, just like the confusion over the aviation security identification card which I spoke about a few weeks ago, is entirely the responsibility of the government.

Let me conclude in the same way I concluded my remarks on the previous bill: if we are serious about maritime security, Australia needs a minister for homeland security, a full-time Inspector of Transport Security and a full-time professional coastguard so that Australian law can be enforced. Only then will Australia have an acceptable level of maritime security, and only under a Labor government will we get these things.

I cannot emphasise this enough: the 33 per cent of shipping coming into this country without the laws of Australia being enforced is an open invitation to the terrorists of this world who are active in the South-East Asian region to exploit the situation. Until these loopholes are closed, the Australian government will be negligent in the area of maritime security. We support this legislation and we argue for our amendment, but the government’s stance on maritime security is quite pathetic.

Mr KEENAN (Stirling) (1.15 pm)—I rise to speak on the important Maritime Transport and Offshore Facilities Security Amendment (Maritime Security Guards and Other Measures) Bill 2005 that will help the Howard government go even further to lock in security for the Australian people and to secure our seaborne trade routes and help the Australians who work within them. There can be no doubt that, following the attacks of September 11 and the subsequent shocking terrorist attacks in places such as Bali, London and Madrid, the Australian people expect the Australian government to do everything in its power to protect our way of life.

Our strong and ongoing commitment to border protection and the defence of Australia is reflected in the half-a-billion dollars worth of measures to boost surveillance and interdiction in the north, which is particularly important to my home state of Western Australia, and the Howard government’s commitment to increase the defence budget by three per cent per annum until 2016.

The feedback I get from the people of Stirling tells me that the protection of our borders and the defence of Australia is a high priority. I am a strong advocate for the increased measures that the Howard government continues to take in the area of national security. It is an issue that has become increasingly important, and it has been given greater prominence as we approach the fifth anniversary of the September 11 attacks with the threats of terrorism and the possibility of failed states on our doorstep.

Australia needs to be prepared for a variety of security threats against a number of facilities, not least of which are our seaports and sea routes. Terrorist attacks around the world have spurred the international community to resolve to implement a system to secure the maritime transport sector. The International Ship and Port Facility Security Code, the ISPS Code, developed through the International Maritime Organisation at the end of December 2002, was the result. With about 90 per cent of world trade being moved by sea, including 99.5 per cent of Australia’s overseas trade by volume and 75 per cent by value, the impact of a terrorist attack on Australia’s seaborne trade could have a significant impact on Australia’s economy as well as the lives of those directly affected by an attack.

The Maritime Transport Security Act 2003 sought to strengthen the security in the mari-
time industry and to implement the ISPS Code in Australia, both of which came into effect on 1 July 2004. Australia’s maritime security regime has been reviewed a number of times since implementation to take into account the international changes to security regimes and our own experience of implementing these protocols. These changes, through legislation and regulation, have better enabled our seaports and sea routes to be protected in the changing security environment. The amendments we are currently debating add to this responsible approach. In June 2005 the act was amended to cover Australia’s offshore oil and gas facilities. These amendments resulted in provisions for new security identity cards for maritime and offshore industry personnel and included the renaming of the act to the Maritime Transport and Offshore Facilities Security Act 2003. Australia’s maritime security regime now covers the security arrangements of nearly 470 members of the maritime industry, including 70 ports, 184 port facilities, 97 port service providers, 59 Australian flagged ships and 58 offshore oil and gas facilities.

Members of the maritime and offshore oil and gas industries are now all being guided by the one act and its related regulations. By standardising the regulations and the responsibilities of the industry participants the left hand now knows what the right hand is doing. This will give clarity to the industry and confidence to people involved in the industry and to people who rely on maritime trade. All participants are now moving in the same direction. The Howard government is implementing a preventative security regime to enhance security at ports, terminals, offshore facilities and on board ships, fulfilling Australia’s international obligations under the International Maritime Organisation’s ISPS Code.

Our economy relies heavily on our ability to trade internationally. Imports, exports and the nation’s energy supply all rely upon secure maritime transport. This bill will enact safeguards for our key strategic assets in the maritime industry, namely a regulatory framework centred on the development of security plans for ships, ports, port facilities and offshore facilities so these areas are better protected.

Maritime, ship and offshore security plans play a crucial role in the maritime transport and offshore facility security regime. This bill will introduce measures regarding the submission and approval of maritime, ship and offshore security plans aimed at slashing the administrative burdens faced by the maritime industry. These amendments will streamline the plan approval process and make it easier for participants to submit changes to security plans.

The measures contained in this bill are an example of the continued and successful cooperation between the Department of Transport and Regional Services and Australia’s key maritime industry representatives. It is a strong relationship based on consultation and cooperation, and I commend the minister for his ongoing and dedicated work in bringing key players together on this important issue.

Peak Australian industry groups representing shipowners and port operators are supportive of the changes contained in the bill aimed at improving the flexibility in the administration of maritime transport security plan development and implementation. Schedule 1 amends the act to ease the plan approval processes and procedures for the establishment of security zones, shorten the time for plan approvals, facilitate changes of contact details for security officers and clarify when the plan approval period begins.

Security plans are submitted to the secretary for approval. A maritime industry participant may also request the secretary to establish port or offshore security zones...
within or around a port or offshore facility. Currently, participants cannot change a plan without submitting a revised plan. The bill will enable participants to submit a variation to an existing plan. The test for approving the variation will be the same as for a revised plan. As it stands, the act anticipates that security zones will already be established independently of the submission of a maritime security plan or an offshore security plan. However, the secretary generally establishes security zones following proposals made to the secretary in a maritime security plan or an offshore security plan. These conditions are being amended to reflect instances where port and offshore security zones have not yet been established by the secretary.

Currently, security zones are established when the secretary has given the operator written notice establishing the zones. This written notice is separate to the written notice which the secretary gives an operator for approval of security plans. This bill will make amendments to simplify this process so that doubling-up is eliminated. When the secretary gives a notice to the participant approving the maritime or offshore security plan, it will also be taken to mean the secretary has given the port or offshore facility operator a notice establishing the maritime or offshore security zones as proposed in the plans.

It is difficult for the department to know when a plan approval period commences under the act because it is not always possible to know when a participant has given a plan to the secretary. The bill provides that the approval period will commence when the plan is received by the secretary. The bill will reduce the time allowed for the approval of plans from 90 days to 60 days to align with the Aviation Transport Security Act. There is also provision for the 60-day plan approval time to be extended for a maximum of 45 days to allow the secretary to seek further information from the participant.

At present, maritime, ship and offshore security plans must include contact details for the participant’s security officer so that any change to contact details requires an amendment to the security plan. The bill removes this requirement for contact details in the act, requiring instead that the participant designate by name, or reference to a position, all security officers responsible for implementing or maintaining the security plan, thereby removing the need to amend a whole security plan when such a minor alteration as security officers’ contact details change. This will obviously save time and energy in the process.

Schedule 2 of the bill contains technical amendments to acts relating to legislative instruments as a consequence of the enactment of the Legislative Instruments Act 2003. These amendments are included in this bill to reduce the size of that act. Schedule 3 of the bill contains an amendment to the Customs Act to reflect the change of name of the Maritime Transport Security Act to the Maritime Transport and Offshore Facilities Security Act.

The bill will streamline the process of maritime, ship and offshore security plans and the establishment of port and offshore security zones. I am confident that the measures introduced in this bill will enable the maritime industry and participants in that industry to focus on implementing and maintaining the security measures outlined in their security plans. That will contribute to the strengthening of Australia’s maritime security arrangements, which is really the whole purpose of this bill. The bill will also make sure that Australia meets its obligations under the ISPS Code, including those regarding the rights, freedoms and welfare of seafarers. It will reduce the vulnerability of Aus-
The bill makes sensible amendments to our existing arrangements to enable people within the maritime industry to provide a safe and secure environment for those operating within it, without creating an unnecessary and burdensome regulatory environment. They have been brought into force following the changes that have occurred in our security environment in the past five years and the heightened threat of terrorism involving our maritime and offshore facilities. It is important that Australians understand how these regulations guide our operations and that the changes in compliance have resulted in our economic protection because of the security of our operations as well as the safety and security of Australians who work within the industry, who will now be protected further.

The main purpose of the bill is to make procedural changes to streamline processes and to reduce the burden on people involved in the industry. The changes will not cost anything. There are no financial implications to these amendments—although there will be financial implications for the people involved in the industry, because the red-tape burden on them is being reduced. I am confident that the measures introduced in the bill will enable participants within the maritime industry to focus on implementing and maintaining a sensible security regime and will contribute to the strengthening of Australia’s maritime security arrangements. I commend the bill to the House.

Mr SNOWDON (Lingiari) (1.28 pm)—Mr Deputy Speaker Kerr, I might say how the hell are you and how long are you going to be here? Where the hell will you be next week? We know where he will be next week: flitting off to New York to be one of Australia’s parliamentary representatives to the United Nations General Assembly, the lucky dog! I have to say that, whilst this is not quite the subject of the legislation before the House, you will be able to attune yourself to the bureaucratic malaise that might or might not exist within the United Nations. You will be able to acquaint yourself with the rather Byzantine processes of consultation, communication, discussion and even decision making. You will enjoy the fraternity of some very good people working with the Australian mission, and of your colleague Mr Baird, who I understand is travelling with you. No doubt you will enjoy the company of many New Yorkers.

As someone who is lucky enough to have been at the United Nations in this role, I can tell you that it is a most rewarding and educational experience. I am sure you will come back much more informed—not necessarily better informed—than you currently are about the way in which the United Nations works and the politics of decision making. It puts what we do here into a very different perspective, let me tell you. The way in which decisions are made in the UN makes lobbying here look fairly amateurish. Sometimes big bats are used to belt people in a not too subtle way to make sure that they vote in a particular way, with countries using all sorts of pressure points to get a decision that they feel comfortable with. You will be watching nations come together, no doubt talking about maritime transport and offshore facilities security at some point or other. Certainly, they will be interested in aspects of this discussion—

The DEPUTY SPEAKER (Hon. DJC Kerr)—I wondered how the member was going to make this relevant to the bill before the House. I thank the member for his comments.
Mr SNOWDON—I am about to draw your attention to the role the United Nations might play. It has a significant interest in international law, as you would well know, being a lawyer of some repute yourself. I think you are a Senior Counsel—we will not refer to you as a Queen’s Counsel—with an interest in international law. You have written a very interesting book about the United Nations, so we understand your interest. I am sure you would appreciate the international legal implications of maritime security. Therefore, no doubt informed by the very intelligent debate which is taking place in this chamber, you will go across to the United Nations knowing that if there is a discussion about this issue you will be able to participate. So I am pleased you are here. Others are pleased you are here, too.

The Maritime Transport and Offshore Facilities Security Amendment (Maritime Security Guards and Other Measures) Bill 2005, for those who have an interest in this subject, amends the Maritime Transport and Offshore Facilities Security Act 2003. It does a number of things which are of interest to us and which we would support. It empowers a maritime security guard to request that a person found within a maritime security zone provide identification and a reason for being there. It empowers guards to request that an unauthorised person move out of that zone. It empowers a maritime security guard to remove, or have removed, unauthorised vehicles and vessels found in maritime security zones. A little later I will come to an issue which I am sure will be close to the heart of many of the people you will meet in the United Nations—piracy.

This legislation has two schedules. The first schedule contains provisions which determine the nature of the work of maritime security guards and how they might undertake that work. The second provides a number of miscellaneous amendments to the act, especially definitions. For instance, a cleared area means an area that may be entered by persons, goods, vehicles and vessels that have received clearance. Items 4 and 5 substitute the reference to 500 or more gross tonnes.

It is interesting to think about schedule 1, because we need to comprehend what in fact maritime security guards are going to be empowered to do under this legislation. As I have said, they will be able to request that a person found within a maritime security zone provide identification. They may request that a person move. They may remove vehicles and vessels.

If you think of the waters of Northern Australia, as I do constantly, and you note the now accepted abysmal failure of the government’s border protection policies and the very porous nature of Australia’s borders, leaving aside the issue of people wanting to come to this place as refugees, the number of sightings and landings of foreign fishing vessels in Australian waters raises very significant questions about the way in which we look after our national interest. In that context, it is relevant to consider the amendment which is being proposed by the member for Brisbane, Mr Bevis. Amongst other things, it:

... condemns the Government for its failure to provide necessary maritime security and protect Australians, including—

and this is important—

(1) its careless and widespread use of single and continuing voyage permits for foreign vessels with foreign crew who do not undergo appropriate security checks ...

You would think, would you not, given the implicit threat that we understand to exist around the world at the moment, that you would want to find out who the hell was
coming to Australia and whether they were coming as passengers on aircraft, passengers on vessels or crew. The provision of single and continuing voyage permits for foreign vessels without enforcing security checks upon those crew members ultimately raises significant questions for all of us. Whilst we do not know that anything has happened to date, we have seen vessels come to Australia which have later been shown to be involved in activities which we do not like and did not sanction, whether it is smuggling or otherwise. Therefore, I would have thought it very important to understand who is sailing these vessels.

Then of course there is the concern expressed by the member for Brisbane about permitting foreign flag of convenience ships to carry dangerous goods on coastal shipping routes, failing to ensure ships provide details of crew and cargo 48 hours before arrival, failing to X-ray or inspect 90 per cent of containers that hit Australia’s shores, failing to establish and properly fund an Australian coastguard and failing to establish a department of homeland security to better coordinate security in Australia. I would have thought that, if we had learned any lesson over the last couple of years, we would have learned that not all wisdom resides on either side of this chamber. In fact, the collective wisdom is what we should be bringing to this issue. I cannot for the life of me understand why the government does not accept the propositions that have been put here by the Labor Party about the need for an effective coastguard or the need to establish a department of homeland security.

I have to tell you, Mr Deputy Speaker, that initially I was not that supportive of this idea of a coastguard. In fact, I was very equivocal. But over the last couple of years I have come to see how important this is. That is not to decry or malign the very important and magnificent work that is done by the Australian Navy in the waters around Australia, particularly those waters to our north, or the Australian Coastwatch or Customs. They do great work, but clearly not enough is being done and insufficient resources are being made available to focus on the key issues—that is, how to ensure that our border is not porous, how to make sure that we get sufficient intelligence to know who it is that is sailing in our waters and how to prevent the possible incursions of individuals or groups of people who may be contemplating actions which are against our national interests and against the interests of the community in the region.

When this issue was first introduced, during the debate in the Main Committee on the Maritime Transport and Offshore Facilities Security Amendment (Security Plans and Other Measures) Bill 2006, Minister Truss demonstrated the government’s singular lack of performance and knowledge of what is happening in our waters. The minister admitted that he did not know how many ships entering Australian ports failed to comply with the requirement that they provide details for crew and cargo 48 hours before arrival and admitted that there have been no prosecutions for failure to comply with this requirement. I think the casual observer would have asked: ‘Minister, why not? Presumably your department has sufficient records or has the ability to access the records to provide you with that very important piece of information, given the security demands that are being placed on the Australian community internally, the vetting of Australian people when they travel on aircraft and when they walk into this building.’ Any person walking into this building is searched—the merits of that are perhaps debatable at times, but nevertheless they are searched. They are searched in the sense of having to go through a security vetting.
Now we have an admission that they cannot give us the fundamental information about the security of Australian ports in terms of people arriving in this country. They cannot do it. I am not sure which comic-book character the minister is trying to emulate, but I would have thought having your head in the sand is not an appropriate way to do business when you are looking after the security of our country. We know that the member for Brisbane has indicated the areas of concern in his amendment.

This bill has been the subject of a review by the Senate Rural and Regional Affairs and Transport Legislation Committee and the committee supported the bill and recommended that the bill proceed. Comments by the Labor senators of that committee—Senators McEwen, Sterle and O’Brien—raise a few concerns with the processing of this piece of legislation. Firstly, they note that the operation of this legislation will be through its regulations, and the draft regulations were not made available to the committee. So how the hell, given that the effects of this legislation will be through the regulations, can we properly contemplate the impact of the bill until we see the regulations? What we are asked to do here is effectively give the government a blank cheque to devise a set of regulations that will carry out the purpose of this legislation without having the scrutiny of the parliament before they are implemented.

I would say that, when you are in New York and you are talking to people about a subject—say, democracy and decision making, because we know that there are particular countries in this world that have the view that democracy looks a particular way—you might well ask if the decision making processes in this place affect all that we would want them to affect and give people a democratic right and a role in decision making in a way that I think the founders of this nation would have considered when they were drafting our Constitution and setting up the rules of this parliament. I would think it entirely reasonable under those circumstances for us to understand what the impact of this bill will be if the regulations are written prior to our passing this legislation through the parliament. It is a basic tenet of decision making.

The committee flagged its concern that ‘maritime security guards should have training commensurate with their increased powers’. The Maritime Union of Australia said:

Clearly maritime security guards are operating at a different level of responsibility to say a guard on a gate a factory or outside a shop.

I would have thought that was clear to all of us. It continued:

On this basis there must be a requirement for a higher standard of training.

The Association of Australian Ports and Marine Authorities voiced its concern about the level of training. The MUA argues, I think legitimately, that a higher training level should be consistent across jurisdictions to allow for portability of qualifications. As noted in the Senate committee’s report on the bill, the MUA in their submission argue:

... a maritime security guard should be a dedicated position, to avoid the situation where guards sourced from labour hire companies are ‘responsible for a council swimming pool one day and guarding our critical maritime infrastructure on another.’

Again, in your discussions in New York with our friends from other countries, they will ask: ‘What do you do in your country to safeguard your interests? Do you get the bloke who guards the council swimming pool to look after your ports the next day?’ You would have to answer that question, wouldn’t you? You would have to say, ‘Well, as a matter of fact, it seems you can.’
I want to hit on piracy, because that could well be an issue of some discussion for you and your colleagues in New York, Mr Deputy Speaker Kerr. It demonstrates the need of this country to have a properly constituted maritime security framework, one we currently do not have and one which has been identified by the Labor Party as an absolute priority. Again, I would have thought the collective wisdom of this place would tell us that it is in our national interest to do so. Let me share with you some information. The International Chamber of Commerce’s Commercial Crime Services provides a weekly piracy report based on broadcasts from the International Maritime Bureau’s Piracy Reporting Centre. It is reported that, on 31 August this year—that is, just last week—in Indonesian waters, waters not too far from our northern shores:

... four robbers boarded a bulk carrier and entered the engine room via funnel by cutting the grills on the funnel floor. They stole engine spares and escaped in a boat waiting with an accomplice.

That happened not too far from our northern waters. The annual report from the International Maritime Bureau reveals that piracy in this region is not uncommon. According to that report, Indonesian waters are the most piracy prone in the world, with 79 attacks occurring in 2005. That represents nearly 30 per cent of all reported attacks world wide. In the Strait of Malacca, between Indonesia and Malaysia, there were a further 12 attacks in 2005. We should be concerned, lest those sorts of things start to happen in our waters. I have spoken on a number of occasions in this place about illegal fishing vessels. It is not too big a jump to ask this. If illegal fishing vessels can enter Australian waters sight unseen—or even sighted but not intercepted—what other vessels might be engaged in coming to Australian waters not seen?

Let me give you an estimation of the extent of the problem we currently have. Rear Admiral Crane, in his advice to a Senate estimates committee, said that in 2005 there were 13,018 sightings of illegal vessels. He said that that was a 35 per cent increase on the previous year. In the same year only 280 illegal vessels were apprehended and only 327 boats had their fishing gear and their catch confiscated. That represents 4.6 per cent of the total vessel sightings that year. There, in itself, is sufficient excuse for the collective wisdom of this place to decide that in fact the Labor Party has struck on a bloody good idea. What we as a community, working together, ought to do is implement that idea. But that is not what we get. We get all sorts of obfuscations and excuses for why it cannot happen. The fact is that we need to provide the assistance that we need in this country and provide Australia with appropriate maritime security. (Time expired)

Mr McCLELLAND (Barton) (1.48 pm)—I rise to support the motion moved by my colleague the shadow minister for homeland security, the member for Brisbane, to amend the Maritime Transport and Offshore Facilities Security Amendment (Maritime Security Guards and Other Measures) Bill 2005. The bill is part of the current maritime security framework established initially by the Maritime Transport Security Bill 2003. Its stated purpose is to assist the maritime industry participants to police their maritime security zones. The bill would give maritime security guards—which are essentially private security guards—additional powers, including the ability to request a person found within a maritime security zone to provide identification and the reason for being in the zone. In that sense, the power is comparable, I suppose, to the powers given to Australian Protective Service officers at airports, who have been provided with similar legislative powers. The second power is the ability for the private security agents to request that a person move out of a security
zone and, if that request is not complied with, to move the person out. The third gives the security guards the power to remove vessels or vehicles.

There are a couple of points to make in respect of the bill. The first is that it leaves primary responsibility for policing within ports to the states and territories, in this case facilitated with a network of private security guards. But the reality is that some states, because of their income or relatively unmanageable coastline, have been able or unable—depending on those criteria—to introduce effective policing measures. Clearly, it will be easier for New South Wales or Victoria, which have smaller coastlines and more substantial economies, to afford policing resources—both manpower and boats—for their ports than it would be for Western Australia or Queensland, which have substantially greater coastlines and less substantial economies. The point I would like to make is that security of ports in Australia should not be dependent upon the resources of individual states. We learn time and time again that terrorism tends to strike at the weakest link. Partial target hardening is not hardening at all; it is simply a direction to the weakest target for terrorists to attack. In summary, port security must be addressed on a national level, not with policing left to the states and territories.

I also note that the Senate Rural and Regional Affairs and Transport Legislation Committee, which examined the bill, was quite critical of the government for proceeding with legislation before appropriate regulations had been drafted and circulated to all industry participants and all governments and, clearly, that is a concern that should be recognised by the parliament. Australians are entitled to question at the end of the day whether the security of our ports should be based on, as the current legislation anticipates, a network of private security guards. For instance, in their submission to the Senate inquiry into the bill, the Association of Australian Ports and Maritime Authorities said:

Port authorities and facilities generally employ contractors as security guards ...

In relation to the level of training provided to those security guards, they said:

It is certainly nowhere near the level of that provided to law enforcement officers, yet MSGs—maritime security guards—are expected to carry out the duties set out in the Bill.

The previous speaker commented that a security guard will perhaps one day be guarding a council shopping centre and on another day be required to exercise these very important and now significant powers with respect to the policing of our ports. I question whether that is appropriate. Clearly, we have a network of Australian Protective Service officers at the very least supervised by the Australian Federal Police at our airports. One would think that at the very least that same regime should apply at our ports where, in many ways, a much more substantial infrastructure exists.

The other point I want to make is in respect of the government’s rhetoric on border security. A couple of weeks ago, on 16 August, the Minister for Defence, in answering a question without notice, referred to illegal foreign fishing vessels and mentioned an episode he saw on the TV program Border Security. He said:

We saw a Royal Australian Navy patrol boat coming alongside an ice boat, a foreign vessel fishing illegally in Australian waters. The first thing that this foreign fishing vessel met was a Navy vessel. The first thing the XO of the ship said over a megaphone, accompanied by another sailor holding a firearm, was, ‘This is an Australian warship.’ Following that, rounds were fired from a 50 calibre machine gun and a boarding party went aboard that foreign fishing vessel.
That statement was intended to convey the impression that our maritime borders are patrolled exclusively by the Australian Navy. That would be an acceptable proposition if it were in fact the case, but the reality is that our exclusive economic zone, which covers something like 16 million square kilometres—an area more than twice the landmass of continental Australia—as well as 37,000 kilometres of coastline, is patrolled by just 12 naval patrol vessels and eight Customs vessels. I grant that the government is supplementing that available resource by two minehunters, taking it up to 14 naval vessels. Nonetheless, eight Customs vessels are very much part of the available fleet. That is equivalent to about 50 police cars patrolling the entirety of Australia.

That is the guts of our maritime interdiction capacity. I accept that other surveillance resources—indeed, sophisticated electronic resources—are available for surveillance, but in terms of holds on the water to carry out actual policing work and interdiction, that is the guts of Australia’s, this nation’s, water protection capacity. It is not just Navy doing this but a combination of agencies. Indeed, that is the reality. No single agency has the core role of law enforcement and border protection in Australia’s maritime jurisdiction.

A number of agencies have an interest in maritime border security, including the Australian Fisheries Management Authority, the Australian Maritime Safety Authority, the Department of Immigration and Multicultural Affairs, the Department of Foreign Affairs and Trade, the Australian Quarantine and Inspection Service, Environment Australia, the Great Barrier Reef Marine Park Authority, the Australian Federal Police and Australian Search and Rescue. They all bid, if you like, for a timeslot of those surveillance and interdiction resources. No border surveillance is undertaken or coordinated through the one legislatively authorised body. It is conducted by the Joint Offshore Protection Command, the head of which, although he is an admiral, as I understand the position, is nonetheless employed and paid under the portfolio of justice and customs and, ultimately, is under the direction of the secretary to the department of customs. It is far from the situation implied by the minister that our Navy is responsible for the coordination of patrolling our maritime zone.

The head of the Joint Offshore Protection Command has available to him the use of naval vessels and resources, but those vessels during their operation are under the control of the military. By way of example, if coercive authority is required on the part of those naval vessels and naval officers, they are required to do so in accordance, appropriately, with the naval rules of engagement as determined, ultimately, by the defence hierarchy. If, on the other hand, a Customs vessel and Customs officers are required to use coercive force, their authorisation and legal authority comes through separate legislation and, ultimately, under the direction of the secretary to the department of customs. We have quite evidently, even on that point, a fragmentation of the important use of coercive authority obviously used in the interdiction of vessels. In other words, there is no agency with the core role of, and thereby legislative authority for, overall law enforcement in our nation’s maritime jurisdiction. No single agency is given commanding responsibility in this vital area of national interest and potential security command.

I want to say a few more things about the Joint Offshore Protection Command in case it is suggested that it is anything akin to what Labor has proposed, and that is the establishment of a coastguard. Labor interrogated Customs officials during the Senate estimates procedure in respect of the ministerial arrangements applying to the Joint Offshore Protection Command and we were advised:
It is a fairly tricky set of ministerial responsibilities ... That has to be an understatement. We were also advised that, in relation to the interdiction capacity of the Joint Offshore Protection Command, it is not empowered to do anything other than collect information that Customs officials, in fact, were already receiving prior to the establishment of the command. Specifically, when we asked whether the command would increase our ability to intercept and board suspect vessels, departmental officials responded that it is only concerned with: ... information rather than a power to actually do anything. So the suggestion that there is an adequate degree of coordination of our border policing functions by this body is farcical. Without legislation defining its role and powers, the effectiveness of the Joint Offshore Protection Command will remain inadequate. It is not sufficient that our coast watch capacity and interdiction is coordinated through mere administrative arrangements with different departments having responsibility, in particular for the use of coercive force. It has been pointed out time and again that the inherent difficulties with these interagency administrative arrangements will compromise the effectiveness of our maritime border protection. The risks apply not only to illegal immigration, fishing and smuggling of narcotics and, potentially, weapons but also to our economy should, for instance, an illegal fishing vessel land on our coastline, as they frequently do, without any customs or quarantine inspection having occurred. The other point I want to make, with respect to an issue which has been topical, is that of asylum seekers potentially coming to Australia from West Papua. We recently saw what can only be described as a dramatic overreaction by the government when they effectively sought to excise from our immigration zone the entirety of Australia. That was a panic response from the government—a panic response that resulted from our limited ability to patrol the Torres Strait Islands, which these asylum seekers are likely to travel through on their way to Australia. The reality is that the substantial naval and Customs patrol vessels that we have are limited in their ability to patrol the Torres Strait, largely as a result of reefs to the south of the area and mudflats to the north. They have difficulty navigating through those areas—a fact which all foreign fishing vessels that come into the area recognise; hence they head for those areas in order to escape interdiction. Essentially, our vessels are limited to patrolling the east-west passage through the region. That is clearly something that needs to be addressed with additional resources. An issue more specifically covered by the bill is port security. As I previously indicated, we have a situation in Australia where primary responsibility for policing ports remains with the states. I have commented that this is an entirely unsatisfactory situation. We have literally billions of dollars of infrastructure existing all along the Western Australian coast. Damage to that infrastructure could have potentially catastrophic effects on the national economy, yet we are saying the responsibility for port security in relevant ports along the Western Australian coastline falls to the Western Australian government. That simply cannot happen. The previous speaker, the member for Lingiari, somewhat jocularly said to Deputy Speaker Kerr that he would experience a different approach when he visits the United States in the near future. That is most certainly the case. I had cause to visit the United States Coast Guard the year before last and was informed of and saw the program involving sea marshals. The role of the sea
marshals in the United States is both to coordinate port security in coordination with specific task forces charged with that purpose and to board ships carrying dangerous substances, such as petrochemicals or ammonium nitrate, a distance away from the entry to the ports. Usually there are four sea marshals allocated—two will go to the bridge and two will go to the engine room after conducting relevant interviews and basic tests to detect possible radioactivity and the like. Their brief, if they detect anything untoward, is simply to stop that vessel through the control room of the bridge or, if necessary, by shutting down the engines pending the arrival of a task force to board the ship, most likely by helicopter or fast boat, to provide additional resources to apprehend the vessel. That is, they prevent a vessel carrying potentially dangerous substances from entering their ports.

Indeed, back in the time of the Second World War, Albert Einstein wrote to the President of the United States pointing out the potential danger of a nuclear device being smuggled into a port on board a cargo ship and the potential devastation it could cause. It has been known for over 60 years that this is a potential catastrophe that exists for modern economies. And what do we say? The Commonwealth does a Pontius Pilate: ‘It is not our responsibility; it is the responsibility of state and territory policing authorities.’

That is simply not good enough. There is no justification for not introducing sea marshals. We have air marshals that board international flights. There is clearly a program in place in the United States which is effective. That program should be implemented in Australia and those sea marshals should be given responsibility for supervising port security.

The final point I want to make in the brief time available to me also concerns the government’s promotion of the use of vessels under foreign flags of convenience plying their trade around our coastline. One would think that the greatest defence you can have against potential terrorism, piracy and so forth is Australian eyes and ears around our coastline. Yet the government has actually promoted foreign vessels.

If anyone is in doubt about the risks of that, I draw their attention to a question on notice that was answered on 12 May 2004 regarding the number of foreign seafarers who deserted their ships and have been at large in Australia. The number is considerably in excess of those who would seek to enter Australia as asylum seekers through our waterways. Those people have deserted their ships in ports all over Australia, from Townsville to Esperance, Wollongong, Hay Point, Dampier and Cairns as well as the major ports. The government must recognise the risk of these foreign flag vessels, and it is failing to do so.

In short, the government is big on rhetoric about border security but when you conduct a cursory analysis it is really pathetic in the context of the 21st century and the threats that this nation faces.

Mr HATTON (Blaxland) (2.08 pm)—I am happy to follow the shadow minister for defence, the member for Barton, in this debate and to put Labor’s arguments on the Maritime Transport and Offshore Facilities Security Amendment (Maritime Security Guards and Other Measures) Bill 2005, which has eventually got to this place.

I am also happy to support Labor’s amendment to the bill. At first glance it might not seem to be directly connected to the operation of the act, but the fundamental elements reinforce issues relating to a bill that we debated earlier this week, the Mari-
time Transport and Offshore Facilities Security Amendment (Security Plans and Other Measures) Bill 2006. That bill concerned the general safety of Australia’s offshore facilities and the question of access to Australian ports. Like the shadow minister for defence and a number of other members of this House, I spoke on that bill and pointed out that the measures being taken were more than timely. In relation to the proposed amendments to that bill, we argued—as we do with this bill—that not enough is being done.

Let me do a simple comparison between the provisions of the bill we debated earlier in the week and what happens in the aviation area. Even though a great deal is not being done to properly secure us in the aviation area—as any investigation into Sydney airport that goes beyond what the TV shows will demonstrate: any investigation at a deeper level will indicate that the securing of something that is as simple to secure as an airport is a difficult business, because of the manner of operation, historically—it is a hell of a lot harder when it comes to the operation of a port. The key point that I made the other day was that, whereas securing an airport is effectively a lateral situation, with a port there is a multilateral situation. It is horizontal and vertical. It is in the sky and under the sea, and in the approaches to the port by sea and by land, that we have to protect the port.

The provisions in the other bill and the provisions in this one tell us something about the government’s approach, but the opposition’s amendments tell us a great deal more. The reason is very simple: what has not been done to effect our maritime security is reflective of the fact that there have not yet been any maritime attacks within Australia on our fundamental infrastructure, our ports or our vessels. That has not yet happened. The attacks here and overseas have been on aircraft or involved the hijacking of aircraft to be used as ballistic weapons of great power because of the aviation fuel involved.

The attacks in 2001 were five years ago now. We are approaching the anniversary of the attacks on New York and Washington and the attempted attack by the flight 93 plane, which was brought down in the fields in Pittsburgh. There were those attacks together with the train attacks in Madrid, the train attacks in London and a series of attacks. But there are only two examples of the attacking of vessels. One involved the MV Limerick, a passenger ferry; the other was USS Cole, then stationed in Yemen. That attack indicated that al-Qaeda and its associated organisations had a program that involved all facilities—both those regarded as general commercial aviation, as we have seen recently, and also ground based facilities, as we have seen in the attempted attack on the Australian High Commission in Singapore, attacks on facilities and embassies in northern Africa and attacks elsewhere. There were the sea based attacks on a US warship and the attendant loss of life. There was the 1994 attack—this goes back a very long way—on the World Trade Centre, when people attempted to bomb the basement. We can trace the very long period that has been tagged as the war on terror. It came into focus in 2001 but the antecedents occurred over more than a decade and in fact go back to our intervention in the Middle East in the first Gulf War and Osama bin Laden’s ideological response to that, his attack on the Saudi Arabian government.

Our war on terror ends up in bills like the one we are debating today. We have maritime security guards. The focus of that is not drawn from other loci or other foci. Fundamentally, it is a question of the larger picture of the war on terror.

It is also interestingly indicative of the different approaches that have been taken. You
can secure an airport; how well or how poorly has been indicated by the arguments of the opposition about regional airports in Australia, where scanning capacity is either nonexistent or not good enough. The opposition has argued that consistently; there have been some government attempts to redress it. I still think that more than $64,000 to put a ring road around the airport in my electorate, Bankstown Airport, which is virtually co-located with Kingsford Smith airport, is not enough to secure it and its potential use. If you look at what has been done generally to secure Sydney and the other major airports and at the powers given to air marshals both in Australia and elsewhere, and then if you look at the powers given to maritime security guards, you see a big differential. Part of the differential is that the powers given to air security guards are not as great as those expressed in this bill. Air security guards can do so much and no more. The fundamental power still rests with the police forces.

However, what is highly unusual in this bill and what has been brought into focus is probably an effect that is expressed as a result of the complexity of trying to deal with ports. You often know where the major centres in our major airports are; even though they are small, they are not such loci of attention. But our ports are spread continent wide, and the activities associated with them are much greater in frequency and more difficult to control. There is a broader area to cover because you are not just dealing with landing and then turning up to where people are going to offload in absolute centre points. You are dealing with a number of different axes of access to those ports that have to be protected. So this bill is almost unprecedented, in that the powers given to the security guards cover such a great layer of responsibilities and actually take up normal state police powers. I expect the reasons for that are that there is such a broad area that they have to cover and that unaided assistance is generally not directly available to them. It would take time for those forces to go and help them.

But that also underpins other fundamental questions about the extent of the powers given to the security guards. Those questions are how well trained they are and who will take responsibility not just for the training but for the operation of these security guards. In a theoretical context you would think that you would not have worries about this; security guards are security guards whether they are at airports or whether they are operating as air marshals. You would expect them to be well trained and to do the job; you would expect that there would be someone fronting up to take responsibility for it. But I do not think the case is as simple as that. The member for Lowe—absent from the chamber now, but who will be sitting next to me at question time—has undertaken over a period of time a fundamental investigation of the security operation of Sydney airport and has pointed out that there are significant flaws there, with security cameras being turned against the wall and the fact that what should happen is not happening. Likewise, I have pointed out a number of times in this parliament that the actual operation of security at Sydney airport is not what it should be because of the contractual arrangements that operate at the airport.

This is the great failing of Australia; this is the one thing in which we are not American enough. The Americans actually believe in public responsibility. They believe that state and federal governments not only audit and benchmark but they also actually have to do things and take responsibility for things. So you will not find, either at the maritime level or at the air security level, the United States government passing its responsibilities over to private contractors. But that is exactly what you will find at state airports in Sydney.
and elsewhere, and that is exactly what you will find in the securing of maritime ports and of offshore facilities. This bill gives extraordinarily broad powers to those people—powers of arrest, of detainment and to lock up or stop vehicles. If it was a government entity—whatever its faults—I would have greater faith in the operation of those powers, the way they are used and the constraints on them than I have. This is because of what has happened, in particular in my state of New South Wales at Sydney airport. Time after time we have had, and—let me tell this House—we will have further examples in the future, not just of baggage handlers who turn out to be terrorists but also of the operation of an airport where a number of those operations are corrupt or are run by people who are not interested in anything but criminal activity. There is an enormous incentive because of the amount of contraband—and, in particular, drugs—that run through those airports. The member for Lowe and others have highlighted the fact that those enticements can lead to all sorts of contrary effects.

But I think the key to it is simply this: instead of having a government entity in charge and therefore ultimately responsible to a government department, there are a chain of private companies involved. When Qantas had their own security guards in 1996, those security guards were summarily disbanded and sacked when this government came to power. The person who is still running security at Kingsford Smith airport told those security guards they would be sacked if there was a change of government. The contract went to Wackenhut, a United States operation that has also operated our detention centres. It is a private company that has licensed other people further down the track. People in my electorate and in other electorates in Sydney have got security companies who have then employed people. They have said, ‘Oh yes, these people have got security clearances.’

But the critical question of how successful our security apparatus can be in the end rests on the cascade of the delegation of responsibility down to people who are relatively untrained and whose fundamental position is not secured. That is why there has been an attack over the past couple of years by the opposition on the question of security behind what are supposed to be secure gates at Sydney airport and others. The fundamental problem is that the Australian government will not take responsibility for the securing of our assets, either on the air side or, in the case of this bill, in our maritime area.

No more fundamental attack could be made on Australia’s future prosperity than an attack on our onshore and offshore facilities in Western Australia. The greatest attack that could be made in terms of the psychological impact on Australia would be running a ship into the middle of Sydney Harbour full of ammonium nitrate, blowing it up and demolishing not just the whole of Sydney’s CBD but a good proportion of Sydney itself. Maritime guards will not prevent that situation. You need a panoply of government resources and an anti-terror approach directed towards it.

As I said on the past bill, I have enormous faith in the defence forces of this country. I do not have as much faith in the directions they are given and in the fact that a conditioning process is operative here. That conditioning process is very simple. People extrapolate from whatever their experience in the past has been into the future. It means that the mistakes of the past are fixed, but they do not identify the mistakes they will make in the future.

Where are we wide open to terrorist attack? In our massive infrastructure off the North West Shelf in Western Australia.
Where have we done least to protect it? There, and also down through Kwinana and other areas in Western Australia that are open to attack. I am happy to know, because I have spoken to the people involved in securing this and have pushed for it, that that is being actively monitored, but I want a great deal more done. If the trains of LNG on the North West Shelf were destroyed, it would devastate Australia’s economy, not only now but for decades to come.

We need to think about the operation of this act and the powers we give to maritime security guards. I hope they use them well. I hope that the controls that we have in relation to the companies who take out the contracts in every port in Australia are secure enough to ensure that we do not have the least capable person utilising what are effectively police powers and that they will not use them in bullying ways but will be sensibly trained. I hope that they will know what their constraints are and that, if they identify people who end up being terrorist suspects, they will follow the specifics of this bill, which demand that they identify themselves, state what their powers are and ask those people to leave those areas.

If you look at the specifics either in the explanatory memorandum or in the bill itself you will find that there are three particular areas. Security guards can:

... request that a person found within a maritime security zone provide identification and reason for being in the zone;

There is a let-out clause in regard to this that ensures that you are not going to end up in the slammer just because you have not popped up with your identification; they expect some reasonableness to operate. The second thing is that they may:

... request a person found in a maritime security zone without authorisation to move out of the zone, and if that request is not complied with, remove the person from the zone;

That of course brings into train the issue of appropriate force. Throughout all these regulations there are the normal provisions in relation to appropriate force being used. The third and final provision in schedule 1 is:

- a maritime security guard may remove, or have removed, vehicles and vessels found in maritime security zones without authorisation.

Here they are not in the same position, as indicated by the shadow minister for defence, as in the US. The powers open to maritime security guards within the US Coast Guard system are much greater than what we have here. They are actually on the vessels and in the wheelhouse, meaning they are in a position to stop a ship full of ammonium nitrate steaming into Sydney Harbour and blowing the whole joint up. That position is not available to us here in any measure. These are the fundamentals.

Some people might be fundamentally concerned that powers as extensive as police powers extended to these security guards are as great as they are. That is not my fundamental concern. My fundamental concern is that we have a coalition government that, since 1996, with the first yellow-covered booklet on the National Commission of Audit, has refused to take any responsibility whatsoever except to audit and benchmark activities of the Australian government.

They did not want to run any programs at all. That is why you will not find in Australia, as you will in the United States, government employees being maritime security guards. You will not find Australian government employees, except for people in the Navy, directly responsible for securing our borders. You will not find this government taking direct responsibility for securing us against terrorist attacks, and that is our point of greatest weakness and greatest danger. The United States government, for all its
faults, whether Republican or Democrat, believes in public service and in the federal government’s responsibility to control its borders and secure the American public using its own employees. I wish the Australian government could follow them in that. (Time expired)

Mr WILKIE (Swan) (2.29 pm)—I welcome this opportunity to discuss the Maritime Transport and Offshore Facilities Security Amendment (Maritime Security Guards and Other Measures) Bill 2005 and the worthy amendment moved by the member for Brisbane. If I could beg the Speaker’s indulgence in the few minutes before question time, I would like to briefly reflect on the death earlier this week of writer Colin Thiele. The mention of Mr Thiele at the start of my discussion on the bill before us is not as strange as it may seem. I know a generation of my constituents will have grown up reading the works of Mr Thiele, especially his iconic novel *Storm Boy* as well as other well-known works such as *The Fire in the Stone* and *Magpie Island*.

Colin Thiele served in the Royal Australian Air Force during World War II and had a long association with schools and educational institutions. Mr Thiele had a particular talent for evocative portrayal of the Australian coastal landscape. For students growing up in the 1970s in some of the larger, crowded urban centres in our capital cities, many of whom arrived from overseas, Thiele’s stories reflected the Australian affinity with the ocean and our proud maritime history. Our sympathies go to his family.

**QUESTIONS WITHOUT NOTICE**

**Workplace Relations**

Mr BEAZLEY (2.30 pm)—My question is to the Prime Minister. I refer to 19-year-old Shane Denning from Penrith, New South Wales, who is in the gallery today. He was contracted to do warehouse and delivery work for Cabramatta company BM Sydney Building Materials at a rate of pay of $10.20 per hour. Is the Prime Minister aware that the applicable hourly award rate in New South Wales for an employee doing the same work that Shane was contracted to do is $14.80? Doesn’t this mean that had Shane been employed under the award instead of engaged as a contractor he would have been paid $240 a week more, working the 45 hours he was contracted for? Prime Minister, doesn’t your independent contractors legislation just mean more people like Shane will be forced onto sham contracts and be worse off?

Mr HOWARD—Generally speaking, no.

Opposition members interjecting—

The SPEAKER—Order! The Prime Minister has the call.

Mr HOWARD—In relation to the particular circumstances of the young man mentioned by the Leader of the Opposition, if all of the details relating to him are supplied to me I will naturally investigate it, as I do and as I did—whilst I am on my feet—with a case put to me yesterday by the member for Prospect. I did undertake to get back to the member for Prospect, and I now do that, if I may be allowed to do so.

Yesterday the member for Prospect asked a question on an alleged termination of a worker in Sydney. He asked whether I was aware that Mr Majstrovic was terminated after lodging a workers compensation claim, whether the company was trying to avoid unfair dismissal and whether I was aware that the employee only received one week’s
salary as compensation. I am advised that Mr Majstrovic was made redundant along with 41 other staff during July and August because of a downturn in work. I am further advised that this was not related to a workers compensation claim. Additionally, I am advised that Mr Majstrovic, rather than receiving only one week’s compensation, is actually entitled to over $10,000 in compensation for being made redundant. In addition, the House might want to note that the member for Prospect also failed to mention in his question that the CFMEU has already lodged unfair dismissal and unlawful termination action challenging the redundancy claims in the AIRC for Mr Majstrovic and other workers. Finally, I understand that the company is taking defamation action against the CFMEU in relation to the matter. The Labor Party should really start addressing facts rather than asking questions with half-truths in question time.

**Employment**

**Mr BAKER** (2.33 pm)—My question is addressed to the Prime Minister. Would the Prime Minister advise the House of recent developments in the Australian labour market and what they mean for my electorate of Braddon?

**Mr HOWARD**—I thank the member for Braddon for his question about something that is important to all Australians—that is, the fact that figures that came out today show that our unemployment rate remains at or near a 30-year low. An additional 23,400 jobs were created in August, 22,600 of which were full-time jobs. There have now been 1.9 million new jobs created in Australia since March of 1996 and, importantly, there have been 175,800 new jobs created since the Work Choices legislation took effect in March. Far from the gloomy predictions of the Leader of the Opposition, Mr Shorten of the Australian Workers Union and Sharan Burrow, the President of the ACTU, that the new legislation was a charter for mass sackings and mass dismissals, we have in fact seen an extraordinary strength in the Australian labour market since March of this year.

The participation rate for August rose from 64.9 per cent to a record high of 65.1 per cent. The participation rate has been above 64 per cent in every month since January of last year, and only in two other months in the last 30 years has the participation rate been above 64 per cent, and that was in January and February of 2003. This record high participation rate is proof of the confidence Australians have in finding a job. More Australians than ever feel confident about looking for and finding the work of their choice. It is truly an employees’ market like never before.

In commenting on today’s figures, the Deutsche Bank economic commentary had this to say, inter alia, and I think it bears very heavily on debate in relation to the labour market in this country:

The rise in available labour is a clear trend and relates to a range of factors including an ‘encouraged worker effect’ and yes, some increased participation resulting from the recent Commonwealth Government reforms to industrial relations and welfare rules.

In other words, this economic commentary is saying that we now have a climate which is encouraging workers, and one of the explanations for that is the combined effect of the government’s industrial relations changes—you know, the ones that were going to throw millions out of work—and also the Welfare to Work rules. Which side of politics opposed both of those measures? In other words, the Australian Labor Party is against measures which, in the view of this economic commentary, have led to an encouraged worker effect.
May I say to the member for Braddon that in March of 1996 the unemployment rate in his state of Tasmania was 10.1 per cent and in August of 2006 it was six per cent. In the electorate of Braddon, in March of 1996 it was 10.9 per cent and in March of this year, and it may be lower now, it was 7.2 per cent. He and other Northern Tasmanians will know only too well that if the forest policies of the other side of politics had prevailed in October of 2004 then the unemployment rate in Braddon and other parts of Northern Tasmania would have been heading back to the stratospheric levels that they arrived at in March of 1996.

**Workplace Relations**

**Mr STEPHEN SMITH** (2.38 pm)—My question is also to the Prime Minister and again refers to Mr Shane Denning. Is the Prime Minister aware that Shane’s contract with BM Sydney Building Materials provided that Shane was responsible for remitting GST to the Australian Taxation Office, for his own superannuation, his own workers compensation and public liability insurance and providing his own protective work gear? Is the Prime Minister also aware that Shane worked effectively as an employee, working regular hours Monday to Friday, under the direct supervision and control of his employer? Isn’t it the case that the Prime Minister’s independent contractors legislation takes away the protections, currently available to Shane under New South Wales state law, to be treated fairly as an employee and not as a sham contractor?

**Mr HOWARD**—I have already indicated in answer to the question from the Leader of the Opposition that when I have all the details relating to Shane I will consider them. I will provide a prompt response as I did in relation to the member for Prospect. I only hope that the facts on this occasion are a little closer to the truth than was the case with the question from the member for Prospect.

**Mr Stephen Smith**—To assist the Prime Minister, I am happy to provide him, by leave, with a copy of the contract and a copy of Shane’s statement.

Leave granted.

**East Timor**

**Mr MICHAEL FERGUSON** (2.40 pm)—My question is addressed to the Prime Minister. Prime Minister, what is the current level of the Australian Defence Force and police commitment to East Timor? Are any changes to that commitment planned?

**Mr HOWARD**—I thank the member for Bass for his question and I note that the last two questions asked of me were from members who fought off the depredations of the destructive employment policies of the Labor Party in Northern Tasmania at the time of the last election. But let me go to the substance of the question asked by the member for Bass. The government has decided that an infantry company, which comprises about 120 soldiers currently based in Darwin, will be sent to Dili immediately to reinforce the combat capability of the ADF contingent in East Timor.

There are currently approximately 930 ADF personnel in East Timor and about 180 members of the Australian Federal Police. Over the next week some 130 ADF logisticians, medical personnel and support staff will be withdrawn, their roles being substantially taken over by commercial contractors. In recent weeks the level of violence has fallen in Dili, thanks largely to excellent work by the Defence Force, the AFP and other international forces. But there is no doubt that the escape of dissident FDTL officer Reinado and 56 other hardened criminals has escalated tensions. As the foreign minister said in this place on Tuesday, Australia is
willing to help, along with other members of the international community.

I repeat the message to the government and people of East Timor that, whilst the government and the people of that country have a willing friend and ally in Australia, they nonetheless carry direct responsibilities for looking to their own interests. The future of that country ultimately rests in the hands of the people of East Timor. The escape of Reinado was not the fault of the Australian military. The escape of Reinado was due to the negligence of others. It was not due to the negligence and the failure of the men and women of the Australian Federal Police or the men and women of the Australian Army.

It is for the people of East Timor, having fought so hard for independence, not just to take responsibility for prison security but to resolve the broader issues that face that country. They must support the rule of law, they must uphold the democratic institutions of state, they must respect their fellow citizens and genuinely work towards resolution of their political differences. As they work towards that state and those goals they can rest assured that, providing they discharge their responsibilities, they will continue to have a faithful friend and constant ally in Australia.

Workplace Relations

Mr STEPHEN SMITH (2.44 pm)—My question is also to the Prime Minister. Is the Prime Minister aware of protected industrial action, a ban on overtime, for Heinemann Electric employees in Melbourne? Is the Prime Minister aware that around 50 employees at Heinemann Electric have worked for eight hours a day for five days and have not been paid, with their payslips showing zero dollars for 40 hours work? Does the Prime Minister think it is fair that today an Australian can work for 40 hours and not get paid?

The SPEAKER—In calling the Prime Minister, he is not being asked for an opinion but I will certainly rule the question in order.

Mr HOWARD—I am quite happy to express the view that if you work for 40 hours and there are no countervailing circumstances, of course you should get paid.

Mr Stephen Smith interjecting—

The SPEAKER—Order! The member for Perth has asked his question. The Prime Minister has the call.

Mr HOWARD—in relation to the particular dispute, my advice is that there is a legal argument about the status of that dispute. If, as I expect, action is taken in the Federal Court, that legal argument will be resolved by the court. I make the point that this in no way arises from the operation of Work Choices, because there has been a prohibition on the payment of strike pay in Australian law for 10 years.

Drugs: Bali

Mr BROADBENT (2.46 pm)—My question is addressed to the Minister for Foreign Affairs. What action will the government take to support the six Australians facing the death penalty in Indonesia?

Mr DOWNER—I thank the honourable member for his interest. As he knows and as the House knows, six of the so-called Bali nine Australians who were convicted of heroin trafficking have now been sentenced to death as a result of a decision by the Indonesian Supreme Court. In answer to the honourable member’s question, I make three points. First of all, our embassy officials and particularly our consulate officials in Bali will continue to work tirelessly to provide appropriate consular support to the convicted Australians. They are constantly visited by the consular staff. Over and above that, for example, yesterday my department spoke to the families of the nine and is also offering
support to those families. I think in these circumstances all of our hearts go out very much to the families.

The second point I make is to remind not just the House but the Australian community that trafficking in heroin is an extremely serious offence, and it is well known that in most Asian countries trafficking in heroin can bring the death sentence. All people should understand this. We cooperate with a lot of countries in the region, not least Indonesia, in trying to stop the trafficking of harmful drugs, in particular heroin, into Australia in order to protect the people of Australia. It is very important that our law enforcement agencies work closely with those of neighbouring countries, including Indonesia, to combat transnational crime, including drug trafficking but also problems like people-smuggling, terrorism and so on.

The third point I would make is that the Australian government’s position on capital punishment is well known. We oppose capital punishment and we always support applications for clemency for Australians, as we have done on a number of occasions over the years—the previous government and the present government. Over the years Australian governments, including our government, have been successful. We have been successful in relation to Vietnam on several occasions. The House knows only too well that we were unsuccessful in relation to Van Nguyen in Singapore last year, and there were the cases in Malaysia back in the 1980s or 1990s when the Australian government’s representations were unsuccessful as well. So, it varies. But we will always support applications for clemency.

The final point I make is this: the Australians who have been sentenced to death and whose sentences have now been handed down by the Supreme Court in Indonesia do have options. One of them is the option of a judicial review. Under that judicial review the Supreme Court can look at the circumstances of the conviction, details in relation to the trial and so on, and it is possible that the sentences could be reduced but it is by no means certain.

Finally, once all appeals have been finalised, applications can be made for clemency. Should those applications be made, the Australian government will support those applications to President Susilo Bambang Yudhoyono. We have no experience of President Yudhoyono’s approach to these issues. We do know that he is very tough on drugs. It is a central plank of the President’s platform and it is a good plank that he wants to try to eliminate drug use and trafficking in Indonesia. But his attitude to dealing with these sorts of applications for clemency is unknown, and we will just have to wait and see. I would not encourage people to have false optimism about it; I simply do not know what his approach will be.

DISTINGUISHED VISITORS

The SPEAKER (2.50 pm)—I inform the House that we have present in the gallery this afternoon members of a parliamentary delegation from New Caledonia. On behalf of the House I extend a very warm welcome to our visitors.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Interest Rates

Mr BEAZLEY (2.50 pm)—With your indulgence, Mr Speaker, I indicate that the opposition supports the government’s efforts at securing clemency with regard to the individuals dealt with in the answer from the foreign minister. My question is to the Prime Minister. I refer the Prime Minister to his answer yesterday about figures from the Supreme Court of New South Wales that show mortgage repossessions have more than dou-
bled since 2002 and are now 50 per cent above the levels recorded in 1991. Prime Minister, if interest rates are not to blame for the increase in repossession actions, why is it that repossessions only started going through the roof in 2002, precisely when interest rates started to rise?

Mr HOWARD—In relation to repossession, there can be a variety of reasons why repossessions might fluctuate over a period of time. The point I made yesterday relating to housing affordability—and of course it is impossible to separate the issue of housing affordability from the issue of repossession—is something that I repeat today—

Ms Plibersek interjecting—

The SPEAKER—Order! The member for Sydney!

Mr HOWARD—and that is that the major cause of the increase in the unaffordability of the first home for young Australians has undeniably been the price of land.

Mr Beazley—Mr Speaker, I rise on a point of order. The question was about repossessions and their relation to interest rates, not issues of housing affordability.

The SPEAKER—I have been listening to the Prime Minister. He is responding to the content of the question. I call the Prime Minister.

Mr HOWARD—My point simply is that it is harder for young Australians to buy their first home, and the major reasons for that are the cost of land due to the restrictive land release policies of state governments and the way in which state governments are using the development process as a revenue-raising device.

Mr Hatton interjecting—

The SPEAKER—Order! The member for Blaxland!

Mr HOWARD—If you look at the figures in relation to the city of Sydney, those figure show very clearly that in the 30-year period between—

Mr Beazley—Mr Speaker, on a point of order that goes to relevance: this has got nothing to do with repossessions, which have been going through the roof since interest rates started to rise.

The SPEAKER—The Prime Minister is responding to the content of the question. I call the Prime Minister.

Mr HOWARD—I simply conclude by reminding the House again that between 1973 and 2003 the cost of land in Sydney rose by 700 per cent and the cost of building rose by about four per cent in real terms. Fifteen years ago interest rates were double what they are now. It is therefore beyond logical argument that the principal reasons for the problem young Australians now have are the land release policies of state governments and the way in which they use the development process as a way of extorting revenue from young people.

Workplace Relations

Mr HENRY (2.54 pm)—My question is addressed to the Minister for Employment and Workplace Relations. Is it a fact that today's industrial disputation data show that strikes are at the lowest level on record? Is the minister aware of proposals which might increase the rate of industrial disputes, and what impact might this have on employment generally and also in my electorate of Hasluck?

Mr ANDREWS—I thank the member for Hasluck for his question because today we have had two pieces of very important economic data released by the Australian Bureau of Statistics. Not only, as the Prime Minister indicated earlier, have we seen the creation of more than 1,000 jobs each and every day since Work Choices came into operation—more than a thousand jobs a day being created in Australia since Work Choices—but
the ABS data also show that we have the lowest level of industrial disputation since records were kept. And can I indicate to the House that the first time records were kept in relation to industrial disputation in Australia was in 1913, before our troops went to Gallipoli. We now have an industrial disputation level in Australia of 3.1 working days lost per thousand employees. The highest rate in Australia was 104.6 working days lost per thousand employees.

Ms Plibersek interjecting—

The SPEAKER—The member for Sydney is warned!

Mr ANDREWS—That was in December 1992—and guess who was then the minister for employment in Australia? The minister for employment in Australia was none other than the Leader of the Opposition, the member for Brand, when we had the highest level of industrial disputation in Australia.

The member for Hasluck asked me about the impact in terms of his electorate. I can reveal that the unemployment rate for his electorate in the March quarter of this year—the latest figures on the electorate breakdown of the unemployment rate—was 4.3 per cent. I spoke about the time when we had the highest level of industrial disputation. The unemployment rate in the electorate of Hasluck at that time—again, when the Leader of the Opposition was the minister for employment in Australia, responsible, one would have hoped, for creating jobs but indeed, as it turned out historically, responsible for destroying jobs in Australia—was 10.9 per cent. I say to the member for Hasluck and, through him, to the constituents of the seat of Hasluck in Western Australia—

Mr Hatton interjecting—

The SPEAKER—The member for Blaxland is warned!

Mr ANDREWS—here is the comparison between the two: 104 working days lost per thousand employees and a 10.9 per cent unemployment rate or, today, 3.1 working days lost per thousand employees and an unemployment rate in Hasluck of 4.3 per cent. This is quite clear: it is good news for the electors of Hasluck; it is good news for the people of Australia. It is good news because this is a government which has presided over a strong economy in this country. And, ultimately, it is that strength of the Australian economy which has led to that wonderful increase in jobs over the last five months in Australia, something which all Australians will benefit from.

Interest Rates

Mrs IRWIN (2.58 pm)—My question is to the Prime Minister. I refer the Prime Minister to his claim that the states are to blame for the pain felt by mortgage holders from rising interest rates, because they have forced up the price of housing. Does the Prime Minister recall saying in an interview with Neil Mitchell on 22 August 2003:

I haven’t heard anybody complain about the fact that incidentally that their houses are more valuable, they think that is an indication of prosperity and wellbeing.

How can the Prime Minister claim rising house prices are a virtue for households one minute and the cause of all their woes the next? Is this because of his embarrassment over the impact of the seven back-to-back interest rates hikes?

Mr Tuckey interjecting—

The SPEAKER—The member for O’Connor is warned!

Mr HOWARD—In reply to the member for Fowler: I certainly do remember saying that to Neil Mitchell, and it is true. I have never heard anybody complain about the value of their house. The point I am making is that, if you are to have a market that oper-
ates fairly for young homebuyers, you have to remove some of the artificial barriers to entry. We cannot have a society that is only run for the benefit of existing homebuyers and shuts out opportunity for intending homebuyers. That is not the kind of Australia that this electorate wants, and I want to say on behalf of the coalition that we want an Australia that allows young people a reasonable opportunity to buy their first home.

Ms Plibersek interjecting—

The SPEAKER—The member for Sydney is on very thin ice.

Mr HOWARD—That is what we are on about. The Leader of the Opposition can shout as much as he likes. Nothing can alter the fact that if you do not have a reasonable supply of land, if you continue to use the development process to raise revenue rather than governments discharging their responsibilities of providing roadworks, sewerage and guttering, the sorts of basic infrastructure that ought to be provided by government, you are going to continue to shut young homebuyers out of an opportunity of buying their homes. I know the Labor Party is run by inner urban elites, but I would have hoped that they might have had some sensitivity to the young of this country who want to buy a home and who find it necessary to go to the outer periphery of Sydney in order to do so.

Trade: Cotton Industry

Mr BRUCE SCOTT (3.01 pm)—My question is to the Deputy Prime Minister and Minister for Trade. Would the Deputy Prime Minister and Minister for Trade inform the House of the success of Australia’s cotton exports, particularly from my electorate of Maranoa? Are there any impediments to the industry’s export success?

Mr VAILE—I thank the member for Maranoa for his question. The member for Maranoa represents an area that generates significant quantities of cotton exports out of Australia. One of the issues that is most important to the cotton industry is a reliable supply of and access to water. Just to give you an idea of the importance of the export industry that they have grown, this year they have topped $1.1 billion worth of exports of cotton out of Australia. Cotton is now Australia’s seventh-largest agricultural export—

Mr Danby interjecting—

The SPEAKER—Order! The member for Melbourne Ports!

Mr VAILE—and a lot of that would be coming out of the electorate of Maranoa. It is interesting to note where the strongest growth has been. China is now becoming one of Australia’s largest fibre markets for both wool and cotton, because cotton exports to China last financial year rose by a staggering 307 per cent. So just over a half a billion dollars—$506 million—worth of exports of cotton have gone to China, along with exports to Indonesia worth $250 million, and Thailand, $157 million.

As I said, this industry relies very heavily on the reliability of access to water. Many of the state Labor governments are not cognisant of this fact, particularly in Queensland—the member for Maranoa comes from Queensland—where the Beattie Labor government—

Mr Kelvin Thomson interjecting—

The SPEAKER—Order! The member for Wills!

Mr Kelvin Thomson interjecting—

The SPEAKER—The member for Wills is warned!

Mr VAILE—are proposing to arbitrarily levy a $4 a megalitre water tax on industry in Queensland.

Mr Danby interjecting—

The SPEAKER—The member for Melbourne Ports is warned!
Mr VAILE—Cotton Australia has come out and said, and very sensibly so, that irrigators must not be asked to bear the cost of water reform alone. They recognise that they have to share the responsibility, but they should not have to bear it alone—and that is the view of the Beattie Labor government in Queensland. So, whilst the federal coalition government—

Mr Tanner interjecting—
The SPEAKER—Order! The member for Melbourne!

Mr VAILE—has been removing taxes from exports—

Mr Tanner interjecting—
The SPEAKER—The member for Melbourne is warned!

Mr VAILE—with $3 billion worth of taxes taken off the backs of exporters as a result of our tax reform policy a number of years ago, and continuing to reduce the levels of income tax, state Labor governments are lazily increasing taxes on our export industries. This should be an issue in the Queensland election on Saturday, because the Beattie Labor government wants to levy a $4 a megalitre tax on irrigators in Queensland.

Superannuation

Mr ANDREN (3.05 pm)—My question is to the Prime Minister. Can the Prime Minister explain why we legislate one set of laws for setting superannuation entitlements, pay, termination payouts and benefits for our constituents, including two million on the age pension, and another set of far more generous laws and arrangements for setting the pay, superannuation, termination payouts and other privileges for members of parliament?

Mr HOWARD—The question asked by the member for Calare clearly relates to the announcement I made today in relation to some proposed changes to the law concerning the superannuation entitlements of members of parliament first elected in the 2004 election and some, in some circumstances, elected in 2001. I should say that it is a proposal that has the express support of the opposition. What is happening is that members of parliament in that category are to be treated in the same way as Commonwealth public servants and indeed in the same way as members of their staff.

I know that it is easy to criticise any alteration which in any way enhances the remuneration of members of parliament. I do not believe that the great bulk of members of parliament in this place are overpaid. I think most people who come into this place come in with a sincere commitment to serve the people of Australia according to their philosophy. I believe that if we continue to take the populist route on this issue we will trash the gene pool of potential entrants to this parliament. I do not want to see the parliament of this nation filled with trade union officials, political staffers or careerist political figures who have had no acquaintance at all—

Opposition members—Or lawyers!

Mr HOWARD—I want it filled with a cross-section of this nation, and I am very proud of the fact that in the last election, in 2004, an astonishing range of the abilities and talents of the Australian people entered the national parliament on my side. I defend this decision and I will be interested to hear that the Leader of the Opposition also endorses what he has indicated to me privately.

Guantanamo Bay

Mr LAMING (3.07 pm)—My question is to the Minister for Foreign Affairs. Is the minister aware of the transfer of 14 terrorists to Guantanamo Bay, and what is the government’s response?

Mr DOWNER—I thank the honourable member for his question and his interest. We
are—I think it is next Monday—five years on from 9-11, in which 10 Australians were killed. It is nearly four years since 88 Australians were killed in Bali. We are two days from the second anniversary of the bombing of the Australian embassy in Jakarta and we are pretty close to the first anniversary of the so-called second Bali bombing. In that circumstance, we obviously remember very much those who were killed. We mourn those who have died and we share the pain of the families of those who were killed. We recommit ourselves to the struggle against terrorism; to doing all we can as a country; to trying, in working with our allies and our friends, to bring terrorists to justice; and to stopping acts of terror.

There is, of course, no country on earth more important in this fight against terrorism than the United States of America, and, as the honourable member said in his question, President Bush made a speech overnight about some of the successes that have been achieved through a CIA program of detention and questioning. Information from one detainee in this program has been important to Australia because it led to the arrest of Khalid Shaikh Mohammed, who was the al-Qaeda linkman with Jemaah Islamiah, and Hambali, who was the Jemaah Islamiah linkman with al-Qaeda. It was Hambali who helped to plan and was really the mastermind behind the first Bali bombing.

Others detained in this program include one of Hambali’s key lieutenants, who facilitated the transfer of al-Qaeda funds which funded the Marriott Hotel bombing in Jakarta in 2003. In addition to that, information from these detainees also led to the capture of Hambali’s brother and the closure of a Jemaah Islamiah cell in Pakistan—and it told us a good deal about al-Qaeda’s plans to obtain biological weapons capability. That came through a Jemaah Islamiah member.

I mention all that because a great deal has been achieved through these kinds of programs. President Bush announced that the 14 terrorist suspects in the CIA program are now being transferred to Guantanamo Bay, where they will be held in detention, pending prosecution by the United States Department of Defense, along with around 450 others who are already there. He has also sent to congress legislation to authorise the creation of a military commission to try these people. Once the congress acts to authorise these commissions, those who are believed to have orchestrated acts of terror or to be associated with acts of terror, or are alleged to have committed war crimes or attempted to murder people will of course be charged and prosecuted before the military commissions.

I can simply state that, for all the criticism of the United States that you sometimes get in this country and internationally on the actions it is taking in the fight against terrorism and the controversy about these particular sorts of measures, it is important to bring them back home, bring them back to the war against terrorism in our immediate region and understand how important it has been to get information from detainees that has led to the capture and, in some cases, the killing of terrorists who might have otherwise killed innocent people.

Aviation Security

Mr BEVIS (3.12 pm)—My question without notice is to the Minister for Transport and Regional Services. Is the minister aware that at Ballina Airport passengers are not screened before they board aircraft unless it is a jet, even when their flight is a direct flight to Australia’s largest airport, Sydney? Is he aware that, a year ago, Sir John Wheeler specifically warned:

... consideration should be given to more comprehensive security control over regional flight pas-
sengers when arriving at major airports such as Sydney ...

And:

... the Review noted the vulnerability of current arrangements as they relate to unscreened passengers on some regional regular public transport aircraft arriving at major airports such as Sydney.

Minister, why hasn’t the government fixed these problems five years after the September 11 terrorist attacks?

**Mr TRUSS**—I am aware of the claims by the honourable member for Brisbane—indeed, Senator Ian Campbell in the other place said that passengers departing Ballina are not subject to any kind of scrutiny. The Mayor of Ballina, Councillor Silver, and many others in the Ballina region this morning were in the local newspaper to make it abundantly clear that the claims by the honourable member for Brisbane and Senator Campbell are in fact wrong. They are false. The reality is that Ballina has jet services and those passengers are checked in the normal way to ensure that there are no security issues.

_Ms Gillard interjecting_

**The SPEAKER**—Order! The member for Lalor is warned!

**Mr TRUSS**—On those passengers who are not on jet services: we have responded to the Wheeler report and his recommendation that there be greater scrutiny when those passengers arrive in Sydney. Indeed, those passengers are now bussed to the airport terminal building and are kept under scrutiny at all times. We have accepted all of the Wheeler committee recommendations, including those in relation to regional aviation. The claims by the Leader of the Opposition and others that we have not responded to that recommendation are completely false. We have fulfilled the recommendations entirely.

The Leader of the Opposition has also been guilty on many occasions of verballing Sir John in relation to his recommendations concerning regional airports. Sir John recognised that there would be different standards of security provided at different airports and that this should happen on the basis of a risk assessment. We have done the risk assessment, we have responded completely to the Wheeler recommendations and that applies also to passengers out of Ballina.

**Mr Bevis**—Mr Speaker, I seek leave to table a photograph of the Ballina security point securely locked and shown as closed at the Ballina airport when it was operational. I also seek leave to table a second photograph of the secure area, with the door marked ‘security area’ left wide open for everybody to walk through—at the same time as the security checkpoint was closed.

Leave granted.

**Health**

**Mr CAMERON THOMPSON** (3.15 pm)—My question is to the Minister for Health and Ageing. Would the minister advise the House of measures the government has taken to support doctors in rural and regional areas? How is this assisting doctors in the electorate of Blair? What contribution can the states make to improve medical services in these areas?

**Mr ABBOTT**—I thank the member for Blair for his question, and I certainly acknowledge his ferocious advocacy for health services in his area and elsewhere. As far as the Howard government is concerned, country people will never be second-class citizens when it comes to health care.

Since 1996 the Howard government has announced four new medical schools outside capital cities. It has established 14 rural clinical schools. It has established 11 university departments of rural health. The government is making rural retention payments of up to $25,000 a year to nearly 2,000 doctors. It has subsidised the employment of
more than 1,100 nurses in country general practice. It has recently doubled the incentive payments to country GPs who are doing anaesthetics, obstetrics and minor surgery. As a result of these and other measures, there are now nearly seven per cent more doctors in Australia overall on a full-time workforce equivalent basis, but nearly 25 per cent more doctors in country areas. On a headcount basis, the number of doctors practising in country areas has increased from 5,400 in 1996 to 6,900 now. In the seat of Blair, the number of doctors has gone from 80 in 1996 to 105 today, thanks in part to the policies of the Howard government.

By contrast, most of the states have neglected country hospitals—in particular, by closing down rural maternity units. And, as usual, the state of Queensland is the worst offender. Since 1998 the Beattie government has closed—would you believe this?—36 out of 84 public maternity units. Forty per cent of the maternity units in the state of Queensland have been closed down by the Beattie government. As well as Kilcoy and Gatton in the electorate of Blair, these centres have lost their maternity units: Weipa, Ingham, Bowen, Collinsville, Winton, Yeppoon, Maryborough and Beaudesert, as well as many others. All have lost their maternity units thanks to the negligence and the neglect of the Beattie government.

Premier Beattie is saying, ‘Re-elect me to fix the Queensland health system.’ Why would you elect to fix a system a man who broke the system in the first place?

*Ms Gillard interjecting—*

**Mr ABBOTT**—Re-electing Premier Beattie to fix health would be like putting Al Capone in charge of the FBI!

**The SPEAKER**—The member for Lalor then left the chamber.

**Mr ABBOTT**—The Queensland election is rightly a referendum on the state of Queensland’s public hospitals, and I suggest that the citizens of those towns that have lost their maternity service should pass appropriate judgment on the Beattie government this Saturday.

**Aviation Security**

**Mr BEVIS** (3.19 pm)—My question without notice is again to the Minister for Transport and Regional Services. Is the minister aware that at Dubbo airport passengers are not screened with metal detector wands or walk-through metal detectors before entering the tarmac and boarding their aircraft—unless it is a jet—even when their flight is a direct flight to Australia’s largest airport, Sydney? Is he aware that carry-on baggage is not even examined for weapons or explosives before entering planes which fly into Sydney? Is the minister also aware that about 20 metres from the new security gate—this gate, Minister—there is an old farmyard gate that opens onto the tarmac, which was left open and unattended last week when this photo was taken.

**The SPEAKER**—The member will come to his question.

**Mr BEVIS**—I ask you again, Minister: why hasn’t the government fixed these problems one year after Sir John Wheeler specifically raised them with you, and five years after the September 11 terrorist attacks?

**Mr Ticehurst interjecting—**

**Mr TRUSS**—The honourable member for Brisbane has once again misquoted from the Wheeler report. Since he has given me this opportunity, and I have found the relevant quote, let me read to the House paragraph 47
of the Sir John Wheeler report on regional aviation.

Mr Danby interjecting—

The SPEAKER—The member for Melbourne Ports will excuse himself under standing order 94(a)

The member for Melbourne Ports then left the chamber.

Mr TRUSS—The report said:
It is neither practical nor desirable to expect 100 per cent security at regional airports. The sheer diversity of Australia’s regional airports makes the challenge of common standards of security an impossibility.

Mr Stephen Smith—Where does it say to leave the gate open?

The SPEAKER—The member for Perth is warned!

Mr TRUSS—It continues:
Any protective security enhancements should be undertaken in accordance with a local threat and risk assessment and not instituted on the basis of what is sometimes media-driven scaremongering.

Mr Bevis—What did he say about—

The SPEAKER—The member for Brisbane is warned!

Mr TRUSS—Indeed, I perhaps could add, from my own words, opposition-driven scaremongering. The Labor Party has proposed as an alternative to the risk managed systems that we have put in place—

Ms Plibersek interjecting—

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

The member for Sydney then left the chamber.

Mr TRUSS—The opposition has proposed, as an alternative to the carefully costed and properly risk managed proposals implemented by this government to upgrade security around Australia, that every airport in Australia should be equipped with security measures similar to those at our capital city airports.

Mr Beazley—Mr Speaker, I rise on a point of order. He got a specific question about why that gate was open at the airport—

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

Mr Tuckey—Mr Speaker, I rise on a point of order that relates to photography by the media in this place. Could I draw your attention to the fact that, prior to these questions, the press photographers moved from their usual position over there, in conspiracy with the opposition, to take those photographs.

The SPEAKER—I thank the member for O’Connor for his question and remind him that questions to the speaker should be put at the end of question time.

Mr TRUSS—The opposition have proposed that there should be passenger security measures similar to those we have in our capital cities to check every passenger and all baggage in every airport in Australia. The opposition have repeated that statement frequently. As I said to the House a couple of days ago, it has been estimated that the average cost of providing this kind of security at every airport in Australia would be $5 million per airport.

Mr Wilkie interjecting—

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

The member for Swan then left the chamber.

Mr Fitzgibbon interjecting—

The SPEAKER—The member for Hunter is warned!

Mr TRUSS—At some of these 170 airports, there could be as few as 10 or a dozen
passengers a week, but Labor is proposing that these airports be required to install $5 million worth of security equipment. All of that cost would be passed back to the passengers by way of a loading on their tickets. That is what the Labor Party are proposing.

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

The SPEAKER—The Leader of the Opposition does not need a photograph to help him with his point of order.

Mr Beazley—Mr Speaker, the question was about an open gate. It would cost about five dollars to put a padlock on it and make it—

The SPEAKER—That is not a point of order.

Mr TRUSS—Their proposal is to spend $5 million on security equipment for individual passenger checking facilities and baggage X-ray facilities at each of these airports. This would add thousands—indeed, tens of thousands—to the cost of tickets for flights out of airports in many parts of regional Australia. That would be a recipe for closing down airports. We do not believe that is a reasonable response. That is not in conformity with what Sir John Wheeler recommended. He recommended that security be provided appropriate to the risks in each instance. In the case of an airport like Dubbo, which does not have jet services and therefore individual passengers are not screened unless there is a particular risk assessment that suggests it needs to be done—

Mr Albanese interjecting—

The SPEAKER—The member for Grayndler is warned!

Mr TRUSS—They are bussed under supervision to the terminal building, where they go through security if they are entering or going on to a sector which will involve jet travel. Sir John Wheeler’s recommendations have been responded to effectively and completely by this government, and that has delivered a much higher level of security for the passengers of Australia than ever existed when Labor was in office.

Investing in Our Schools Program

Mr VASTA (3.28 pm)—My question is addressed to the Minister for Education, Science and Training. Would the minister inform the House how schools in my electorate and in Queensland generally are benefiting from the Investing in Our Schools program? How are the state governments performing in meeting the needs of schools that they own and manage?

Ms JULIE BISHOP—I thank the member for Bonner for his question and I acknowledge his support for the $1 billion Investing in Our Schools program. Let me share with the House just a couple of stories that we have been told by Queensland government schools about what state they are in. There is a Queensland government school that has damaged walls and has been waiting to repair those walls because they contain asbestos. There is asbestos in the walls at this Queensland government school. That has had to turn to the federal government to ensure that it could get support to fund the repair of those walls. How long would that school have had to continue to wait before the Queensland government stepped in and took responsibility? We will never know.

There is a state government school in Queensland where the basketball court surface is considered so dangerous that it has been classed as out of bounds for all stu-
How long would that state government school have had to wait for the Beattie government to step in and repair that basketball court so that students could use it? But, again, they have turned to the federal government for support under the Investing in Our Schools program.

So, as the Beattie government abandons the basic needs in Queensland government schools, the Australian government has already provided $57 million to over 800 Queensland state government schools. The member for Bonner will be pleased to know that in his electorate some $1.6 million has been provided, in the electorate of Leichhardt, some $2.3 million. The member for Capricornia would be relieved to know that $2.6 million has been provided for her electorate by the Australian government. And the member for Lilley, welcome back! In his electorate some $1.7 million was provided, in the member for Griffith’s electorate, $1.6 million.

We have 2,000 more applications from Queensland government schools for the federal government to provide basic infrastructure funding. So here we have the federal government stepping in to do the clean-up work left by the Queensland state government, and Mr Beattie is just pushing onto the federal government the asbestos problems in state government schools. It is time that Queenslanders sent a message to the Beattie government. It is time that the state government supported Queensland government schools.

Aviation Security

Mr BEVIS (3.31 pm)—My question without notice is again to the Minister for Transport and Regional Services. Is the minister aware that aviation regulations state:

A hand-held metal detector must not be used—
I repeat: ‘must not be used’—

for screening at a security controlled airport from which a screened air service does not operate unless its use is required by:

(a) written notice under subsection 44 (3) of the Act; or

(b) a special security direction under section 67 of the Act.

Does the minister think it is a good idea to outlaw the use of security screening equipment, particularly amid significant global aviation security threats? Does the minister agree that, rather than outlaw the use of security screening equipment, it would be better to let airlines actually use it to make travel safe? Or is he going to pretend again that Sir John Wheeler said he should not do that as well?

The SPEAKER—Order! The last part of that question was unnecessary. Part of that question was asking for an opinion. Nonetheless, if the minister would like to answer the earlier parts I call the minister.

Mr TRUSS—This government have arranged for security wands to be available at all of the regional airports carrying regular passenger transport services and we have trained several hundred people to be able to use them in the event of their being required. So when, in fact, there is an upgrade in the security threat from the current low level at a regional airport, at a moment’s notice these people can be brought to an airport and used to undertake the appropriate security arrangements. So, effectively, we respond to the security threat as it is at the time.

Again, however, the honourable member for Brisbane has dishonestly misrepresented Sir John Wheeler’s recommendations. Sir John Wheeler did not recommend that wands be used at every country airport. He did not recommend that baggage be screened or, indeed, that passengers be screened. In fact, he only made one recommendation about regional airports at all. That is recommenda-
tion 15, in which he suggested that the Department of Transport and Regional Services should offer appropriate and increased security oriented training and guidance and be in communications with airports to survey and help discern their security needs. We have done that. Each of these airports has developed a security plan. We have provided funding to help them with basic security measures—

Mr Bevis interjecting—

The SPEAKER—Order! The member for Brisbane is on thin ice!

Mr TRUSS—and to train their staff to be able to deal with an emergency should it arise. This government has responded faithfully and completely to Sir John Wheeler’s recommendations and, as a result, delivered a much higher level of security for passengers in regional Australia than ever existed under Labor. And we have done it in an affordable way.

Transport Infrastructure

Mr ANDERSON (3.34 pm)—My question is also addressed to the Minister for Transport and Regional Services. I ask: would the minister advise the House of progress in the development of the Melbourne to Brisbane rail line? Can he tell the House how this development will enhance Australia’s national land transport network, AusLink, and what it will mean for inland regions?

Mr TRUSS—I thank the honourable member for Gwydir for his question and acknowledge his personal commitment over many years towards transport infrastructure in Australia and his particular effort and interest in the prospects of constructing an inland railway in Australia to link Melbourne and Brisbane. As he would be aware, this afternoon I released the study by consultants Ernst and Young into the economics and the transport needs on the rail sector for our eastern states for the next couple of decades.

This study has identified the fact that the rail sector will have to play an increasing role in our transport task in the years ahead. The transport role between our major capitals—Brisbane-Sydney, Sydney-Melbourne and Brisbane-Melbourne—will double over the next 20 to 25 years. That means twice as many trucks, twice as many trains and twice as many ships to be able to achieve the task, otherwise our economies will start to strangle as a result of an inability to move products around as quickly as we need to.

I think most of us believe that our roads system, even with the substantial investment that this government is providing, will not be able to cope with a doubling of the number of trucks. So rail will need to play an increasingly important role. Rail has a reputation—unfortunately correctly earned—for being unreliable and not on time. We have to fix that, and the $2.4 billion that this government is committing to upgrading the Brisbane-Sydney-Melbourne rail line will, hopefully, make a significant step in this regard.

The report has recognised that that expenditure has been appropriately targeted and will deliver good results. I commend the honourable member for Gwydir for his role in the choice of some of those projects. It does recognise that we will then need to do something about the worst bottleneck in the Australian transport system, and that is getting freight in and out of Sydney. That needs to be dealt with promptly. That will require at least another $1.5 billion in capital expenditure north of Sydney. But, by 2019, even that enhanced route will not be sufficient to meet the task. In that regard, an inland railway line linking Melbourne and Brisbane will be required by that time.

The report goes on to identify potential routes, looks at the economics of the various proposals and I think demonstrates that this
proposals will be required, that it is affordable and that it can play a very significant role in delivering Australia’s transport tasks into the future. Now there is an opportunity for the public to comment on these proposals, and I invite anyone who is interested in this important national project to make a contribution. This will be an important national vision that we can fulfil, and I believe that this report represents a significant step forward in this project.

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

QUESTIONS TO THE SPEAKER

Photographs of Proceedings

Mr Tuckey (3.37 pm)—Mr Speaker, I have a question to you subsequent to my point of order during question time. At the next sitting of this House, will you make a statement to the House as to the entitlement and restrictions upon media photographers to publish photographs taken in this place? In particular, does it include photographs of placards and large photographs that are not permitted to be displayed in this place under the standing orders?

The SPEAKER—I thank the member for O’Connor. I believe the guidelines are well known, but I will get him a copy of them so he can see them.

PERSONAL EXPLANATIONS

Mr Bowen (Prospect) (3.38 pm)—Mr Speaker, I wish to make a personal explanation.

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

Mr Bowen—Yes, by the Prime Minister.

The SPEAKER—Please proceed.

Mr Bowen—in question time today the Prime Minister indicated that I had left information out of my question to him yesterday on behalf of my constituent Mr Majstrovic. Specifically, he claimed that I did not reveal that the CFMEU had launched an unfair dismissal claim for him. The Prime Minister also indicated that I did not reveal that Mr Majstrovic has received $10,000 in compensation. I checked during question time, and I am advised that Mr Majstrovic received no compensation and the first he has heard of $10,000 in compensation was the Prime Minister’s answer today. In addition, the sworn affidavit I tabled in the House yesterday was from the unfair dismissal claim lodged on behalf of Mr Majstrovic. However, Formbrace has refused to appear before the AIRC because it claims—

The SPEAKER—Order! The member is now debating his personal explanation. He is to show where he has personally been misrepresented. He will not debate the issue.

Mr Bowen—Mr Speaker, the Prime Minister claimed that I did not reveal that the CFMEU had launched an unfair dismissal claim. However, the sworn affidavit that I lodged in the House yesterday was from that claim. The employer refuses to appear before the AIRC because the employer claims to have 97 employees and therefore to be exempt under the government’s extreme laws.

The SPEAKER—The member will not debate his personal explanation.

QUESTIONS TO THE SPEAKER

Rulings

Mr McMullan (3.40 pm)—Mr Speaker, I have a question to you relating to the standing orders. Yesterday and today you ruled out parts of questions, saying that they were unnecessary. Could you advise the House, maybe next week or on the next sitting day, of the standing order of precedent under which you have the right to rule parts of questions out on the grounds that they are unnecessary?
The SPEAKER—I thank the member for Fraser. If he checks, I think I was ruling them out of order on the basis that they were asking for an opinion.

AUDITOR-GENERAL’S REPORTS

Reports


Ordered that the reports be made parliamentary papers.

DOCUMENTS

Mr McGauran (Gippsland—Deputy Leader of the House) (3.41 pm)—Documents are tabled as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the *Votes and Proceedings*.

COMMITTEES

Publications Committee

The SPEAKER—I present the response of the Presiding Officers to the report of the Joint Committee on Publications entitled *Distribution of the Parliamentary Papers Series*.

LEAVE OF ABSENCE

Mr Beazley (Brand—Leader of the Opposition) (3.42 pm)—I move:

That leave of absence for the remainder of the current period of sittings be given to Mr Kerr on the ground of public business overseas.

Question agreed to.

MATTERS OF PUBLIC IMPORTANCE

Interests Rates

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

The failure of the Government to accept responsibility for the impact of the seven back to back interest rate hikes since May 2002 on the household budgets of families with mortgages.

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

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

Mr Bowen (Prospect) (3.43 pm)—Yesterday in question time we heard the revelation that repossession orders in New South Wales have reached record levels. They are 50 per cent higher than they were in 1991, and they are even higher than they were in 1982, when interest rates hit 21 per cent under Treasurer Howard. In fact, repossession rates are higher now than they have been at any time in our history. During 2005, 4,873 repossession orders were issued in New South Wales—that is 59 per cent higher than in 2004—and there has been a nine per cent increase in the first six months of this year. When did these rates of repossessions start to rise? In 2002, when interest rates under this government started to rise.

Yesterday the Prime Minister was asked about this by our colleague the honourable member for Banks. He gave a long and rambling answer that was Castro-like in its length. He came back to add more to it, but he completely—and I suspect rather conveniently—missed the point. What was his answer to the problem of the increasing number of repossessions—the increasing number of people having their homes repossessed? When in doubt blame the states. ‘I have an answer,’ he said. ‘Release more land; that will drive house prices down.’ And to a small degree I do concede that he has a point. Re-
leasing more land would create a small amount of downward pressure on land prices. But what would reducing land prices do to struggling families in Western Sydney struggling with higher mortgage repayments, higher petrol costs and high debts that are out of control? What that would do is beyond me.

Families in Western Sydney, in the outer areas of Melbourne and Brisbane and in other areas have gone into massive debt, facing increased mortgage repayments and higher interest rates and dealing with rising petrol prices, but the Prime Minister has a plan. Is it to put downward pressure on interest rates?

Mrs Irwin—No.

Mr BOWEN—No. Is it to put downward pressure on petrol prices?

Mrs Irwin—No.

The DEPUTY SPEAKER (Hon. IR Causley)—Order! The member for Fowler!

Mr BOWEN—No; his plan is a very cunning plan. It is to put more downward pressure on housing prices. He is going to reduce the value of their land even further so they get driven further into negative equity and the size of their mortgages will be even bigger compared to the value of their homes. But the Prime Minister just does not get it.

Research commissioned by the Sydney Morning Herald found 90 per cent of the 77 suburbs in south-western Sydney experienced falling house prices in the last financial year, and 83 per cent of the 93 suburbs in greater Western Sydney had falling house prices. The Prime Minister does not get it, but there is one person in the House on the other side who does get it. I have to say it will come as no surprise to somebody on the other side of the House that house prices in Western Sydney and increasing mortgage repayments are a big problem. On Saturday, 26 August I was at home reading my Sydney Morning Herald, as many of us are wont to do, and I came across a very interesting article. It starts like this:

The battler-belt Liberal politician Pat Farmer was having so much trouble selling his mansion on Sydney’s southwestern fringe he slashed the price by $300,000.

And it goes on:

But that’s not Farmer’s only property headache. He wanted to sell a three-bedroom investment property at Campbelltown he paid $315,000 for 18 months ago, but his agent warned him it might fetch only $285,000.

And it goes on to quote the honourable member for Macarthur. He said:

I said, ‘You must be joking’, but he said there was no way I’d even get $300,000 for it.

When the member for Macarthur heard the Prime Minister’s answer yesterday he must have been muttering to himself again. ‘You must be joking, Prime Minister,’ he must have said—because it is no joke.

And the member for Macarthur’s constituents know it is not a joke; they would be even more upset than he is. For, as the Sydney Morning Herald went on to say:

The options are more limited for many in the mortgagee killing fields of the west and southwest, where price falls of 40 per cent have become common at weekend auctions.

These are strong words. They are not my words; these are the words of that well-known, august, socialist journal of record the Sydney Morning Herald. And it gets worse. The Herald goes on to report:

Residents in crucial federal Coalition electorates, such as Farmer’s seat of Macarthur and the Liberal Jackie Kelly’s seat of Lindsay... are experiencing falling property values, rising interest rates and soaring petrol prices all at once.

But, as I say, the Prime Minister has an answer. Well done, Prime Minister! His answer is to reduce housing prices even further.
Western Sydney government members of parliament should be telling the Prime Minister he is out of touch and out of line. They should be telling him that it is unacceptable for interest rates in Australia to be the second highest in the OECD.

Mrs Irwin—Stand up for your electorate!

Mr BOWEN—But I do not like the chances of that happening.

Miss Jackie Kelly interjecting—

Mrs Irwin interjecting—

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

The member for Fowler then left the chamber.

Mr BOWEN—We saw a few weeks ago the spectacle of the honourable member for Greenway saying that increasing interest rates are not a big issue in her electorate. I am not sure where she has been, but she has not been in her electorate if she says they are not a big issue.

And the honourable member for Lindsay is in the chamber; she said it was not yet time to press the panic button. It is time to press the action button. But the honourable member for Macarthur, who I am glad has joined us, and the honourable member for Macquarie have been struck dumb. They should be telling the Prime Minister to do the things that the RBA, the Reserve Bank, say need to be done to put downward pressure on interest rates.

Mr Farmer—What about interest rates under Labor?

The DEPUTY SPEAKER—Order! The member for Macarthur!

Mr BOWEN—They should be telling the Prime Minister to fix the skills crisis and to fix the infrastructure crisis.

Mr Farmer interjecting—

The DEPUTY SPEAKER—The member for Macarthur is warned.

Mr BOWEN—But of course they will not say that. They will be struck dumb, just like they have been each of the last seven times interest rates have increased since 2002. They will be struck dumb just like they have been for the last three times interest rates have increased since the last election, when the Prime Minister promised to keep them low. They will be struck dumb if interest rates go up again this year.

Mr Farmer—What about the councils?

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

The member for Macarthur then left the chamber.

Mr BOWEN—What would the impact of another interest rate increase be? Again, the House does not need to take my word for it; it does not need to take our word for it. Louis Christopher of Australian Property Monitors says this of the prospect of another interest rate increase:

It very much could be the final straw for the property market. We would see an additional 10 per cent price decline in Sydney ... I hate to imagine what it would do to defaults, given they are already on the rise.

Of course another interest rate increase will put more downward pressure on house prices, not only increasing families’ monthly repayments but reducing the equity in their homes. Every economist knows that as interest rates go up housing prices go down, but the Prime Minister does not seem to care what that means for families in Western Sydney and other areas. These are families who took his word for it when he said he would keep interest rates low. Perhaps they should have listened to the Treasurer, who knows you can never take the Prime Minister’s word.
Abraham Lincoln once said that God must like common people because he created so many of us; the Prime Minister must like battlers, because he is creating thousands of them. He likes them so much that he is creating more of them through his high interest rates and high petrol prices and through his mismanagement of our economy.

He has introduced a complete furphy into this debate. The Prime Minister has introduced the land release issue. He talks about taking the pressure off new homebuyers and he ignores the pressure on people already with homes struggling to pay off their existing mortgages as the value of their homes fall and their monthly repayments rise. If he wanted to do something about new homebuyers, he could do something about construction costs. The ABS house price survey shows that construction costs alone have increased 56 per cent over the last eight years—twice the rate of inflation. Why? Because this country has a skills crisis and tradesmen are not available to build houses.

What is this government’s answer? To build a TAFE college in Africa. The Minister for Vocational and Technical Education is probably the least competent minister this government has. But that is not good enough for him—he wants to be the least competent minister in all of Africa as well. But, given his track record, building a TAFE college in Africa would not meet the high standards of public administration that those nations have come to expect.

The Prime Minister’s furphy on land release shows just how out of touch he is. He pretends no land is being released and that no land has been released in many years in Sydney. But in Sydney, for example, we have seen thousands of lots of land released in the north-west around Kellyville. Admittedly it was done by a coalition government, without any infrastructure, without a rail line or public transport, but they were released. The north-west growth sector now will contain 66,000 new homes and the south-west growth sector will contain 115,000 new homes. In Sydney right now there are 5,700 lots approved by the state government available for sale, but the interest rate increases have meant the market cannot afford them. This shows how out of touch this Prime Minister is—he does not even know what is going on in his home town.

Perhaps the Prime Minister could share with the House exactly where he thinks these land releases should be. Should they be in the Blue Mountains, in the electorate of the honourable member for Macquarie? Perhaps they should be in the farmlands of Hawkesbury, which are now in the electorate of the member for Greenway. We all know how popular land releases would be there. If the Prime Minister cares so much about land releases, why doesn’t he reinstitute the office of the minister for housing and urban development, which he abolished in 1996? If he wants to be involved in land releases, why doesn’t he get involved? Why doesn’t he get the federal government involved again in urban planning, which this government has neglected for 10 years?

It is not just mortgagees who are suffering. The repossession figures that I referred to earlier also apply to small business. Many small businesses are highly geared, they have borrowed 100 per cent of the cost of buying a small business, and they are dealing with increased prices just as much as mortgagees are. Couriers, for example, are dealing with higher petrol prices and they will also have to deal with the government’s unfair independent contractors act. But the so-called ‘friends of small business’ on the other side are presiding over increases in interest rates at times of record small business debt. They should be ashamed of themselves.
We read earlier this week that the Prime Minister told his party room that people on this side of the House, and we heard it again today, are out of touch, that they are inner-city elitists and that his party is the party which understands the people who live in what he so delicately calls McMansions. I live in one of those houses that he so delicately describes as McMansions. I represent thousands of people who have borrowed heavily to buy the house of their dreams—they have borrowed massive amounts of money and taken the Prime Minister at his word. It is the Prime Minister who is out of touch with those people. It is the Prime Minister who says, ‘Release more land.’

Miss Jackie Kelly—Mr Speaker, I rise on a point of order on relevance. How anyone in the ALP could be relevant on interest rates is beyond me.

The DEPUTY SPEAKER (Hon. IR Causley)—There is no point of order on relevance on an MPI.

Mr Bowen—I thank the honourable member for Lindsay for her intervention. She is out of touch as well. The Prime Minister is out of touch. The Prime Minister says, ‘Release more land.’ Releasing more land will do nothing. Instead of putting pressure on the states for land releases, the Prime Minister should be putting downward pressure on interest rates, and the member for Lindsay should be telling him to do it. The member for Lindsay, who claims that she is in touch with the people of Western Sydney—unlike the Treasurer, she honestly admits—should say it is time to press the action button.

This Prime Minister is out of touch, his government is out of touch and his Western Sydney MPs are out of touch. The member for Macarthur has experienced what is happening in Western Sydney for himself, yet he has done nothing about it. He has not brought it to the attention of the Prime Minister. He has done nothing to tell the Prime Minister to get interest rates down. The Prime Minister is out of touch, he is out of ideas, he is out of line, he is out of time and, at the next election, he deserves to be out of office.

Mrs Bronwyn Bishop (Mackellar) (3.57 pm)—I listened with interest to the diatribe that came from the opposition ranks. In a matter of public importance which purported to be about Australia as a whole, he decided that he would try to make some cheap points about his home state of New South Wales. If I recall correctly, the member can best be described as a bit of a slippery customer. He begins by saying that housing interest rates under John Howard were 21 per cent. Home interest rates in 1982 were in fact 13.3 per cent because they were fixed interest rates. They were not deregulated until much later in the eighties. In 1982 they were fixed, and his assertion that home interest rates were 21 per cent when they were in fact just over 13 per cent is indicative of the accuracy of the rest of his speech. It is totally and utterly misleading in every aspect.

Let us take him on on what he had to say. He said that in the west of Sydney it was the policies of the federal government that had caused land prices, or rather home prices, to slip. What he failed to tell you was that one of the brilliant initiatives of the New South Wales government, which has presided over New South Wales having the most sluggish economy in the country, was to introduce a vendor tax, which plummeted house prices like you have never seen. When I said that the member for Prospect was a slippery customer, I said it precisely for the reason that he likes to distort the truth. The text of his matter of public importance says that the government failed:

... to accept responsibility for the impact of the seven back to back interest rate hikes since May
2002 on the household budgets of families with mortgages.

Let us debate that. This government takes responsibility for a soundly managed economy, which has resulted in Australians being better off than they ever were before—

Mr Hatton interjecting—

The DEPUTY SPEAKER (Hon. IR Causley)—My records show that the member for Blaxland has been warned, and he should know what the chair does from there.

Mrs BRONWYN BISHOP—Let us take a look at the real indicators. Let us begin with wealth in Australia. Since this government has been in office in the last 10 years, the level of household real net wealth has doubled from $2 billion to $4.6 billion. In the last seven years of the Hawke-Keating government, the growth in wealth in Australia amounted to a measly 2.9 per cent. Let us take a look at household debt. For every $1 of debt households have, they have more than $6 in total assets and almost $2 in financial assets. This is an indication of a well-managed economy. If we ask the question, ‘Do we take responsibility for the management of the Australian economy,’ what test ought we to use? From my way of thinking, it is a simple one: are Australians better off? The answer is clearly yes. Let me give you an example. A couple with children where one partner is earning 100 per cent of average wages and one is earning 33 per cent of average wages, which is not an uncommon phenomenon these days where both parents are working, would have a real disposable income of $64,000, which is a real increase of 31 per cent since we have been in office. In simple terms, that means that the first $51,800 that that couple earns is effectively tax free.

The tax-free threshold across the board is $6,000 but, when you look at the policies that we have introduced to assist families and families with children—the member for Prospect is leaving the chamber; what a shame; he cannot handle it—the very people who he has just said are worse off are the same people who are benefiting from the policies that we have put in place to enhance the income and standard of living of families, including those living in greater Western Sydney, where the members for Lindsay and Macarthur live. We see the hopes and aspirations of those people recognised by the policies of this government, as distinct from the people across the chamber, who saw no growth in their prospects and no aspirational growth in what they thought they could achieve for their children. And they have the hide, when debating a question which relates to interest rates and taking responsibility for the management of the economy, to say that the policies of this government have somehow been to the detriment of people who live in Western Sydney.

Let us look at a couple of other things that are relevant to this debate. Let us look at interest rates. Over the 10 years of this coalition government, the home mortgage interest rate averaged 7.15 per cent versus an average under the previous Labor government of Hawke and Keating of 12.75 per cent. I reckon that indicates that we are very much better off. If you want to look at the interest rate for small business, you have an average rate under us of 8.8 per cent versus an average under Labor of 14.25 per cent. As I said, the test in this debate is: are Australians better off? The answer is yes. People well remember that interest rates under Mr Keating were 17 per cent for home mortgages, 22 per cent for small business and some as high as 29 per cent. Don’t we remember the terrifying words of Mr Keating that he would ‘juggle the levers’? He juggled them all right; he sent thousands of people tumbling into an abyss of despair, many of whom were small business people who could have withstood a
correction at any time. But the levers were juggled by that economic genius Mr Keating and small businesses that could have withstood a correction were tipped into the abyss of despair.

At the time of that abyss of despair, the member for Prospect would have been about 19 years old. He may not remember the impact of those disastrous policies, but I will tell you what: the vast majority of his electors will well and truly remember the impact of those policies. And he has the temerity to come in here and say that this government does not take responsibility for the good management of our economy. We do take that responsibility, and we take it by showing that the average Australian is better off under our sound management than they were under Labor.

Let us look at some other indicators—unemployment, for example. Unemployment is now at a record low since 1974. Unemployment figures are at 4.8 per cent, with many electorates having almost full employment, with unemployment rates as low as 1.8 per cent. We have seen the long-term unemployment rate dramatically reduced, with people being assisted back into the workplace. We have seen realistic policies put in place—for example, the introduction of the Job Network to assist people to get back into jobs. And when people get into jobs it starts to restore their self-esteem. The number of families that have no member of the family working has diminished. These are very positive things that build the strength of a nation.

We have seen, however, as the Prime Minister pointed out in question time, a very disturbing factor. He pointed out to us that the problem with home prices and the new entrants to the home market is the fact that the cost of land has increased in the period from 1973 to 2003 by a staggering 700 per cent. Why is this so? Because we have seen a change in policy. We have seen a change in the way land is released. When a developer goes to develop land the cost of the infrastructure and of providing many amenities for a subdivision are put back onto the developer and passed on to the purchaser before that purchaser then engages someone to build the home. Over that same period the increase in building costs has been just over 40 per cent. How, in this day and age, when you see the reforms that were brought in by this government with our new tax policies, when we brought in the GST and gave all that money to the states, guaranteeing them a growth tax, is it that they so mismanaged their states that they have not been able to release land that is affordable?

The member for Prospect said that the release of land would not help the process. The point is that it is not the release of land per se; it is the release of land and the amenities and infrastructure that accompany it that are presently eschewed by the state governments, and they pass it on to be paid by the purchasers themselves via putting the cost onto the developer. Once again the member for Prospect, who really did not feel the impact of the bad management of the Hawke-Keating government because he was too young, wants to tell us at this great age of wisdom that he believes that simply releasing land was what the Prime Minister was talking about, when it clearly was not.

I would like to point out, just while we are dealing with the good management that we have given to Australia as a whole, that with our new tax policy reforms—getting rid of the wholesale sales tax and putting in the GST—the result for the states has been that they are virtually awash with money. In 2005-06 the GST revenue for New South Wales was $10.94 billion. That was a windfall of $160 million. That was $160 million above and beyond what they could have an-
 anticipate if we were still in the business of the premiers coming to Canberra and asking for financial assistance grants.

Queensland received $7.96 billion, adding a windfall of $664.9 million. Yet Mr Beattie still cannot, as we heard in question time today, manage to keep maternity wings available in hospitals across Queensland. We hear the stories of people who cannot access hospitals for life-saving operations, and yet he got a windfall of $665 million from the Commonwealth government and still cannot provide for the state. We are talking in this debate about the Australian government taking responsibility for the management of the economy. Well may some of the state treasurers do the same thing. Perhaps at the election on Saturday Queenslanders can put a good statement about how they feel about Mr Beattie’s management of that state and the management of the money that comes from the federal government. To put that into perspective, New South Wales, for instance, has a total budget this year of $41 billion, and $20 billion of that budget came directly from the Commonwealth government. We have a major problem: it is called vertical fiscal imbalance. It means that state governments are spending money which they do not have to raise, and it results in bad decision making.

Back to this strict interpretation of today’s debate—do we take responsibility for the management of this economy? Yes, we do. Do we take responsibility for the fact that Australians are wealthier than they have ever been, that the economy is stronger than it has ever been and for the fact that we have put surpluses in place in budgeting as part of that management system? Do we take responsibility for the fact that families are so much better off because of our family assistance programs? Yes, we do. This is a proud government and it is proud of its record. It takes responsibility for the movement in interest rates because it knows that we do it better than Labor ever did, can or would do in the future. (Time expired)

Mr SWAN (Lilley) (4.12 pm)—The Prime Minister and his backbench simply do not understand the new interest rate reality; they simply do not get it. We have asked dozens of questions of the Prime Minister and the Treasurer over the past few weeks and it is apparent that they simply have not got a clue about the tremendous financial pressure that is hitting Australian families through rising interest rates, and the problems that is causing for those families—the leading edge of which is seen in those repossession figures that we questioned the Prime Minister about over the last two days.

The truth of the new interest rate reality is this: Australian families are facing record high mortgage repayments under the Howard government, the highest in our history. Every time John Howard, or for that matter Peter Costello, have been asked about the impact of rising interest rates their chant has been to blame the states and then to go on and argue that the solution to this problem must be large-scale land releases. Why are they doing that? It is very simple. They will not admit responsibility for rising inflation and rising interest rates, so they have to blame someone else. They will not deal with the capacity constraints that were so evident in the national accounts yesterday that are putting upward pressure on inflation and interest rates, so they have to blame someone else. At the moment it is the state governments.

They have driven up interest rates to the point that Australians are now paying a higher proportion of their household income in mortgage interest repayments than they did under former Prime Minister Paul Keating. That is the new interest rate reality. But they are so out of touch that they have not woken up.
Mr Baldwin interjecting—

Mr SWAN—You do not get it, Parliamentary Secretary. You simply do not get it because there is no such thing in John Howard’s Australia as a small mortgage, and there is no such thing as a small interest rate rise. We have had seven interest rate rises of one-quarter of a per cent—up on 8 May 2002 and 5 June 2002 and up in November 2003, December 2003, March 2005, May 2006 and August 2006. And the Prime Minister went to the last election and said: ‘Trust me with your interest rates. We will keep them at record lows.’ They have gone up three times and it is starting to cause real pain and distress in the Australian community. At the moment, according to the Reserve Bank of Australia—listen to this, Parliamentary Secretary; this is the new interest rate reality—almost 11 per cent of income is—

Mr Baldwin interjecting—

The DEPUTY SPEAKER (Hon. IR Causley)—The parliamentary secretary will not be baited.

Mr SWAN—consumed by interest payments today—higher than at any time in history. It is higher under Howard than under Keating.

Mr Baldwin interjecting—

The DEPUTY SPEAKER—The parliamentary secretary is warned.

Mr SWAN—These are the figures from the Reserve Bank of Australia. Of course, the Prime Minister wants to deflect attention from this. We know about this Prime Minister: he is the doyen of deception, the master of misinformation. Every time he gets into trouble he has to find somebody else to blame. Of course, his latest tactic is to say, ‘If the states released more land, we would not have such a problem with such high house prices and such large mortgages.’ He wants to talk about anything other than interest rates. That is the Prime Minister’s new motto: ‘Anything but interest rates.’ You can see it on the whiteboard in his office: ‘Talk about anything other than interest rates.’ And it is interest rates that are really having a tremendous impact not only on people buying houses but also on small business—but that is a topic for another day.

Labor is happy to have a balanced debate about all the factors that influence the housing market. In John Howard’s world, when things go right it is all down to him and when things go wrong it is always someone else’s fault. What are the real implications if the states and the private sector were to take John Howard’s advice seriously?

The DEPUTY SPEAKER—The member for Lilley will address members by their title or by their seat.

Mr Baldwin interjecting—

The DEPUTY SPEAKER—The parliamentary secretary has been warned.

Mr SWAN—What if they were to take the Prime Minister’s advice seriously? They would flood the market with land. What would be the outcome of that? There is a report from the Institute of Public Affairs. The Prime Minister has taken a shine to this report. He has been quoting from it all week—quoting in a way which I believe does not reflect the true facts—to back his argument. But this report makes it very clear that if there was a mass release of land to the market it would have a downward impact on prices for all existing homeowners. His solution, in effect—particularly in the outer suburbs of our cities—is to dramatically reduce house prices. People who are suffering from negative equity at the moment would be worse off, as the member for Prospect spoke about in his remarks.

What the Prime Minister is actually talking about would have a dramatic impact on the current median prices in different Austra-
lian capital cities. If you go to page 64 of this document you will see the median prices in our capital cities. On page 67 of this document you will see the expected median house price after the market was flooded with more land. It is sober reading. I know now why the Prime Minister does not quote the rest of this report. If you were to follow through—and I do not accept these conclusions necessarily from the IPA—you would see a reduction in the median house price in Sydney of 67 per cent. This is the report the Prime Minister is quoting from to validate his argument about what is going on in the housing market. This will be a report that will haunt our Prime Minister. As I said, Labor is happy to have a balanced debate about this matter. Land is part of the equation; we do not dispute that for a minute. But what we know is that seven interest rate rises, three since the election, is a huge factor in the new interest rate reality.

Why has the government ramped up this argument about land only in the last couple of weeks? I will tell you why. On 19 August the Governor of the Reserve Bank blew the whistle on the dishonesty of the Howard government and the lie of the last election campaign. They went to the last election campaign saying they would keep interest rates at record lows, and people in the western suburbs of Sydney and across this country went out and borrowed money. They said that the Prime Minister took personal responsibility for this. Land is part of the equation; we do not dispute that for a minute. But what we know is that seven interest rate rises, three since the election, is a huge factor in the new interest rate reality.

That explains why we have had this frenetic activity over the last couple of weeks trying to find a new scapegoat for rising interest rates because the Reserve Bank governor blew the whistle on the Prime Minister and put a torpedo into his credibility when it comes to interest rates particularly and economic management more generally. That is why we have had that activity. He has exposed our Prime Minister as the doyen of deception and the master of misinformation. That is why we are seeing these answers in this House from the Prime Minister, not only this week but over the previous two weeks of sitting. They are acutely embarrassed by what the Reserve Bank governor had to say.

Of course, before the Reserve Bank governor entered the scene, we had all of the other scapegoats rolled out when the interest rates went up in August and we had them back in May. If you want an example of someone being terminally out of touch in this government, try the Treasurer. The Treasurer said that interest rates with a single digit were low. He does not understand the new interest rate reality. And in August when interest rates went up the Prime Minister and the Treasurer were blaming bananas. They went out and said, ‘Oh, it’s the fault of bananas.’ We have had all of these other deflections; we have had them out there talking about the history wars, about facts and figures. Of course, when we pointed out to the Prime Minister that there had been a certain Treasurer who had had interest rates at 22 per cent he lost his memory. We have had all of these deflections because the government knows there is pain out there and it is not facing up to the responsible economic decisions that this country requires to put downward pressure on inflation and on interest rates. (Time expired)

Mr KEENAN (Stirling) (4.23 pm)—You really have to have some front to be a Labor MP and come into this chamber and talk
about interest rates, because if you are a Labor MP you represent a party in this chamber that long ago abandoned any sense of economic responsibility in favour of a rabid opportunism. For 10 years this directionless opposition have done everything possible to hold Australia back. Chained down by their outdated ideology and their master-servant relationship with the union movement, the ALP have opposed the government every time we have taken a tough decision that benefits the Australian people.

Most recently, we have seen their sleazy attacks on the Work Choices legislation—sensible measures that are required to provide a bit more flexibility within our labour market. The ALP opposed welfare reform. They opposed tax reform. They even opposed tax relief for every single Australian as part of last year’s budget. And yet we have the member for Prospect come in here with his shabby little matter of public importance which attacks the government for failure to take responsibility. I can tell him that nothing could be further from the truth. This government is more than happy to take responsibility for the Australian economy, an economy that is the standout of all developed economies, an economy that is the envy of our OECD partners and continues to deliver increases to our standard of living.

In 13 years of Labor government housing interest rates averaged 12.75 per cent. In 10 years of coalition government they have averaged 7.15 per cent. Under Labor interest rates peaked at 17 per cent for housing, 21 per cent for small business and 23 per cent for farmers. The crippling effect of those 17 per cent mortgage interest rates plus a huge government debt will forever be Labor’s legacy from the Hawke-Keating years. Labor occasionally claim that during their time in government they were happy to embrace economic reforms—reforms which, at the time, the then opposition supported because they were in Australia’s interests. This claim is partly true. The Hawke-Keating government did take some admirable steps and do some admirable reforms during this period. Yet this history is an even more damning indictment of today’s opposition. Because of weak leadership and a lack of any policy direction they have descended into a predictable opportunism that will never allow them to take any hard decisions that benefit the Australian people. The Australian Labor Party spurn Australia’s national interests in favour of unprincipled political point-scoring.

I see that this week the current fashion for Labor MPs is to cry crocodile tears about housing affordability. But, of course, we all know that the reason for the crisis in housing affordability is state Labor government planning policies, particularly land release policies. State Labor governments have failed to grasp the basic law of supply and demand. If you are not going to release land then obviously that is going to drive up its price. Yet this basic economic concept seems totally beyond the wit of our state Labor governments. The latte set that run these outfits look down on the great Australian dream of the block of land and a house in the suburbs. They think they have better ways for us to live, and they are using their planning policies to impose their inner-city vision. They derogatorily refer to ‘McMansions’, as if aspiring to own a home on a decent sized block of land was somehow wrong. The housing affordability crisis that the ALP have suddenly discovered is actually a deliberately created land shortage. Rather than bleat about interest rates, the ALP members should talk to their state counterparts and request that they do something about it.

The member for Prospect attempted to argue that the huge increases in the cost of housing related back to the increases in construction costs. I doubt that he would actu-
ally believe that, because in the past 10 years construction costs have increased by about 40 per cent whereas housing prices have increased by substantially more than that. On top of the land release policies of the state governments, what about the outrageous tax regimes that they are currently running in the Labor states? In my home state of Western Australia the Carpenter government is gorging itself on taxes generated by the property boom. It jacked up stamp duty for three budgets in a row to make it one of the highest levels in Australia. In other parts of the country it is the same story, yet speaker after speaker got up here and tried to find other reasons for this problem of housing affordability. I say to all the Labor members of parliament that they need to talk to their state Labor counterparts and beg them to put some more land on the market. If we are going to address this problem we at least need to be honest about it. We at least need to identify what the true causes are and then ask the state Labor governments to address them.

The Howard government has worked hard to increase prosperity of Australian families in the 10 years that we have been in office. In my electorate of Stirling unemployment continues to fall. The local unemployment rate now stands at 5½ per cent, which is a decrease over the past 10 years of about four per cent. When the Labor government left office in March 1996, Stirling’s unemployment rate was almost 10 per cent. These are the results of economically responsible policies. Sadly, not all Australian governments have been so responsible. At a state level, as the retiring Governor of the Reserve Bank pointed out, state deficits and state borrowings are now placing upward pressure on interest rates. He said:

“I have been lucky—for most of my time, fiscal policy has consisted of small surpluses.

“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 the equation.”

State fiscal balances and cash balances are forecast to move into deficit in the next financial year. Collectively, the states and territories are forecasting deficits of almost $5 billion, compared to a surplus—

**ADJOURNMENT**

**The SPEAKER**—Order! It being 4.30 pm, I propose the question:

That the House do now adjourn.

**Mr Harold Hamilton**

Mr TANNER (Melbourne) (4.30 pm)—As the representative of the inner suburbs of Melbourne, I am blessed with many long-standing, dedicated community activists in my electorate—people such as Sandra Joy, Josip Lenger, Jean Hales, Maria Danko, George Hall, Roger Duckworth and Mere Paora Epare, to name just a few. These are people who, often on relatively low incomes, manage to dedicate their lives to the interests of people in the area and participate very actively in the community. But tonight I want to pay tribute especially to one such person who qualifies to be mentioned in that esteemed category—that is, Harold Hamilton.

Harold is a pensioner who was born in Collingwood, in the heart of my electorate. He has lived on the Collingwood public housing estate for many years and has been extremely active in the local community throughout that period. He has particularly been active in the Dight, Abbotsford, Collingwood, Clifton Hill Tenant Association—or DACCHTA, as it is known locally—for over 20 years, and he has held many positions in that organisation’s hierarchy, including chair of the organisation. Harold has been a driving force behind commu-
nity campaigns, for example, to organise two pedestrian crossings in Collingwood, one outside the high-rise across Hoddle Street, which is the busiest street in Melbourne, and one outside the Collingwood post office. As a result, there have been fewer pedestrians injured in accidents, and there has been a significant net benefit to road safety.

Harold has been active in many issues on the estate over the years, whether the very long and complex battle about the redevelopment of Dight Street, or defending the tenants association and seeking to ensure that the funding of the tenants association continues, or an array of day-to-day maintenance and cleaning issues. He has been an active volunteer at the North Yarra Community Health centre for a number of years, particularly with the men’s group that operates out of the centre. He was particularly prominent in the creation of a very worthwhile oral history of men in Collingwood called *When Fish Had Feathers*, which I had the privilege of launching a few years ago. Harold has also been an active participant in activities of the Collingwood Neighbourhood House and played a key role in the changeover of management to the Belgium Avenue Neighbourhood House.

In earlier days, Harold Hamilton served actively in the Australian Army in the Korean War. He has also been active in the Collingwood RSL and the Australian Legion of Ex-Service Men and Women. Harold was awarded the national service medal and also, a few years ago, received the Centenary Medal.

As well as these noted achievements of contribution to our community, of service in wartime and as a general citizen on whom others depend, Harold is also something of a poet. He regularly entertains friends, local residents and people like me with poems that are often poignant, sometimes funny, sometimes moving, about Australia’s identity, about our society and sometimes about some reasonably hard-edged political issues.

Since I entered parliament over 13 years ago, like any member of parliament I have attended countless community functions. I think I can say that I have not seen one individual more at community functions than Harold Hamilton. More than anybody else, he is the person I see at community functions quietly representing the community, helping out and doing the right thing.

Harold is dedicated to helping people, to contributing to his local community organisations and to working to make functions successful. He is always there, rarely with any fanfare or any razzamatazz, always contributing, generally not getting any great glory. He has never sought to promote himself particularly. He has never sought to obtain personal benefit. He has never sought to impose himself on others. He contributes constructively to the interests of the community. Harold Hamilton is a classic example of a quiet achiever. I am privileged tonight to be able to give him due recognition in the nation’s parliament as a great contributor to the community of Collingwood, a longstanding, traditional Labor community, as a great representative of his community and as a genuine Aussie quiet achiever.

**National Threatened Species Day**

**National Bilby Day**

Mr **BRUCE SCOTT** (Maranoa) (4.34 pm)—Today being National Threatened Species Day, I rise this afternoon in the adjournment debate to speak about one of Australia’s most unique marsupials. It is not the kangaroo and it is not the koala; it is, however, the bilby. Bilbies were once spread across more than 70 per cent of this great land, but today they are extinct in New South Wales, Victoria and South Australia. It is a sad fact that only around 600 of these little
creatures are alive today. They can be found in small areas in Western Australia, the Northern Territory and Queensland.

For the benefit of the House, I would like to explain the unique characteristics of this great little creature. The bilby is a nocturnal marsupial and is a member of the bandicoot family. It has long ears to help it to hear threats from predators, a long snout, which is pink and hairless on the tip, and a long, sticky tongue to collect food. The bilby eats all sorts of food including seeds, spiders, worms, insects, bulbs, fruit and fungi. Bilbies live in spiralling burrows to keep them safe from predators and protect them from the sun’s heat. Usually each bilby has up to 12 burrows in close proximity to each other. The normal lifespan for a bilby in the wild is between six and seven years; in captivity, about 11 years.

As I said earlier, with today being National Threatened Species Day, and with National Bilby Day to be celebrated this weekend, it is timely for me to bring to the attention of the House the importance of the long-term efforts for the preservation of the bilby that are going on. The decline in the bilby population over the past 100 years has been caused by loss of habitat as a result in many areas of land use change and threats posed by the bilby’s predators. To combat this decline, Charleville, a town in the west of my electorate and the location of National Bilby Day, is the home for a breeding in the wild program based in the Currawinya National Park. Captive programs like this one at Currawinya help protect the bilby from predators like rabbits, foxes and wild cats. Rangers Frank Manthey and Peter McRae have been instrumental in establishing this program, and I congratulate them on their efforts to preserve this unique marsupial. Without their efforts, perhaps in a few years these great little marsupials would have been absolutely extinct right across Australia.

In 2003, as a result of their efforts, a fence was completed, which enclosed 25,000 hectares of a national park to maintain a safe environment for the bilby. The fence was a product of the Save the Bilby Fund. Last year marked the inaugural celebration of National Bilby Day, and it was a huge success. This year’s celebrations out at Charleville look just as promising. Celebrations started last Sunday and there are various activities over this weekend. I encourage as many people as possible to visit Charleville this weekend, if they are listening to this broadcast.

The Australian government is playing its role in assisting with funding of the protection of the bilby. Over $300,000 has been provided from the government’s Natural Heritage Trust fund for bilby protection programs. This included $50,000 for the Save the Bilby Fund.

Other major advocates—and this is important—of protecting the bilby include Dreamworld on the Gold Coast and Darrell Lea. Dreamworld is home to five bilbies who are regularly taken out to visit schools in the Gold Coast region as part of the education program Wildlife for Kids. It also sells bilby merchandise and has bilby shows available for visitors to the park. Darrell Lea produces a delicious Easter bilby and, through its sales, has donated $185,000 since 1999 to the Save the Bilby Fund. I believe the Easter bilby should replace the Easter bunny and the Easter egg because, after all, it is the wild rabbit which has contributed to the decline of this unique Australian native marsupial. Rabbits are no good for our environment.

I congratulate these two companies for helping to raise funds for and awareness of this wonderful Australian animal. I would also like to thank Frank Manthey and Peter McRae for the wonderful job they are doing with the Save the Bilby Fund and the bilby
conservation park in Charleville. The work they are doing is for all Australians to enjoy.

Major Norman Hector Bent MBE

Ms OWENS (Parramatta) (4.39 pm)—Today I would like to inform this House of the passing of a great Australian: Major Norman Hector Bent MBE. Norman passed away on 31 July 2006, aged 96. He began his association with my electorate of Parramatta when he joined the Royal New South Wales Lancers some 70 years ago in 1936. The Lancers is a regiment of the Australian Army that dates back to 1885, when the Sydney Light Horse was formed. Many will know the Light Horse for its service to this country in the Boer War and Gallipoli, Sinai and Palestine in World War I.

After horses were replaced by mechanised infantry and the regiment was renamed ‘the Lancers’, it continued its remarkable service to this country, pioneering the use of tanks in New Guinea in World War II and making the heaviest Australian tank attack of World War II in Borneo. The regiment was converted to a reconnaissance regiment in 1971 and remains the most highly decorated unit in history of the Australian Army. Major Norman Bent contributed significantly to the achievements of the regiment.

Norman was a country boy with little formal education. However, I am told he was an eloquent man with presence and charisma and, when he moved to the big smoke of Sydney, he put that to good use as a used car salesman. His eloquence and presence would single him out for advancement after he joined the Lancers. Norman joined the regiment in 1936 and by 1939 he was a sergeant in B Squadron. I mentioned that the Royal New South Wales Lancers made the heaviest Australian tank attack in World War II in Borneo in 1945. By this time Norman had risen in the ranks again, to captain, and was second in command of B Squadron of the regiment as it was deployed to support the 7th Australian Division in that attack. It was a successful battle which saw the enemy retreat after Australian troops had secured the beach at Balikpapan, Parramatta Ridge and Milford Highway. Hostilities with Japan ended soon after. Captain Bent, as he was then, assumed command of the regiment before all the troops were sent home.

After the war, the Lancers were reformed at Parramatta in 1947, and Norman rejoined the regiment, being promoted to major and continuing service to his country until his retirement in 1953. In 1954, after retiring, he started again by setting up an advertising agency, using the charisma and eloquence with which he was born and which had served him so well. He continued in this business for 30 years until, finally, his retirement to Avalon in 1984 partly because, I am told, he was not fond of the encroaching word processors and fax machines that were so heavily infiltrating that industry at the time.

Nevertheless, it was not a quiet retirement. He continued his association with army veterans after his retirement by helping establish the Royal Australian Armoured Corps Association, particularly in support of those members of the Armoured Division trained for service in North Africa but instead deployed in northern Australia in preparation for the Japanese invasion of this country that never came. These men were deemed eligible for neither Returned Servicemen’s League membership nor many veterans benefits afforded to those who did see overseas service. In supporting them and working for the Royal Australian Armoured Corps Association, I am told Norman was putting together a newsletter every month. It was for this service that he was awarded his MBE.

But this still was not enough for Norman. For 20 years he was also a member of the
volunteer bushfire brigade at Glenhaven, where he and his family lived, again receiving awards for outstanding service. Norman continued to march in Anzac Day parades with his comrades until well into his 90s. He was a key advisor to the Royal New South Wales Lancers Memorial Museum at Parramatta and supplied to the museum cross-section diagrams of the famous Matilda tank that was so effective in Borneo. These diagrams are now publicly available for all to see. At this point I would like to thank John Howells of the museum for bringing to my attention some details about Norman’s life.

Norman was buried on 4 August 2006 at Dee Why, and he is survived by his wife, Gwyn, and his children Rosalie and Michael. His family also thanked the staff of Peter Cosgrove House, where Norman spent the twilight of his life. In addition to his family, he will be sorely missed by the regiment of the Royal New South Wales Lancers and many others who benefited from his military or business wisdom—and indeed anyone who encountered his charm, eloquence and charisma.

Major Norman Hector Bent MBE, late of Glenhaven and Avalon Beach, was a man who really made a difference. He was a great Australian, and this House should acknowledge his life as one devoted to the service and protection of his country and those who live in it. May he rest in peace.

Australian Technical College Northern Adelaide

Mr FAWCETT (Wakefield) (4.44 pm)—I rise tonight to draw to the attention of the House a fantastic event that has occurred in the last week and which will benefit the people of Wakefield. I refer to the two public information nights that were held to talk about the technical college in northern Adelaide. This was one of the election commitments of the Howard government, and certainly I committed myself to working with the government and the people of Wakefield to bring one of these technical colleges to the northern suburbs of Adelaide and the neighbouring regions.

The local support was fantastic, and the reason for that is the economy there is growing and the demand for labour is growing at an exponential rate. This is due in large part to a number of federal government initiatives: the air warfare destroyer, which is going to be built there; support for the automotive sector; the defence precinct, which is benefiting from a large government investment in the defence industries; and also the burgeoning local high-quality manufacturing sector that is supporting the construction sector and also the mining sector.

The need is also there because trade training is something that our community has lost focus on over the past couple of decades. For whatever reason, people have said that, to succeed, you have to go to university and get a degree. Part of this initiative is trying to put trade training back there as a first choice for our young people. The mindset that saw us lose that focus saw the state Labor government in the seventies close down the Elizabeth Boys Technical High School and the current Leader of the Opposition take the decision to close down the apprentice training school at DSTO in 1987. Combined with the CSP, this saw trade training for a lot of young Australians through the armed forces take a huge nosedive—and that is something that is still hurting us to this day.

On the other side, the local support has come because employers have realised that they need to establish a relationship with young people who want to have a trade and so they have given strong support for the school based new apprenticeships, which will be running at the Australian Technical College Northern Adelaide. This will open in
February 2007 as a non-government senior secondary college in Elizabeth West. This has been established in a partnership between the Catholic Archdiocese of Adelaide and the Northern Adelaide Industry Group, which comprises a number of leading manufacturers and industrial companies such as Steel Building Systems, LR&M, Hirotech, ZF Lemforder and others.

The college has a number of people on the board, and I wish to particularly thank those industry members who have come onto it. This is one of the strong points of these colleges—that is, they will be led and guided by industry. The chair is Mr John Ats of Hirotek, the deputy chair is Mr Howard Montgomery of the Weeks Group, and members include Wayne Perry of Perry Trade Services, Brian Peel of Kaz Technology, Rod Keen from General Motors Holden, Gary Kirkham from WeldFab, Max Davids from the Northern Area Innovation Network and Tony Bernardo from Australian Aerospace. On the education side, we have members of the Catholic archdiocese, including Alan Dooley, Helen O’Brien, Madeleine Brennan, Darryl Hicks, Lincoln Size and Sarah Taylor from the Young Christian Workers and Paul Kilvert from the state department of education.

This college has been broadly welcomed. In fact, at the second public information night, the number of people who were there meant we had to use overflow seating. In the first week since that public information night, we have already received 150 registrations for the 100 places available in 2007. I would particularly like to thank Mayor Marilyn Baker from the City of Playford and the City of Playford staff who have worked with us to make sure that we can find the site for 2007 as well as working with the Land Management Corporation to get approval for the permanent site, which will be opening at the start of 2008.

With such a fantastic initiative, you would think that everyone would be happy to see this occur. But I have to say there were a few people who came along to the evening to protest. In fact, I welcomed the members of the AMWU and the AEU who were there with their various signs talking about rights at work, because I believe in rights at work. As the Prime Minister of the UK famously said, ‘Rights at work start with a job’. There have been 159,000 new jobs in 165 days since Work Choices was introduced—that is 1,000 jobs a day. And salaries are going up. In the quarter since then, salaries have gone up across Australia by two per cent versus the previous two quarters of 1.2 per cent and 1.8 per cent. People have the right to have the flexibility to work with their employer.

It is important to note that this is an important initiative which is continuing with ongoing investment by the Howard government, which has seen $10.8 billion committed over the next four years, and we have seen an increase from 1995 of $1.1 billion by the Labor government to $2.55 billion committed this year by this government to give our young people a future in the trades.

Uni-Capitol Washington Internship Program

Mr SNOWDON (Lingiari) (4.49 pm)—Every year for the past seven years, students from around Australia have undertaken a journey, travelling halfway around the world, often at their own expense, in order to learn about another culture, to witness another system of government and to work as part of the United States congress. The students undertake this journey as part of the Uni-Capitol Washington Internship Program, a program which offers university students around Australia the chance to undertake an eight-week internship in a congressional office in Capitol Hill, Washington DC.
These students work alongside staff undertaking constituent liaison and research, meeting with elected members and attending briefings, press conferences and other major functions. Past students have also attended briefings at the US State Department and the Australian embassy, as well as discovering the history of American democracy through visits to Philadelphia’s Independence Hall, Congress Hall and the National Constitution Centre, to name but a few of their exploits.

The program began in 1999, starting with a handful of students from a single university who were matched according to their skills and interests with a host congressional office. The program’s success has continued over the years, growing today to eight participating universities with the final intake now expanded to 12 students, all individually assigned to one of 18 possible congressional hosts. The students can intern in the offices of Democrats and Republicans, personal offices and committee staffs, and in both the House and the Senate—offering these young Australians a wide variety of learning experiences across the political spectrum. The students are drawn from a diverse range of cultural backgrounds and study interests, with past students having specialised in areas such as international relations, politics and law, through to science, social science and communications.

The program is run pro bono by Eric Federing, a former senior congressional advisor and currently Director, Business Public Policy, Government Affairs for KPMG LLP. Mr Federing lectured on American government, politics and media across Australia in the 1990s. This helped to develop a strong relationship with our country and its people, ultimately contributing to the creation of the program. In 2004 he received a KPMG Chairman’s Award for Excellence in Volunteerism in Washington DC in recognition of the continued success of the program.

This success is also due to the way in which these young ambassadors have acquitted themselves. In the last seven years, eight statements in the congressional record have confirmed the importance of this program and consistently praised the manner in which these students have conducted themselves while representing their nation. They have also received the commendation of a former US secretary of transportation and officials at the Australian Embassy in Washington, as well as many of those who have worked alongside and helped these young Australians during their visit.

The value of the program was reflected on by Congressman Alcee Hastings of Florida in the congressional record of 15 February 2006. He said:

Such experiences are invaluable opportunities for these students to gain knowledge and a deep understanding of the internal workings of the United States Government while bringing their own skills and backgrounds to their respective Congressional offices.

The congressman continued:

Programs like this give young Australians a once in a lifetime opportunity. This program provides students with a strong interest in civics and in progressing and developing our nation further through new ideas and new policies with an avenue through which to gain invaluable skills, knowledge and understanding and experience that will help them
achieve their goals and, in turn, make their own contribution for the benefit of others.

Young Australians will go on to work all around the globe in a variety of fields and careers, as we know. It is important, however, that we have programs that offer dedicated students who have an interest in public service and public office places where they can come to learn and experience. We need to continue to foster such educational and employment opportunities so that we can continue to have a strong and vibrant pool of individuals who are equipped to represent and work for the Australian public.

I commend the many people who have made such a program possible—the congresional hosts, the variety of people and organisations that have taken time to meet and help the students during their stay, the universities involved in the program and the program coordinators who make this possible. Without their help and the help of many others, this opportunity would not be available to our students. One of those students, Luke Toy, was an intern in my office for some time and then was employed by me for some time, before becoming an intern on Capitol Hill. He came back not only praising the experience but also saying that he had learned a great deal about the relationship between Australia and the United States and, most importantly, about the United States system of government.

Interest Rates

Mr KEENAN (Stirling) (4.54 pm)—To be the last speaker in this adjournment debate today is an unexpected pleasure and a wonderful opportunity for me to return to the theme of my earlier speech, which was housing affordability and where responsibility lies for the current crisis facing people in Australia who are trying to enter the housing market.

Attempts have been made by the Labor Party this week in the House to pin the blame for this crisis on the upward trend in interest rates. But, Mr Speaker, if you examine the situation, that is clearly a furphy. The current housing crisis is occurring for a number of reasons, but the primary reason is the planning policies that are being followed by the state Labor governments. They have failed to grasp the fact that, if they will not release adequate amounts of land, the subsequent price of land will skyrocket. They have also failed to grasp the fact that running transfer taxes at ridiculous record levels—particularly as has happened in my home state of Western Australia, where the Carpenter government and the previous Gallop government jacked up stamp duty three times in a row—will link into housing affordability.

I am glad that the ALP has discovered there is a problem with housing affordability in this country, but I think we need to be honest about the reasons for that. If we are not honest about it, we will not be able to find solutions—and, if we are honest about it, we will know that the responsibility lies with the state Labor governments.

On the theme of interest rates, I think we also need to look at where the upward pressure on interest rates is coming from in Australia at the moment. We all know that the Hawke and Keating governments ran record interest rates of up to 17 per cent for homeowners and, at the same time, they ran a net government debt of about $96 billion. Obviously, a government borrowing money at such a level is in direct competition with other people who would like to borrow that money. That creates extraordinary upward pressure on interest rates; hence the record levels that we saw under those governments.

The coalition government, by contrast, has paid off that debt and is now running a substantial and healthy surplus. Unfortunately,
that cannot be said of all governments in Australia. Indeed, state Labor governments are currently running deficits. The combined deficits of state Labor governments for this financial year will be almost $5 billion. The Reserve Bank governor, when highlighting reasons for upward pressure being placed on interest rates, has specifically commented on these irresponsible fiscal policies that are being followed by the state governments. I quoted him earlier and I will repeat that quote now. He said:

I have been lucky—for most of my time—that was his time as the Reserve Bank governor—fiscal policy has consisted of small surpluses—which has been the case through the Commonwealth and state levels. He went on:

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 the equation.

The Reserve Bank governor is saying that he has been blessed during his period that the Commonwealth government has run a responsible fiscal policy, thereby placing downward pressure on interest rates. But, sadly, the states have not heeded that lesson and they are starting to run deficit budgets, which will of course place upward pressure on interest rates.

As well as running a $5 billion deficit for this financial year, state governments are budgeting for a significant increase in borrowings. State government debt is forecast to rise by around $43 billion between 2005-10. This is in stark contrast to what the Commonwealth government plans to do, which is to continue to run healthy budget surpluses. Obviously, running a healthy budget surplus puts downward pressure on interest rates while the borrowing of the state governments puts upward pressure on them.

I think it is time that members opposite, particularly the Leader of the Opposition, put pressure on their state government counterparts to start managing their economies in a responsible way. If state Labor governments’ deficits are placing upward pressure on interest rates now, just imagine what would happen if we got a Beazley Labor government. We would have an Australia that would go back to—(Time expired)

Death Penalty

Mr MURPHY (Lowe) (4.59 pm)—We are all horrified at the reports of the six young Australians who are now on death row in Indonesia. I am gravely concerned that, from everything President Yudhoyono has already said, it is quite clear that he would not grant clemency to anyone who is convicted of a drug offence. I just ask the government to do everything possible over the next few years, before these matters reach finality, to do everything to save these young Australians. Capital punishment can never be justified—

The SPEAKER—Order! It being 5.00 pm, the debate is interrupted.

House adjourned at 5.00 pm

NOTICES

The following notices were given:

Mr Slipper to move:

That the House:

(1) notes:

(a) the immense contribution to Australia, particularly through wildlife conservation, made by the late Steve Irwin;

(b) its appreciation to the late Steve Irwin for his dedication, energy and inspiration in helping to educate and inspire millions of Australians about our native wildlife and that of other nations through almost 50 documentaries and countless TV appearances;

(c) its appreciation to the late Steve Irwin for his positive impact on raising the ap-
preciation levels among Australians for our native wildlife and for wildlife conservation;
(d) its appreciation to the late Steve Irwin for his public dedication to his family and the promotion of family values; and
(e) its appreciation for the late Steve Irwin’s positive impact on international tourism in Australia and subsequent economic benefits; and

(2) expresses sincere condolences to Steve’s widow Terri Irwin and their children, Bindi and Bob, and Steve’s father, on the sudden and shocking loss of her husband, their father and his son. (Notice given 7 September 2006.)

Mr McClelland to move:
That this House:

(1) notes:
(a) the Parliament’s and the Government’s abhorrence of suicide terrorism as a tool of any organisation or movement;
(b) the global prevalence of suicide terrorism as the most lethal method of murder for many terrorist groups;
(c) the critical roles that actors other than the perpetrators play in the process, providing incitement through:
   (i) education of youth;
   (ii) statements and encouragement by religious and political leaders; and
   (iii) inflammatory materials broadcast by media outlets and made available on Internet websites; and
(d) the vital necessity of defining terrorism for the purpose of international criminal law, and particularly suicide terrorism; and
(e) the benefits for international law enforcement and Australia’s national security in establishing such a multilateral enforcement framework; and

(2) calls on the Government to:
(a) promote initiatives for the drafting of an International Convention on Suicide Terrorism, which would:
   (i) provide a definition of suicide terrorism, including the meaning of the word ‘terrorism’; and
   (ii) create an offence of suicide terrorism; and
(b) ensure that the content of such an offence would:
   (i) be defined as a ‘crime against humanity’, attracting universal jurisdiction and the international legal consequences associated with such status;
   (ii) include ‘direct and public incitement to commit suicide terrorism’ as a punishable offence by the same criteria as incitement under Article 3(c) of the Convention on the Prevention and Punishment of the Crime of Genocide (the Genocide Convention);
   (iii) be punishable against constitutionally responsible rulers, public officials or private individuals in the same form as Article 4 of the Genocide Convention;
   (iv) include a provision requiring mandatory enactment of the offence in the domestic jurisdiction of contracting parties, in the same form as Article 5 of the Genocide Convention; and
   (v) exclude the defence of political crimes for the offence, in the same form as Article 7 of the Genocide Convention; and
(c) commit to sponsoring a completed Convention, and actively promoting its adoption by the international community. (Notice given 7 September 2006.)
The DEPUTY SPEAKER (Mr Jenkins) took the chair at 9.30 am.

STATEMENTS BY MEMBERS

Bhavan Australia

Ms OWENS (Parramatta) (9.30 am)—On Wednesday, 30 August I was proud to attend the formal inauguration of Bhavan Australia’s Institute of Arts and Culture and the Gandhi Institute of Computer and Information Technology at Sydney Olympic Park.

The international organisation Bharatiya Vidya Bhavan, or ‘Bhavan’ for short, is one of the largest non-government organisations in the world, with 115 centres in India and centres in seven other nations around the world. In its 65-year history, it has evolved into a voluntary, apolitical Indian national movement with an international outlook devoted to life, literature and culture. Our Australian Indian community brought this extraordinary organisation to Australia five years ago when it formed Bhavan Australia. Its Sydney centre was inaugurated in 2003 and was the first centre in the Asia-Pacific Region and the seventh international centre.

Bhavan Australia is a fascinating addition to the group of not-for-profit organisations that serve our communities. Grounded as it is in Indian cultural beliefs and traditions, the philanthropic goals of Bhavan are that, through the promotion of faith, self-discipline and dedication among its followers and those they seek to help, it aims to revitalise dharma’s threefold aspects of truth, love and beauty.

Bhavan Australia is guided by the short prayer of one of the greatest human beings of the 20th century, Mahatma Gandhi: ‘Let noble thoughts come to us from every side’—a fabulous motto for a new Australian organisation. May it flourish here and achieve all the good works that its founders envisaged.

I am proud to inform this House of new initiatives announced by Bhavan Australia for its Sydney centre at Olympic Park. Firstly, the Bhavan Institute of Arts and Culture is now open. Prospective students can already take classes in the Sanskrit, Hindi, Urdu and Tamil languages; in music and dance—both classical and folk—and in the art of yoga. Plans are under way to expand the centre’s range of courses. Secondly, Bhavan Australia has opened the Gandhi Institute of Computer and Information Technology Australia, in impressive facilities which are also at Olympic Park. The institute is best described in Bhavan Australia’s own words:

In Australia even today there are many underprivileged people from refugee families or otherwise who cannot afford basic computer education and thus remain unemployed or underemployed. In today’s world computer education is a basic necessity for almost any job. There is a need to fill in the gap, to give the underprivileged a chance to be part of the skilled Australian workforce and thus enhance the pool of the skilled workers.

They go on to say:

To address the above issue, Bhavan’s Gandhi Institute of Computer and Information Technology Australia provides a subsidised computer training education program to the poor and underprivileged or anyone who is eager to be educated in basic computer knowledge but cannot afford it.

The Bill Gates Foundation, which actively supports the Gandhi Institute in India through a grant of $US5 million, has extended its support to this project as well. Bhavan Australia is to
be commended for its initiative in promoting culture and modern education in Australia. Their motto, ‘As noble thoughts come to them from all sides, they in turn seek to pass on their knowledge to those in need’, is truly an example for us all. I wish Bhavan Australia well. (Time expired)

Bonner Electorate

Mr VASTA (Bonner) (9.33 am)—Bonner is a diverse community and, since being elected, I have made it my priority to gain an understanding of the issues that are of greatest importance to all sections of the community. I feel particularly strongly about the voice of youth, and I think it is extremely important that our young leaders be given the opportunity to speak and to be heard. In March this year, I proposed the development of a Bonner Youth Leaders Advisory Committee that would, in essence, facilitate a place and time for student leader representatives from each high school in the electorate to come together and speak about issues that are most important to them. This proposal was well received by principals throughout the electorate and, as a result, the Bonner Youth Leaders Advisory Committee is now established and recently met for the second time to discuss youth issues.

I rise this morning to acknowledge these youth representatives and to share some of the thoughts that have emerged from our discussions. Of primary concern to both state and private school students is the years 11 and 12 English syllabus, which is, for many, proving a major frustration. All the students were quick to agree that the marking criteria and grading are simply too complicated, with some teachers having to take an entire lesson just to decipher and explain what is actually required. Furthermore, for some of the students it is a major stress to think that they can no longer achieve an A or a B; instead they are ranked as an A-plus 4 or an A-plus 2, for example. These complicated criteria and rankings which are weaved into each subject are not only distracting but also increasingly a source of stress and confusion for many of the students.

An interesting point was raised in relation to other sources of stress in senior school years, that being that an increasing number of students place significant pressure on themselves in response to the competitive learning environment. While in some cases this may help students to achieve a higher standard, in other cases it can be extremely destructive. The recent committee meeting also resulted in a creative and positive discussion regarding the school leavers guides that the federal government provides each year to students completing year 12. The guides are a welcome source of information but, during the excitement of finishing their high school year, students can often dismiss or misplace the guides.

To combat this, the Bonner youth leaders whom I have worked with have formed a plan that will see the inclusion of a special voucher section within the guide which will offer students a wide variety of two-for-one deals and the like from local businesses and well-loved takeaways. This is a project that will not only benefit students but also assist local business and ensure that the school leavers guide is something not to be missed. I thank each member of the Bonner Youth Leaders Advisory Committee for their innovative ideas. I particularly want to acknowledge Lauren Cuskelly and Thomas Ryan of Holland Park State High School, and Kristian Boulter and Cody Byrnes of Iona College.
National Dementia Awareness Month

Ms GRIERSON (Newcastle) (9.36 am)—Tomorrow, 8 September, marks the beginning of National Dementia Awareness Month. This year commemorates 100 years since the German physician Alois Alzheimer first described the condition we now know as Alzheimer’s disease. As part of this centenary, Alzheimer’s Australia has produced a special publication entitled 100 years of Alzheimer’s—towards a world without dementia, which uses a time line to chart the major developments in our understanding of this potentially debilitating condition.

Senator Marise Payne and I, as co-conveners of Parliamentary Friends of Dementia, have circulated this publication to all members of parliament this week along with an invitation to attend a special briefing in Parliament House by one of the world’s leading dementia researchers, Professor Marilyn Albert, next Tuesday. I encourage all members and senators to attend. Marilyn Albert is a professor of neurology and the director of cognitive neuroscience at John Hopkins University in the United States. She has co-authored more than 150 publications, including the best-selling book Keep Your Brain Young, which she co-wrote with her husband, Professor Guy McKhann.

Professor Albert’s main focus of research is mapping how changes in behaviour correlate with changes in brain structure and how this helps our understanding of dementia. The theme for this year’s Dementia Awareness Month is ‘No time to lose’, an appropriate theme. There are an estimated 212,000 people in Australia with the condition, and by 2050 this number is projected to increase to 730,000. In 2006 it is estimated that there will be 54,000 new cases of dementia, so there really is no time to lose.

For people living with dementia, their families and carers and for those who are at risk, this year’s theme is a call for urgent action by governments and communities everywhere to improve the care and treatment of people with dementia, to increase funding for medical research and to encourage healthy lifestyles and habits to reduce the incidence of dementia. Alzheimer’s Australia will tomorrow launch a community education program and a consumer focus booklet called Mind your mind, a user’s guide to dementia risk reduction. This program offers advice and strategies—which, of course, we could all benefit from—to help consumers understand how they can reduce their risk of dementia in later life and promote brain health. It continues the excellent work that the Mind Your Mind signpost program began 12 months ago.

Excellent work is being carried out across Australia at the community level. I want to draw attention to the work of the Hunter Network of Alzheimer’s Australia New South Wales. In partnership with Rotary group district 9670, the Hunter Network has raised more than $260,000 to establish a dementia resource centre in Newcastle. Alzheimer’s Australia matched that funding, so a total of $520,000 has allowed them to purchase a building. I call on the Commonwealth government to uphold the promise by the former Minister for Aged Care, Bronwyn Bishop, in 2001 to help fund a dementia resource centre in Newcastle.

Regional Partnerships Program

Mr WOOD (La Trobe) (9.39 am)—I rise to discuss the great work being achieved by the Upwey-Belgrave RSL. On Wednesday, 26 July this year, the Prime Minister, the Hon. John Howard, made time in his heavy schedule to visit the Upwey-Belgrave RSL in my electorate, where he attended a lovely community morning tea. Might I add that it was actually his birth-
day, so we were privileged to have him. I understand that it was the first visit that a Prime Minister of any political persuasion has made to Upwey. Accordingly, I felt it to be most important that a cross-section of the La Trobe community was represented. I was thrilled to see in attendance representatives from our schools, our sporting clubs, our fire brigades, our RSLs, our business community and from other groups across La Trobe—everywhere from Berwick to Boronia. That day I was delighted to have the opportunity to announce that the Upwey-Belgrave sub-branch is to receive $179,000 from the Commonwealth government’s Regional Partnerships program towards an overall $360,000 upgrade of their facilities.

This is a hand-up, not a handout. Twelve months ago the Upwey-Belgrave sub-branch was really struggling. Since then, there has been an amazing turnaround. Thanks to the hard work of many people, the sub-branch is now viable, is attracting younger members and can look forward to a strong future. Recognition must be given to the following people: Louis Hesterman, Mike Wale, David Brimbacome and David Eaton; the local builders, especially Colin Jordon and Ross Carey, who have generously volunteered their time and skills in upgrading the facilities, quite often at no cost; the members of the Upwey-Belgrave RSL committee under the new president, Denis Moffat; and the immediate past president, Mr Rob Ferguson, and his wife, Jill, who have worked tirelessly for the Upwey-Belgrave RSL. Also I must thank the Melbourne East Area Consultative Committee, in particular Sofia Adams and Maya Avdagic. I also must thank our ministers—the Minister for Transport and Regional Services, the Hon. Warren Truss; the Minister for Local Government, Territories and Roads, the Hon. Jim Lloyd; and the Special Minister of State, the Hon. Gary Nairn—for the work they have done and that their respective departments do in administering the Regional Partnerships program.

In closing I would like to make one final point—that is, that the Upwey-Belgrave RSL, like every RSL in my electorate of La Trobe, has made the decision not to install poker machines to raise revenue. They should be roundly congratulated for doing this. It may be the more difficult path but, in my view, it is certainly one that befits my local community. Finally, I again congratulate all our retired service men and women—they are doing a magnificent job.

**Eating Disorders**

Ms BURKE (Chisholm) (9.42 am)—This week is National Body Image and Eating Disorders Awareness Week. Few people would be aware of that fact. Since Sunday there have been 30 news reports on the issue of obesity; there has been only one article on the issue of body image and eating disorders. It is important that we discuss obesity but we also need to address eating disorders, because they have been ignored for too long. This is despite the fact that they are the third most prevalent illness in adolescent women. It is estimated that around seven per cent of the Australian population suffers from an eating disorder. Recently a brave young constituent of mine, Sarah Ralph, wrote to me about her battle with an eating disorder. In her letter she said:

I am a sufferer of the chronic and debilitating illness anorexia nervosa. Seven years of my life has dwindled by whilst I am subjected to inadequate health services. Eating disorders are largely misconceived by the community and passed off as a simple slimming disease. However, the epidemic proportions within the community that currently suffer from eating disorders should not allow for such a flippant notion. I have relocated to Melbourne after hearing about treatment facilities at the Bronte Foundation. Relocation has created a huge financial burden and exacerbated my symptoms. Devonport was my community, home and birthplace, and a safe haven for my development as a citizen. The severe lack of information, treatment facilities and understanding is not specific to Devonport. Since relocating, I have
been overwhelmed by the care, understanding, family counselling, community education and multifaceted approach taken by the whole Bronte professional team.

In response to Sarah’s letter I visited the Bronte Foundation and met with its founder, Jan Cullis. I was horrified to learn that, despite successfully treating hundreds of people each year, the Bronte Foundation is at risk of closure because it cannot secure government or philanthropic funding. While millions of dollars are being poured into the treatment and prevention of obesity, almost no government funding goes towards eating disorders. Medical professionals are now saying that ironically all this talk about obesity is exacerbating the problem of eating disorders. There is no one reason why an eating disorder develops but, according to a British study, dieting is the greatest risk factor for the development of an eating disorder. The media and advertising industry’s obsession with weight is getting out of control. A recent article in the *Age* revealed that a group of year 4 students in Melbourne recently put themselves on a water-only diet. The AMA has described the increase in eating disorders in school aged children as a mini crisis.

In July, I wrote to the Minister for Health and Ageing urging him to hold a national summit to discuss body image, drawing together the media, the fashion and advertising industries, medical professionals and other community groups. We need to develop a national code of conduct on body image to curb the increase in eating disorders. The minister has not yet responded. This is a national issue. Eating disorders are not confined by state and territory boundaries and this deserves a national response, yet the coalition has not once mentioned National Body Image and Eating Disorders Awareness Week. I condemn them for not doing this. I want to praise the Victorian state government and minister Jacinta Allan, who has actually held an inquiry into body image and called for a code of conduct. There should be a national code. This is an issue that is out of control.

**Investing in Our Schools Program**

**Mrs Hull (Riverina)** (9.45 am)—On 1 September, I visited Nangus Public School to do an Investing in Our Schools project. In the 80-year history of the school, it has not had climbing, gross motor or fitness equipment. Additionally, the only play equipment that had been constructed by the P&C over those many years was very old, weathered, splintery and dangerous. The Investing in Our Schools project was able to provide $33,000 for the construction of new play equipment. This has provided engaging mental challenges and great opportunities for fitness and for the development of motor skills, strength, self-confidence, agility and social interaction for the children.

It was an absolutely splendid day. We had an assembly, which happens every week. The thing that most impressed me about the children at Nangus Public School was that during the assembly ceremony they all recite the citizenship oath. It was a great pleasure to see children from kindergarten to year 6 stand there and by heart recite the Australian citizenship oath. It was a fabulous morning. All of the parents, grandparents and general community members are able to come to Nangus Public School and join with the children and the head mistress in order to ensure that there are values in the public education system. This happens right across my electorate, but one great thing was that the Nangus Public School students were able to recite the citizenship oath off by heart.
The morning was filled with musical items, with all of the children participating with great enthusiasm. We even had the builder who was providing some building works participate in that ceremony.

Mr Slipper—Did you sing?

Mrs Hull—I certainly did; we all sang. We sang the Australian national anthem with a bushman flavour. All of the children engaged very well in that whole episode. I would also like to mention the amount of trouble that the children went through to welcome their local member. Young Andrew even insisted that he should wear aftershave on a day he was meeting his local member. It was exciting for me to witness the great enthusiasm of the Nangus Public School students, to open that piece of playground equipment and to see all of the children’s respect toward one another in utilising that playground equipment. I congratulate Nangus Public School for the way in which they carry out their duties toward their students.

Health: Central Coast MRI

Ms Hall (Shortland) (9.48 am)—An issue that is of great importance to the people on the Central Coast is the fact that no MRI has been licensed there within the public system. I would like to congratulate the New South Wales member for Peats, Marie Andrews, on the fine campaign that she has been running to get the MRI that is situated in Gosford hospital licensed. It has been a long struggle by the people of the Central Coast and in the New South Wales Department of Health to try to get this machine licensed. An application first went in in May 2004 prior to the machine being installed in Gosford hospital, and there have been a number of subsequent letters sent off to the department. Morris Iemma, the then New South Wales Minister for Health, strongly supported the application. The Director-General of the Department of Health also wrote in support of the application and made a very strong case for why the MRI should be licensed.

The Central Coast was one of the three areas in New South Wales identified as an area of need. It has a rapidly growing and elderly population. Robertson, the federal electorate where Gosford Hospital is situated, is the fifth oldest electorate in the country, Dobell is the 29th oldest electorate in the country and Shortland, which is the other part of the Central Coast, is the 10th oldest electorate in Australia. The MRI machine currently operates in Gosford Hospital and it is underutilised because it can only be used for inpatient services, whilst there is demand for a public funded MRI to service the emergency department and people who cannot afford to access the private system. It is very much needed as a publicly accessible MRI on the Central Coast. There is one privately operated MRI machine. In that same period this government has granted two licences for MRI machines to operate in private practice on the North Shore.

The member for Robertson obviously blames the state government and said that the machine was put in before licences were applied for. That is not so. I have proof of that here in these letters. Mr Deputy Speaker, I would like to table these letters and I seek leave to do so. I also seek leave to table a petition with signatures from 1,930 people on the Central Coast who are imporing this government to grant a licence for the MRI machine in Gosford Hospital. (Time expired)

Leave granted.
Mr Steve Irwin

Mr SLIPPER (Fisher) (9.52 am)—Yesterday I was pleased to have the opportunity to rise in the Main Committee to praise the life and work of Steve Irwin, a person I have had an enormously high regard for and who I have known for many years. I was absolutely appalled at comments made by Germaine Greer in relation to the sad passing of Steve Irwin. Steve is someone who did suffer from Australia’s ‘Let’s cut down the tall poppy’ syndrome; there were so many people prepared to undermine and criticise him for the wonderful work that he did. I have to say that Germaine Greer seems to be almost out in a class of her own because most people would accept that at the time of such a sad event that Steve’s family were entitled to grieve in peace. Right around the world there has been a great outpouring of emotion and sympathy for Terri, Bob, Bindi and Steve’s parents at this sad time. Germaine Greer wrote:

The animal world has finally taken its revenge on Irwin, but probably not before a whole generation of kids in shorts seven sizes too small has learned to shout in the ears of animals with hearing 10 times more acute than theirs, determined to become millionaire animal-loving zoo-owners in their turn.

I do not agree with everything that the member for Griffith says but I saw his interview and the way he was reported as very strongly criticising Germaine Greer for her inappropriate comments and I just want to endorse absolutely everything that he has said on this matter. What Steve Irwin has done is to encourage people to respect Australian fauna for what it is. He has brought this love of Australian wildlife into reality. Thousands of kids have been to Australia Zoo and millions have watched his television programs. All the way through, Steve has not been manipulating or exploiting our native animals but building a genuine love on the part of young people in the community for what is a very important resource—Australian fauna. I place on record my absolute disgust at the comments of Germaine Greer. They were completely inappropriate and I trust that my colleagues echo my sentiment in relation to this matter. (Time expired)

United Kempo Martial Arts Academy

Mr HAYES (Werriwa) (9.55 am)—I would like to draw to the attention of the House the fact that, since 1997, the United Kempo Martial Arts Academy has been providing instruction in martial arts for the youth of the south-west of Sydney. Based in Austral, under the guidance and direction of Sensei Jordan Micakovski—a man so committed to his local community that he was awarded the local Australian of the year by Liverpool council—the academy has achieved a reputation for excellence at a regional, national and, now, international level.

In August of this year, the academy entered a team in the inaugural World Martial Arts Games, which were held in Victoria, Canada. The United Kempo team won a total of 48 medals—21 gold, 15 silver and 12 bronze. Two grand champion awards were won, as was the champion of champions trophy. Australia won second place overall in the tournament, narrowly losing to the host nation, Canada, which was a remarkable achievement, given the fact that there were a total of 27 nations in competition at those games.

I would particularly like to congratulate team members on their personal achievements: Lochlan Tabone, three gold, one silver, one bronze; Samuele Xotta, one gold, three silver, one bronze; Sash Dimevski, one gold, one silver, two bronze; Daria Xotta, two gold, one silver,
one bronze; Simon Everitt, one gold, two bronze and qualified grand champion for the 10- to 13-year-olds; Lucy Di Lario, two gold, one silver, one bronze; Adam Di Lario, three gold, two silver; Darren Tabone, two gold, one bronze and qualified for under belt grand champion aged 18 years and older; Laurie Hand, one silver, one bronze; Bob Everitt, one silver, one bronze; Jake Cremona, two gold, one silver, one bronze; and Sensei Alex Micakovski, three gold, two silver and grand champion black belt for 18- to 25-year-olds and overall adult grand champion in black belt weapons.

I am very proud to be the patron of United Kempo Martial Arts Academy. I am proud of not simply the team’s achievements but what this organisation does within our community and particularly what it does for the youth of the community of south-western Sydney. It is very much a credit to Sensei Jordan, his leadership and his giving of his time so freely to the youth of our area.

Telecross Program
Redcliffe Community Bus

Ms GAMBARO (Petrie—Parliamentary Secretary (Foreign Affairs)) (9.58 am)—Today I would like to highlight the fantastic work of two local community organisations that are reaching out to vulnerable members of our Petrie community. As members would be aware, there are sections of our community, particularly the elderly, which are becoming increasingly isolated in society. We too often see terrible media reports of elderly people who have passed away not being discovered in their homes sometimes for weeks and sometimes, even worse, for months.

It is a real tragedy and a sad reflection on our community life, particularly in this modern society, that these deaths occur and are not discovered. Through the innovative Telecross program, which is run as a pilot in Queensland by the Australian Red Cross, such tragedies can be averted by a phone call of a few minutes a day of a volunteer’s time. What they do is focus on calling the elderly. They provide daily reassurance to people who are frail, aged or, particularly, younger people with a disability who live alone and are socially or physically isolated and medically at risk.

The calls are made by volunteers each morning at the same time, as decided by the client. It can be done from the volunteer’s home, workplace or even on the commute between the two. Volunteers also have the option of making calls to many clients through a Telecross base centre. Secondly, in the event that the client cannot be contacted, emergency procedures are activated by Telecross. This is done 365 days of the year.

The concept originally started in South Australia in 1970 and was first piloted in Queensland in 1996. At the end of last year, it was operating in Brisbane, the Gold Coast, Rockhampton, Yeppoon, Beaudesert, Darling Downs and the Sunshine Coast. What is really fantastic about this program is that it is simple. It is just a phone call. I had discussions with the Pharmacy Guild of Queensland just before the last election, and they agreed that they would come on board and provide many of their staff as volunteers.

I am working actively at the moment within government to try to have this program extended, because it can save the lives of many elderly people. I congratulate the Red Cross. I will continue to work with them to make sure that they have continued support for this very valuable program well into the future. I want to thank Robert Tickner and Greg Goebel, from
Queensland, for their assistance to date. I will do all that I can to make sure that we develop this fantastic program right across Australia. It is a truly deserving program that will help many in their homes not to feel socially isolated. I also want to congratulate the Redcliffe community bus association for the work that they do in providing regular social outings for the elderly. I am committed to working with them more fully to try to find a way to fund their ageing bus fleet. I thank them for their great work.

The DEPUTY SPEAKER (Mr Jenkins)—Order! In accordance with sessional order 193, the time for members’ statements has concluded.

CONDOLENCES

Hon. Donald Leslie Chipp AO

Debate resumed from 4 September, on motion by Mr Howard:

That this House record its deep regret at the death on 28 August, 2006 of the Honourable Donald Leslie Chipp AO, former Federal Minister in the House of Representatives, the founder and former Leader of the Australian Democrats and Senator for Victoria and place on record its appreciation of his long and meritorious public service and tender its profound sympathy to his family in their bereavement.

Mr GARRETT (Kingsford Smith) (10.02 am)—I had the opportunity to meet and get to know the late Don Chipp prior to the time of my entering the parliament. Even though it was an intermittent relationship, it was one that I valued. Upon coming into the parliament as the member for Kingsford Smith, I was again fortunate enough to be able to have occasional phone conversations with Don as he reflected on the state of politics in the world, and I consider myself very fortunate to have been able to do that. We mark the passing of an outstanding Australian political character as we speak to the condolence motion moved in the parliament to recognise Don Chipp’s life and his life’s work, expressing our condolences to his family: his wife, Idun, and to his two daughters by her and also his two sons and two daughters from his first marriage.

I am sure all members would agree that Don Chipp’s parliamentary career was a distinguished and long one. He was elected to the House of Representatives, to the seat of Higinbotham, in Victoria, at a by-election in 1960 and was re-elected in 1961, 1963 and 1966. There was then redistribution, with the seat of Higinbotham becoming the seat of Hotham, and he was again re-elected in 1968, 1969, 1972, 1974 and 1975. He very clearly had the capacity to reach out to his constituents and be elected. He resigned in 1977 from the House of Representatives and was elected to the Senate in 1977 and 1983 and resigned in 1986, after having performed what I think was an outstanding and extraordinary feat in forming from start-up a third party on the Australian political landscape, the Australian Democrats, which he led and retained a close involvement with and provided much commentary for up until the time of his death.

Don Chipp struck me as being—amongst many other things but most notably—a very compassionate person. He was someone whose politics evolved to the Left from the Right as he matured over time. He retained a great interest in the political process. He was concerned at the direction of Liberal politics and he was concerned at the prospects of the party that he founded, the Democrats.

Some commentators have remarked that the passing of Don Chipp is the passing of liberalism in Australian politics. I do not know whether that is the case or not. It is probably too
soon to say, but it is fair to note the significant contribution he made, particularly in his period
of time as a Liberal government minister, in freeing up the bounds of censorship in Australia
and in the way he communicated the policies and the views that he believed in strongly to the
public at large. I think there was a residual public affection for Chipp’s craggy face and for his
heartfelt views whenever they were expressed.

It is a mark of the contribution that Donald Leslie Chipp made to this country that he was
awarded an Order of Australia, that he was afforded a state funeral upon his passing and that
there were many eminent and distinguished people from public life who attended it. I think it
is also a mark of the man that he ultimately knew no favours in expressing his views. He
spoke strongly for and against members of this political party, as he did for and against mem-
bers of the party of which he was once a member. He strongly endorsed the prime minister-
ship of Bob Hawke and the treasurership of Paul Keating, and he was equally strong in his
views about other significant political figures of his day. Chipp wanted to be remembered as a
good old honest bastard and as someone who gave it his best shot. I think that he most defi-
nitely did that, and he will be remembered well in this House and at large for his great contri-
bution.

Mr ABBOTT (Warringah—Minister for Health and Ageing) (10:07 am)—I first came
across Don Chipp the man, as opposed to Don Chipp the public figure, when I invited him to
join the Victorian council of Australians for Constitutional Monarchy. It was 1993 and I con-
fess that I was more than a little anxious that the apparent tide of public opinion might have
weakened Don’s longstanding commitment to the Crown. But I need not have worried. It
turned out that his only concern was about joining an organisation which also included, at that
time, Malcolm Fraser. This concern subsequently evaporated when Malcolm, without any
warning whatsoever, defected to the republican side.

Don was a passionate man, as many people have remarked. He was impatient with stuffi-
ness and formality, but he was also, in his own way, a conservative man. He was passionate
about those things which he thought were enduring values, and he had a strong sense of the
need for continuity as well as change. I well recall his speech to the Constitutional Conven-
tion held in 1998 in Old Parliament House. In the opening of that speech, Don said:

It has been an awesome week for me. The place is littered with ghosts of the past. ... Ghosts like Billy
McMahon keep appearing. I remember once he was about there and he was clowning around and say-
ing, ‘I am my own worst enemy,’ to which the unmistakable interjection of Sir James Killen came: ‘Not
while I’m alive you’re not.’ ... Those are the sorts of memories that this place evokes: a wonderful
place and you could not possibly find a better location for a convention of this kind.

The last time I saw Don was to discuss Parkinson’s disease, from which he was then suffer-
ing. Up to 100,000 Australians have Parkinson’s disease and up to 1,000 Australians a year
die from the complications of Parkinson’s disease. There is no cure, but there is some treat-
ment.

Through the Pharmaceutical Benefits Scheme, the government spends about $36 million a
year on Parkinson’s disease drugs. Over the past six years the National Health and Medical
Research Council has spent $14 million on Parkinson’s disease research. As a result of that
meeting with Don, the government gave $100,000 to the Mental Health Council to encourage
better coordination of those bodies dealing with diseases of the brain.
There certainly are few politicians whose legacy is felt 20 years after they formally leave this place. Don was famously dropped from Malcolm Fraser’s cabinet, but as things turned out he was a much bigger man than most of those who remained. He will be missed and he certainly will not be forgotten, and he deserves to be commemorated by this House.

Mr GEORGIOU (Kooyong) (10.10 am)—I wish to support the condolence motion for the Hon. Don Leslie Chipp. I first met Don Chipp some 30 years ago, when he was shadow minister for social security, and I was privileged to work with him on the social security policy that he took to the 1975 election. I recollect that he was very gratified at the positive response to that policy at that stage, despite the fact that 1975 was not really an election fought on policy grounds. Despite his progressive estrangement and eventual departure from the Liberal Party to form the Australian Democrats, we did keep in touch over the years on a variety of issues, and I particularly appreciated the very moving comments Don’s daughter Debbie Reid passed on to me earlier this week.

The diversity and depth of Don Chipp’s contribution to Australian politics is quite remarkable. He was a backbencher, a minister in the Holt, Gorton, McMahon and Fraser governments, a backbencher again and then a senator and the founder and leader of a new political party. In this last role Don achieved what is rare in Australian politics: not to put too fine a point on it, it was almost unique. I do not think that anyone who has been involved in the business of managing a well-established political party can fully appreciate the demands of setting up a new one from scratch: the motivation of people to join a new party, the need to put the nuts and bolts into place, and the effort to imbue a new body with a sense of ethos and mission. Don Chipp attended to all that and, to the surprise of many people, he did it superlatively. He formed the Democrats just after he left the Liberal Party in 1977. In November of that year the Democrats fought their first election, winning two Senate positions, which increased to seven by 1985. That was the year before Don Chipp retired from the Senate.

This is not a time for an analysis of the Australian Democrats or of their current standing, but it is worth noting that the party he founded held the balance of power in the Senate for 15 years from 1981. Don Chipp was a man of many talents and of passion and commitment. He was not a conventional politician; he was a reformer and a traditionalist, a rebel and a creator. He made a difference to the causes he advanced—to civil liberties, the environment and Indigenous affairs, to name just a few. He made a significant contribution to Australia. Don endured the vicissitudes of politics and a debilitating disease and still managed to maintain his passion, his enthusiasm, his humanity and his sense of humour. He will be missed by people of all political persuasions.

On a personal note, having worked with both Don Chipp and Malcolm Fraser, whose relationship was sometimes, to put it diplomatically, attenuated, I am glad that Malcolm and Tamie Fraser were at Don’s service last Saturday to be part of what Malcolm quite properly described as ‘a great send-off for Don’. I wish to put on the record my appreciation of Don’s contribution to Australian politics and give my condolences to his wife, Idun, his brother, Frank, and his children, Debbie, John, Greg, Melissa, Juliet and Laura. I commend the motion to the House.

Mr BROADBENT (McMillan) (10.14 am)—I am probably one representative in this House who was more distant from Mr Chipp than the federal member for Kooyong—with his intimate relationship with him and his memories of and history with him—and also than the
member for Kingsford Smith, who spoke so eloquently in regard to Don Chipp. However, I know that Don Chipp was a man who worked hard and played hard. He was a rascal to a degree, a great family man, a lover of life and a lover of the environment.

I came across Mr Chipp, as he was at the time, in his retirement. As a candidate for the seat of Streton, long since departed, I met Don Chipp, who was a constituent in that area. Because of his long association and friendship with many Liberals, whom he held as close friends for many years after his departure from politics, I was invited to the family home to meet with Don to talk about the issues that affected the particular area in which I was a candidate and where I might head in my future political activity. It was because of his relationship at that time with Barry Simon, the previous member for McMillan, and his wife, Ruth, who remained firm friends over the years.

Of course, my condolences go to his family. This death occurred in difficult circumstances, as can happen as people grow older. However, to the end he was a fighter, and the public that I know would remember Don Chipp fighting to the last moment about the issues that were important to the broader community. He was a politician who never lost sight of those battlers out in the broader community, particularly in Victoria. He was a great lover of people.

So I come to this debate not with an intimacy that others have enjoyed with the man, but looking from the perspective of the broader public. We are grateful for the life and times of Don Chipp. We are grateful for the contribution he made not only in the House but in the Senate. We are particularly grateful, as the member for Kingsford Smith agreed, for the changes that he was prepared to make that set Australia up for the future, particularly with regard to the issues that affected him directly, being, in my opinion, censorship, the environment and proper governance of the nation. Australia will be a lesser place for the loss of Don Chipp.

The DEPUTY SPEAKER (Mr Jenkins) (10.17 am)—From the chair, I would like to associate myself with this motion. Whilst I observed Don Chipp the public figure, I am very heartened that in recognising his life we have recognised his formative years as a product of the northern suburbs of Melbourne and as a supporter of the Fitzroy Football Club—the fact that he was a ‘Roy Boy’. I acknowledge that not only in his lifetime as a member of the Liberal Party was he a true liberal but in his creation of a third force in Australian politics he understood that our politics is about the discussion of ideas, that we are as a nation a broad church and that everyone should be able to pursue their opinions with the freedoms that our system allows. I join with other members who have spoken in this debate in expressing my condolences to Don’s family and all who admired and loved his life. I know that it will not be forgotten.

I understand that it is the wish of honourable members to signify at this stage their respect and sympathy by rising in their places.

Question agreed to, honourable members standing in their places.

CIVIL AVIATION LEGISLATION AMENDMENT (MUTUAL RECOGNITION WITH NEW ZEALAND) BILL 2005

Second Reading

Debate resumed from 6 September, on motion by Mr Truss:

That this bill be now read a second time.
Mr Ciobo (Moncrieff) (10.19 am)—I am pleased to speak in the debate on the Civil Aviation Legislation Amendment (Mutual Recognition with New Zealand) Bill 2005. This is an important bill for both Australia and New Zealand because it puts into effect and continues to make arrangements for the operation of what is effectively an open skies policy between Australia and New Zealand. At its core, the relationship between our two countries is best described as being very strong. We share in many respects a common history but, more importantly, I believe Australia and New Zealand share a common destination. For our two peoples, this relationship, with respect to the bill that is currently before the chamber, as with so many other areas of regulation and legislation between our two countries, sees our two countries moving continually towards a greater level of interoperability and mutual recognition.

For me, representing the seat of Moncrieff, based in Australia’s sixth largest city, the Gold Coast, this bill plays an important role in ensuring that the most important industry in my city—namely, tourism—is provided with the maximum opportunity to continue to flourish and continue to grow into the future. In particular, when one considers that perhaps our single largest inbound tourism market for the Gold Coast comes from New Zealand, it is very clear that governments should take whatever measures that they can to ensure that we facilitate tourism as much as possible. The bill that is currently before the chamber does just that.

For an area such as the Gold Coast, there will be, as a result of the implementation of this bill—indeed, there have been results from the implementation of other bills previously—significant benefits both for my city and also for New Zealand. In particular, the Gold Coast airport has had over the years a number of inbound flights flying directly out of New Zealand ports such as Auckland, Wellington and Christchurch. Each of these ports has spawned flights which are flying New Zealand tourists directly from those cities to Gold Coast airport. I have been very pleased that inbound tourism numbers from New Zealand have been particularly strong. I predict that not only will we see an increase in the number of New Zealand tourists coming into the Gold Coast but also we will see, as a consequence of bills such as this, increased investment from New Zealand. A number of New Zealanders have taken opportunities to purchase property on the Gold Coast and have taken opportunities to export back to New Zealand products and services available on the Gold Coast. Of course, people have particular skill sets that are utilised in both countries. This kind of growth in the friendship between our nations in terms of exports and imports between both countries flows from having fewer regulations and more commonality between our two countries.

In terms of the history and the basis of the policy commitment behind this bill, we need to ensure that this closer relationship does not come at the expense of public safety. We have a great tradition in this country of Australians knowing that our aviation standards are among the very best in the world. Indeed, it is this country’s proud boast that we have one of the safest airline policies and safest forms of recognition when it comes to aviation safety that exists throughout the world. Similarly, New Zealand has a proud track record, albeit one that is slightly different in terms of the actual mechanics of the legislative framework and regulations that apply to aviation standards. In this regard, though, it is very clear that both countries remain wholly committed to ensuring that our respective peoples are not at any time jeopardised when it comes to aviation standards.

The bill recognises that our two countries, although having some differences in terms of the civil aviation framework that is in place, in broad terms are operating in parallel. In broad
terms, aviation standards that apply both in Australia and in New Zealand ensure that there is compliance with international standards when it comes to aviation safety.

In terms of the mechanics of this bill, which I will just touch on briefly, it effectively ensures that there is mutual recognition of air operator certificates between Australia and New Zealand. In essence, these are the certificates required in order to operate an airline. With respect to these bills, they have application to larger aircraft that hold in excess of 30 seats or have a tonnage greater than 15,000 kilos. So this bill before the chamber today ensures that we now have a commonality of interest—mutual recognition between Australia and New Zealand with respect to civil aviation for aircraft with more than 30 seats or 15,000 kilos. I encourage the continued development and operation of mutual recognition between these two countries not only with respect to aviation but also with respect to finance, banking, payment systems, professional accreditation and a whole host of comparative measures which would see our two economies continue to come closer together.

I will touch on what to me is at the very heart of this bill—that is, the fact that we need to ensure that we continue to provide choice to the Australian people, and to the New Zealand people, to encourage tourism between our two nations. This bill does just that, and I certainly commend this bill to the chamber. This bill paves the way for an area like the Gold Coast—which has as its biggest source market New Zealand tourists; and its highest level of direct foreign investment in real estate, for example, from New Zealand—to continue to develop those relationships. It generates export growth for Gold Coast small businesses in terms of tourism and education services, for example. I commend the bill to the chamber.

Mr MARTIN FERGUSON (Batman) (10.27 am)—I am grateful for the opportunity to continue the Labor Party’s contribution to this important debate on the Civil Aviation Legislation Amendment (Mutual Recognition with New Zealand) Bill 2005 [2006]. As has been acknowledged by all speakers, it is an important debate. It is important because the bill has the potential to lead to an overall reduction—and I think people should appreciate this—in safety standards across the Australian aviation industry. It may even result in the shift of some aviation operations across the Tasman and the loss of Australian jobs and economic opportunity.

The bill provides for mutual recognition of certain air operator certificates issued by the Australian Civil Aviation Safety Authority and the Civil Aviation Authority in New Zealand. It is—and I am surprised the government did not take this on board—widely opposed by industry, including the Australian and International Pilots Association; the Australian Federation of Air Pilots; the Flight Attendants Association, international and domestic divisions; and the Australian Licenced Aircraft Engineers Association. These organisations, which are intimately involved in aviation in Australia, are rightly concerned about security and safety, which the Australian public have expressed concerns about, yet the government has dismissed those concerns in pursuing this bill.

I say that because the government is flying in the face of industry opposition. The fact is that these organisations hold serious fears that the bill will potentially have a major impact on safety standards and they predict a loss of Australian aviation operations to New Zealand. The problem is that this bill has been on the government’s agenda since it signed the Air Services Agreement on 8 August 2002. It is simple in its mind: we cuddled up to New Zealand; therefore we have got to deliver the outcome of that meeting without any consideration of safety, the fight against terrorism and the needs of the Australian travelling public. The Labor Party,
through our caucus, have now twice considered the government’s attempt to provide for mutual recognition of the air operators certificates by the New Zealand and Australian aviation authorities.

The 2003 bill lapsed in the absence of Senate support, and I suppose you have to have regard for why it lacked support in the Senate back in 2003. It failed because the government had refused to undertake any action to justify the bill or assess likely safety outcomes. Just imagine that: aviation is about the safety of the travelling public, and back in 2003, despite concerns in the Senate, the government refused to take any action to justify this bill and have a look at safety implications. That goes to the failure of the government to make a comparative assessment of safety operating systems in Australia and New Zealand and to undertake a regulatory analysis of the systems of the two trans-Tasman nations, which is the fundamental reason why the opposition opposes the bill.

I wonder whether the government would adopt a similar view if it were related to quarantine and the potential impact on the agricultural industry. I wonder, for example, where Paul Neville, the chair of one of the government’s committees, would stand. I noticed him supporting this bill. I wonder what his view would be, given his rural seat, if all of a sudden, because New Zealand demanded it, we dropped our strict rules on quarantine and the entry of some New Zealand products into Australia. The government would be up in arms. When it comes to the safety of the travelling public and the fight against terrorism, all of a sudden we as a nation have to roll over to potentially lower standards on aviation safety because New Zealand demands it. I am exceptionally worried about where the safety of the travelling public in the future might end up.

The government seems intent on just going ahead, blinded by the drive of liberalising air services arrangements as part of its so-called wider economic reforms in the transport sector. If we actually wanted to do something about economic reform in the transport sector then we would be concerned about issues such as how to improve our national rail system, how to overcome some of the transport blockages with respect to port access and how to overcome our shortage of labour in the trucking industry at the moment, as we cannot attract and keep people. They are the types of issues which go to fundamental economic reform in the transport sector in Australia, not this endeavour to reduce safety standards.

It is particularly baffling that the government would pursue this line of action when what is at risk is a diminishing of Australia’s rigorous aviation safety standards and the loss of Australian jobs and operations. This is a huge stake that the government surely understands, so I ask: why does it continue to fail to examine these issues? I think it is important to acknowledge concerns about safety implications and for us to commit to understanding an assessment of the possible safety implications of this bill. I therefore refer to the fact that in August 2006 the Department of Transport and Regional Services released *International fatality rates: a comparison of Australian civil aviation fatality rates with international data*. The report noted that Australia recorded fatality rates similar to or lower than the corresponding rates of the other countries examined. Those countries were examined against North America and the United Kingdom as the world’s best practice benchmark for aviation safety. The findings demonstrate two important points: firstly, Australia overall has a good safety record according to world’s best practice; and, secondly, the general aviation fatal accident rate for Australia was lower than the accident rate recorded for New Zealand, the country that the government is seeking
mutual recognition with, which is the thrust of this debate, and it showed a downward trend in Australia.

The report by the department goes to the heart of the opposition’s concerns about this bill—the safety of Australians involved in aviation travel, which is more important than ever, given the fight against terrorism. It raises issues of Australian and New Zealand aviation safety standards, which are not directly comparable. People have to appreciate this: they are not directly comparable, and yet the bill’s objective is to permit the holder of an air operator certificate issued in New Zealand for the operation of an aircraft of more than 30 seats or 15,000 kilograms to conduct operations in Australia without having an Australian issued air operator certificate.

One example of what this means for air safety for air travellers is a lowered cabin crew ratio on New Zealand carriers, where the law stipulates a minimum of one crew member per 50 seats compared to Australia’s ration of one crew member for 39 passengers, not seats. That is a pretty distinct safety issue. In that context, I refer to an incident on board a Qantas aircraft from Melbourne to Launceston only a matter of a couple of years ago. The cabin crew were able to disarm a person who unfortunately had some medical concerns. That reinforces the need to have an adequate number of crew on board as cabin attendants. It is about time people understood that flight attendants are not engaged to serve tea and coffee. More importantly, flight attendants are there for security purposes. The last thing that we should be doing is lowering the number of flight attendants on Australian aircraft.

This is a debate about aviation safety standards; this is not a simple debate about us having to cuddle up to New Zealand on mutual recognition issues. I am a very strong supporter of CER, but this goes to the heart of the desire that we have always had as a nation to put in place the safest possible aviation standards in the world. We have a proud international record. Many nations aspire to achieve Australia’s achievements on aviation safety. Given the fight against terrorism and as reflected by the Launceston incident, these standards are more important than ever. Finally, there is an acceptance in the aviation industry that flight attendants perform a variety of functions, and perhaps their most important function is that of being air marshals. There have been air marshals put in place by government for terrorism purposes, but they are only in some planes. Flight attendants are on all planes, so we have got to make sure that there are adequate numbers to protect passengers and to protect the Australian community.

I am amazed that, given these considerations, the government has failed to acknowledge this safety concern—and this despite the issue of the disparate safety standards between Australia and New Zealand being raised during the inquiry into this bill by the Senate Rural and Regional Affairs and Transport Legislation Committee in 2003. During this inquiry, several submissions to the committee highlighted safety standard concerns. A submission from the Australian and International Pilots Association said, ‘New Zealand’s aviation safety system may well comply with the standards required by the International Civil Aviation Organisation and still offer a lesser standard of aviation safety than Australia’s system.’ That is pretty telling because there are base standards—minimum standards—that are acceptable, but then there is what we do as a nation, for more abundant caution, which is to require more rigorous standards. Simply because there is a base standard does not mean it is acceptable. The more rigorous standards accepted by both sides of parliament for decades are the standards that we
should maintain as a nation. That is the point made in the submission made by the Australian and International Pilots Association.

While pilot error in the industry is said to be in decline, now is not the time for the government to be taking its eye off the ball where air safety is concerned. Factors of fatigue, weather, congestion and automated systems have complicated safety and highlighted the ever-important need to make aviation as safe as possible. A good safety record, I suggest to the House, is a judgement of past performance, but it does not guarantee the future, and without appropriate investigations of the likely safety and economic outcomes Australia cannot consider a bill that is potentially a great threat to our consistently high track record on safety.

I also note that the Senate Rural and Regional Affairs and Transport Legislation Committee did not just hear concerns regarding safety standards but also took evidence that some airlines may manipulate the new rules by servicing Australian domestic routes while operating under New Zealand regulations and lower cost burdens. How many Australian jobs does the government predict might migrate over the Tasman to New Zealand if it costs less for a carrier to operate in New Zealand than in Australia? Why can’t the government answer such a straightforward question that currently burdens the minds of many Australian aviation workers? In a submission to the inquiry, for example, Virgin Blue suggested that mutual recognition had the potential to create a race between carriers towards the cheapest regulatory option. Is that what the government wants—something similar to its industrial relations system, with an aviation industry that does not rank safety and Australian jobs as the highest priority? That is the conclusion I come to.

It is also likely that, due to differing operational requirements, mutual recognition between Australia and New Zealand will have economic implications for aircraft operators and also consequent flow-on effects for their employees and workers. There is clearly a potential disparity between the salaries of Australian and New Zealand pilots who operate the same type of aircraft but under different air operator certificates. This could have an impact on industrial relations and ultimately the stability of the sector’s workforce. The question is whether or not Australia needs this, in light of the radical industrial relations laws that the Howard government pushed through earlier this year.

To say that the government has not considered the economic cost of this bill is simply a lie. It is also certain that the implementation of mutual recognition will carry no direct financial cost to the Australian government; yet I believe there will be a cost to the Australian people in terms of safety standards—which is what drives the opposition in this debate—and the potential for jobs to be taken offshore due to the commercial advantage provided by New Zealand air operator certificates because of lower safety standards.

The question to be answered by the member for Fisher, who is intent on making a contribution to this bill, is: is it appropriate to provide this advantage to overseas operators when there is a cost to Australia? Qantas, for example, already operates in New Zealand via its wholly-owned subsidiary, Jetconnect. Since October 2002, Jetconnect has been operating domestic services in New Zealand with aircraft that are registered in New Zealand and flown by pilots holding New Zealand air operator certificates. While we accept that an Australian air operator certificate is equal to that of an air operator certificate issued in New Zealand, the standards are inconsistent.
This legislation was introduced in June 2004 and now, 16 months on, the government has still taken no action at all—and this goes to the crux of this debate—to properly assess its impacts. The opposition, therefore, cannot accept the introduction of a new aviation regulatory regime in the absence of any assessment of likely safety and economic outcomes. Why wouldn’t a government, in assessing the impact of a bill which goes to aviation safety, commission an independent study of these fundamental issues? I have come to the conclusion that it is because the bill is not about aviation safety; it is about the government’s industrial relations agenda.

This is foolhardy, and I only hope that it does not go wrong. If something were to go wrong, for example, because of a reduced number of flight attendants, which could endanger aviation safety in Australia, then the responsibility for that act will rest on the shoulders of the Howard government. That is a very serious worry, as the Launceston accident proved. In that instance there was a person on board who had mental health problems and had to be overcome by flight attendants. There was an adequate number of flight attendants on that plane under Australian aviation standards. That incident showed that we have to use abundant caution in the standards that we have in Australia.

This bill potentially destroys those standards. It is the first step in an endeavour by some in the aviation industry, with the support of the Australian government, to create a bridgehead which will lead to a further weakening of Australian standards with respect to safety and the number of flight attendants on board aircraft to protect the Australian travelling public.

In conclusion, I can only say: we will be watching. If this goes wrong, we are going to remind the government of its foolhardy decision. The point of view of the opposition is: when it comes to safety, be cautious and err on the side of having more rigorous standards—because I fear the consequences of liberalisation without proper consideration of the needs of the Australian public and our nation’s best interests.

Mr SLIPPER (Fisher) (10.44 am)—It was interesting to note the remarks made by the honourable member opposite in his speech. He is totally critical of the New Zealand regulatory regime and suggests that New Zealand has, in some way, an unsafe air system. He ought to appreciate that the government in New Zealand which presides over this air system that he deems to be unsafe is a Labour government.

I want to address the matter made by the honourable member with respect to the cost to Australia of the provisions of the Civil Aviation Legislation Amendment (Mutual Recognition with New Zealand) Bill 2005 [2006]. Obviously one always likes to see as many Australian jobs created as possible. I have to say that since the Howard government was elected in 1996 it has had an unprecedented record on the creation of jobs. In fact, people now have a very much greater opportunity to get one foot on the employment ladder as a result of the positive economic reforms of this government and as a result of the way in which it has created a situation where business is prepared to invest and grow.

Of course, the best way to create jobs is to have a vibrant economy. Most countries throughout the world hold this government and this government’s economic performance up as a paragon, as something worthy of being followed. So it is unfortunate that the member for Batman tends to overlook this government’s sterling performance with respect to job creation and tries to focus on the possibility that some Australian jobs in the civil aviation market may not continue to exist. I do not think he provided any firm evidence that the jobs in Australia
were going to reduce in number. However, I take the view that this legislation is a small step forward in the harmonisation of laws between Australia and New Zealand.

I am one of those who agrees with the member for Moncrieff. I think he said that Australia and New Zealand have a common destination. My own view is that the common destination ought to be that Australia and New Zealand achieve their ultimate destiny, which is to become one nation. Were Australia and New Zealand to complete the processes that were commenced with the colonial conferences prior to the commencement of the 20th century then there would be a much greater level of harmonisation, and we would be not only having more harmonisation in the area of civil aviation but also reducing costs to business, creating a situation where bureaucracy was less and removing some of the differences which really have very little justification for existing.

I know there has been a substantial degree of harmonisation between Australia and New Zealand, but I think it really is important that we have, in this area of civil aviation, the harmonisation that is being brought about by the Civil Aviation Legislation Amendment (Mutual Recognition with New Zealand) Bill 2005 [2006]. For the record, I personally support a single currency between Australia and New Zealand. If it is possible for the very different countries of Europe to implement the euro given their histories, why is it not possible for Australia and New Zealand, with two currencies which are not really worth much different from each other, to have the benefits of a combined currency?

What is the logic in New Zealand of having extraordinarily expensive mobile phone rates? Telstra used to provide a mobile phone service in East Timor prior to East Timor’s independence, and that was able to be managed. I personally believe there should be a joint telecommunications market and there should be a joint banking market. In fact, I believe that Australia and New Zealand have a common destiny.

That is why the contribution made by the member for Batman—and I know where he is coming from ideologically—does not have a great deal of logic, bearing in mind that increasingly Australia and New Zealand will become integrated. Small steps, such as those proposed by the Civil Aviation Legislation Amendment (Mutual Recognition with New Zealand) Bill 2005 [2006], ought to be supported and encouraged.

Highlighted by a healthy rivalry in all things, from sport through to business, the people of the six states of continental Australia and New Zealand share a great relationship. This trans-Tasman competitiveness drives and pushes citizens on both sides of the Tasman to be as good as they can be, each trying to outdo the other, but in the process rising to become better, more improved individuals. Of course, the combination of those efforts on both sides of the Tasman means that Australasia as an entity becomes more effective, more competitive and more world-class. There will always be differences, such as on the rugby union field. Citizens from both our nations also share a great love of travel.

The member for Moncrieff referred to New Zealanders visiting the Gold Coast and to people from the Gold Coast visiting New Zealand. I have to say that in my electorate of Fisher on the Sunshine Coast I suspect I have the biggest New Zealand constituency in the world other than a constituency based in the islands of New Zealand. There would be more resident New Zealanders in the electorate of Fisher than probably anywhere else other than in a New Zealand electorate. I know that they share our values, I know that they pay their taxes and I know that they are very worthwhile citizens. I can understand why those citizens from New Zealand
would choose to live on the Sunshine Coast whereas citizens from New Zealand choose only to visit the Gold Coast.

Ms Hall—Mr Deputy Speaker, I am really reluctant to do this, but I would like to raise a point of order on the member for Fisher because, as much as I try to come to terms with what he is saying, I really do not understand how the New Zealand population on the Gold Coast and the conditions that exist on the Sunshine Coast really relate to this piece of legislation.

The DEPUTY SPEAKER (Mr McMullan)—In response to the point of order: while I did think I might have to give the member for Moncrieff a right of reply, I did not otherwise think that he was straying too widely, as long as he comes back to the bill relatively quickly.

Mr SLIPPER—Thank you, Mr Deputy Speaker. I was surprised that the member opposite chose to rise to her feet to defend the Gold Coast. I would have thought the Hunter might have been more in her area. But I was only using the example of the relationship between the Sunshine Coast and New Zealand and the Gold Coast and New Zealand to indicate the huge trans-Tasman travel—

Mr Prosser—Absolutely.

Mr SLIPPER—I thank the member for Forrest. That trans-Tasman travel of course will be greatly impacted upon by the Civil Aviation Legislation Amendment (Mutual Recognition with New Zealand) Bill 2005. The travel and tourism website Asmal.com has documented the trends in air travel between Australia and New Zealand in the June 2006 quarter. Figures on the website are quite interesting. They show that the number of Australians who travel to New Zealand increased by two per cent in that reporting period over the same period last year, while the number of New Zealanders coming to Australia increased by one per cent. While these are not huge increases, Australia and New Zealand remain very high on each other’s lists of top 10 favoured overseas destinations.

The member for Stirling has entered the chamber. The member for Stirling represents his Western Australian electorate very well, I might say, and he will continue to do so for many years. But it is a fact of life that it actually costs very much more money to travel to Western Australia from Queensland than it does to travel to New Zealand from Queensland. So the logic of having harmonised civil aviation safety arrangements between Western Australia and Queensland is as relevant as the need to have those harmonised arrangements with New Zealand.

The ties that we have today have their origins a long way back in our histories and it is important that the relationship between the two nations continues to be nurtured and supported. The Civil Aviation Legislation Amendment (Mutual Recognition with New Zealand) Bill 2005 builds on the relationship in a perhaps routine but important manner in the area of air travel. The bill will allow the recognition in Australia of air operator certificates issued by the New Zealand equivalent of the Civil Aviation Safety Authority, the Civil Aviation Authority of New Zealand. The air operator certificates, or AOCs, are the documents issued to aircraft operators or carriers that give authority for passenger charter or regular public transport operations. This bill provides for the amendment of the Civil Aviation Act 1988 to permit the recognition by both countries of AOCs related to the operation of aircraft with a mass greater than 15,000 kilograms or with more than 30 passenger seats.
Across the world, Australians and New Zealanders are recognised as having many similarities, including a commitment to air safety. I want to defend the air safety record of the New Zealand Labour government. I do not want to criticise it—the way the member for Batman did. I believe that the New Zealand authorities are as dedicated to air safety as the Australian authorities are. The mutual recognition, as is included in the title of this bill, refers to the recognition that each of our respective aviation laws is fundamental in delivering a safe operation of aircraft in our respective jurisdictions.

With so much travel between Australia and New Zealand, it is not difficult to see what the ongoing impact would be to continue having AOCs that are recognised by one country but not the other. The impact is increased costs for operators who are forced to meet the requirements of both CASA and CAANZ to permit their planes to operate commercially in both air spaces. This results in duplication and repetition in the areas of administration and financial outlays, for example. The bill removes that burden by recognising the AOCs issued by both of the aviation authorities and builds on the agreement between the two countries—the 1996 Australia-New Zealand single aviation market arrangements.

The bill does not create the amalgamation of the aviation authorities of New Zealand and Australia—and I think that it is unfortunate that the bill does not do that. We do have a number of joint amalgamated regulatory authorities on both sides of the Tasman, and I cannot, for the life of me, see the logic in not having that in the area of aviation. But this bill is a step forward. Hopefully, that complete amalgamation will ultimately occur.

Following the passage of this bill, Australian laws will still have to be obeyed by New Zealand carriers operating in our controlled air space, and the authorities will continue to have specific responsibilities for their own aircraft operations, including responsibility for safety audits and surveillance. The granting of operating permits and other safety oversights will remain the responsibility of the home authority. In addition, rules governing the manner and conduct of aircraft operations are also to be administered by the home authority.

Aviation authorities will still have the power to issue temporary stop notices to aircraft operating in Australia that hold AOCs with New Zealand privileges. As host to a New Zealand carrier, CASA can issue stop notices if the carrier is deemed to pose an aviation safety risk. The home safety regulator, CAANZ, will then take steps to take any necessary action.

This bill will encourage the greater ease of operations between airline operators in both Australia and New Zealand, and similar legislation in New Zealand recognising AOCs issued by the Australian authorities was introduced in early 2004. This bill is one of the first steps that will, in my view, ultimately result in umbrella recognition for the aviation requirements and regulations of both nations. My view, as I said before in this speech, is that there really ought to be one set of rules for operating on both sides of the Tasman. I am pleased to be able to commend the Civil Aviation Legislation Amendment (Mutual Recognition with New Zealand) Bill to the chamber.

Mr WILKIE (Swan) (10.58 am)—I rise to speak on the Civil Aviation Legislation Amendment (Mutual Recognition with New Zealand) Bill 2005 and to add my comments to those made by my colleagues in this House and in the other place. As has been made clear, the opposition opposes this bill. We oppose it because it will undermine Australian aviation safety standards. We oppose it because it will foster a reduction in cabin crew numbers on flights in Australia and it will lead to job losses.
The government, that lazy moribund lot opposite, will not even take the time to provide a proper assessment of the likely safety and economic outcomes. I pause for a second to consider what it will be like on long flights with the member for Forrest when there is an inadequate number of flight crew to look after the needs of the member on those sorts of trips. What the government should be doing is protecting Australian jobs and protecting the Australian travelling public. There are 500,000 people in regional Western Australia who take flights with unchecked baggage. Across the country, millions of passengers a year are flying on planes with unchecked baggage, and these flights are heading towards major cities.

Let me make it clear from the start that I hold serious reservations about CASA’s ability to adequately patrol Australia’s own aviation industry, let alone letting it regulate aircraft from another country. I have evidence that CASA has previously misled a Senate estimates committee, which places the integrity of the organisation in doubt, and I will refer more to this later.

This bill was considered by the Senate Rural and Regional Affairs and Transport Legislation Committee. Indeed, many submissions to that committee expressed grave concerns about the measures in the bill. It provides, in a nutshell, for mutual recognition of certain air operator certificates, AOCs, issued by Australia’s Civil Aviation Safety Authority, CASA, and the Civil Aviation Authority of New Zealand, CAANZ. The provisions in this bill mean that a holder of an AOC for operation of an aircraft of more than 30 seats or 15,000 kilograms issued in New Zealand will be able to conduct operations in Australia without having to obtain an equivalent AOC issued in Australia. Given the mutuality of this approach, obviously the provisions will apply in reverse.

The Labor Party has called on the government to justify the changes in this bill and to assess the impact on safety of the bill’s provisions. This is hardly unreasonable. As we know, the Labor and Democrat senators on the committee issued a dissenting report. They stated that they did not accept the government’s argument for change, due to a lack of research behind the main premise of comparable safety standards between Australia and New Zealand and the cost-benefit analysis of changes wrought by the bill. We on this side do not accept that the government has presented any evidence to support the premise that Australia and New Zealand present comparable safety outcomes. Indeed, no comparative study of the regulations and practices pertaining to Australia and New Zealand has been undertaken. Rather, the Australian government has relied on the fact that both Australia and New Zealand have met international audit conditions. However, research showing a clear correlation between higher crew ratios and more effective— that is, safer— aircraft evacuations has not been taken into account.

The safety review that the committee recommended should have been undertaken. As the dissenting report states:

It defies logic to undertake this basic research after the change has been made.

The government have told the opposition that our concerns are unfounded and that the provisions in this bill will not reduce safety standards. But they have not provided to the parliament any evidence to justify their position. Their position is based purely on assertion, not fact. The Labor Party have called on the government to undertake the necessary work to provide the evidence to the parliament, but our calls have been ignored. If the government are so confident that it is right then why not prove it to us? Again, that is not an unreasonable question. But, no. In typically arrogant and heavy-handed fashion, the minister will not direct his de-
partment to do the necessary work. It is another shameful episode in the way in which this lazy government handles aviation policy in this country.

I have raised these issues with regard to CASA before in this House. A constituent of mine, Mr Clark Butson, who owns and runs an aviation company called Polar Aviation, has been pursued mercilessly by CASA. In fact, when you consider the chronology of events in the Clark Butson-CASA saga, you would be forgiven for thinking that these events took place in Salem, Massachusetts, as they are redolent of a witch-hunt. I will put a few salient facts before the House.

The long-running dispute appears to have its genesis in May 2004. The result of this audit was the issuing of 14 requests for corrective action, or RCAs. Polar Aviation responded to these RCAs by the end of June 2004. On 9 July 2004 CASA rejected these responses to the RCAs, which resulted in a show cause notice being presented. In August, CASA refused a reasonable request for an extension of time for Polar Aviation to deal with the show cause notice. However, two weeks later CASA changed its mind and agreed to an extension. The maladministration shown by CASA in the first part of this saga indicates to me that there is something seriously wrong with the culture of CASA. This goes to the core of Labor’s opposition to this bill.

By the end of September, Polar Aviation had managed to respond to all but three of the RCAs. I remind the House that this is a small business and an enormous amount of work was undertaken to achieve this result. A meeting convened by CASA was called for 18 October 2004. It was thought that this meeting would sort out all the difficulties. In fact, that was the feeling that Polar Aviation had after 4½ hours. A further audit by CASA in November 2004 occurred, and on 18 January 2005 CASA cancelled Polar Aviation’s air operator’s certificate—the AOCs which we are talking about today—and the chief pilot’s and chief flying instructor’s accreditation. However, in keeping with the dual personality demonstrated by CASA, on 20 January CASA changed its mind and decided to renew the AOC, provided a new chief pilot and chief flying instructor were appointed.

When you look at how this occurred you could say, with respect to the way CASA reacted, ‘Yeah, they seem to have done the right thing; and, fair enough, when it went to court the operator agreed to pursue this path of pulling out of being the chief pilot,’ but when you delve further, you find that really he was blackmailed into it by CASA and it was absolutely outrageous for them then to claim that they actually had an agreement for this undertaking.

Going back to the story: as requested on 29 January, Polar Aviation complied and appointed a new chief pilot and chief flying instructor. The chief pilot and instructor, Clark Butson, has probably more flying and instructing hours than anyone else in Western Australia. He has an impeccable safety record. So for this action to occur in itself is outrageous.

Yet again, CASA decided to shift the goalposts and then demanded that Polar Aviation withdraw the AAT action and agree to some extremely onerous and enforceable voluntary undertakings. Let us put it into perspective here. What they have done is to say: ‘Look, we know that you’ve been unhappy with the fact that we’re demanding you do these things and you’ve actually taken up an Administrative Appeals Tribunal hearing to look at some of the ways that we’ve been dealing with you. But I’ll tell you what: if you withdraw the action, we’ll back off.’ To me, it is out and out blackmail by a government department over a small business operator, and I find it absolutely outrageous.
Polar Aviation objected to this, as they should. So, on 1 February 2005, a counter-offer was made by CASA, now offering general undertakings. On 2 February, even this was changed, with CASA refusing to renew the AOC. Within the space of about two weeks, we have had various CASA positions. Again, on 11 February, after action in the Administrative Appeals Tribunal, CASA was required by the court to issue an AOC pending the full hearing of the case.

The whole thing smacks of a *Monty Python* out-take and would probably be amusing if it were not for the fact that CASA is charged with administering air safety. The AAT hearing held in August resulted in CASA being required to issue an AOC and ordered CASA to use its best endeavours to assist Polar Aviation. You would think that this would be the end of the matter, but no; the saga continues, with CASA appealing to the Federal Court and losing. Imagine the cost to a small business operator of having to go to the Federal Court and defend itself against a federal organisation with unlimited money. They know they have got unlimited money and they think that they can drive these poor little guys out of business by continuing to go to court and making them spend enormous amounts of money defending themselves. Again, this is outrageous. CASA’s recalcitrance and animosity towards Polar Aviation continues to this day, with the most recent AAT hearing in March this year resulting in conditions placed on Polar Aviation being varied, against CASA’s wishes.

I would contrast the action of CASA in relation to Polar Aviation, a company that has had no serious incidents or injuries in its nearly 25 years of operation, to that of CASA’s treatment of Transair. Transair, of course, was the company that was involved in the tragic accident and loss of 15 lives at Lockhart River last year. In May this year, after nearly 12 months, CASA moved to put in place, for a mere six months, an enforceable voluntary undertaking dealing with what appears to be systemic problems that should have been obvious for a number of years.

Labor supports a safe aviation industry and there is no place for petty vendettas or incompetence by the regulator. The facts that I have outlined prove that CASA has acted inappropriately and in a spiteful and vindictive manner towards my constituent. These actions by CASA have ramifications for the provision of aviation services to regional Australia. I would have thought that the minister, given his background, and his department might have had a little empathy with the needs of regional Australia. After all, they are both ostensibly responsible for regional Australia. But no; they allowed CASA to pursue Mr Butson with no grounds, and in doing so they have jeopardised the provision of aviation services to the Port Hedland area.

Around the traps of the aviation world it is well known that the government has had its own issues with CASA. CASA has become a power unto itself and effectively gives the Department of Transport and Regional Services the one-fingered salute when the department tries to impose policies on it. It has been widely speculated that in government circles patience with CASA is wearing a little thin and that there has even been mention of returning CASA’s functions to the department. There were good reasons for the creation of CASA in its current form but unfortunately CASA’s own behaviour is making it entirely possible that the previous structure will be reintroduced. CASA’s autonomy, far from making aviation safety stronger in this country, is actually threatening the integrity of aviation operations’ efficiency, as the saga of Mr Butson demonstrates.
As I have said before, my reading of the tea leaves leads me to the conclusion that what we have here is a personality dispute. CASA do not like this particular company and they are trying to drive them out of business, no matter what. For a government or semigovernment authority to deal with things in this way, I find absolutely outrageous. It needs to stop. Government authorities must be above reproach and they must be above trying these sorts of dirty, disgusting little tactics against the little guy who has no way of actually defending himself other than in court and when his money runs out he is finished. When you deal with these sorts of situations and government departments treating people like this, it is just outrageous.

I call on the government to review CASA’s treatment of Mr Butson. Although the Minister for Transport and Regional Services has expressed good intentions in the past through his apparent willingness to investigate these matters, on this issue the minister has been fobbed off by CASA. The minister should not allow himself to be fobbed off again and he should insist on answers from CASA about how they have behaved.

I mentioned earlier about the recent Senate estimates committee hearing where CASA presented evidence. CASA’s evidence was, to some degree, accurate but when you look further they were providing minimalist answers to complex questions and, in fact, they were misleading the Senate. I have a document that demonstrates that, which will be going to people in the Senate next time CASA appears before them so that CASA can answer some of these questions. I also call on the Minister for Transport and Regional Services to supply members of this House with the hard evidence we need to assure us that, should this particular bill be passed, aviation security and safety will be in no way reduced. Unless and until such evidence is supplied, we will have no alternative but to oppose this bill.

Mr KEENAN (Stirling) (11.12 am)—The Civil Aviation Legislation Amendment (Mutual Recognition with New Zealand) Bill 2005 seeks to amend the Civil Aviation Act 1988 to enable the mutual recognition of aviation related safety certification between Australia and New Zealand in relation to large aircraft. It is a very sensible and rational bill dealing with an industry that operates internationally so far outside the parameters of sensible economics that it insults common sense. After listening to the member for Swan, I am quite disbelieving that the ALP would oppose even these limited measures to improve industry efficiency. It is a sad indication that they have now adopted an ‘oppose everything’ mentality. When the government comes up with a sensible bill like this, the opposition feel that they have to oppose it regardless of the obvious economic benefits and the obvious benefits that it will have to passengers travelling across the Tasman.

I find it extraordinary that an opposition that appears to want to reclaim some economic credibility would take this position on this particular bill. I note that the member for Prospect is in the House. I understand that he is one of the members charged with improving the ALP’s economic credibility, yet he sits here whilst his party takes what is such an obviously illogical view of a bill that seeks to provide some very sensible efficiencies for airlines that cross the Tasman.

Sadly, almost every nation clings to what is a very destructive notion of a national flag carrier at the expense of their own citizens’ interests. The result of this for people travelling on international airlines is that they pay too much for airfares and they suffer bad service and less convenience—all in the name of the discredited notion of economic nationalism. It seems that, no matter how appallingly some airlines perform, it is virtually impossible for an airline
to go out of business. The international aviation industry is ludicrously overregulated and lacks basic flexibility. If it were to be described in one simple word, it would be ‘corrupt’.

At a time when it seems that almost everyone would concede that competition is generally a good thing, the international aviation market is a monument to the folly of wrapping up particular industries in cotton wool and the poor results that this inevitably brings for consumers. In the United States alone the US federal government has spent a staggering $15 billion to keep bankrupt airlines flying. As a result of this, the service levels on American carriers are generally regarded as very poor. Why would an American carrier strive to improve its efficiency when the government has basically said: ‘Do not worry how you perform. Do not worry about improving services. We’re never going to let you go out of business anyway’?

In the European Union—a bastion of outdated economic thinking—the individual states continue to insist on the survival of airlines that are plainly unable to compete against their international peers. Nations long ago abandoned similar practices for other industries, yet in the airline industry this remains the norm. Sadly, Australia is not immune from these protective impulses, though we are far from being the worst offender. The government recently protected Qantas from all but the meagre competition that exists on the Pacific route from eastern Australia to the United States. This policy will result in higher airfares and less convenience for consumers, though I note that the ALP did not even take a position on that. Worse still, it will translate into Australia being a less attractive destination for American tourists, and this will cost tourism operators in my electorate of Stirling extra revenue. In the aviation industry, as in most other industries, it is competition that will drive continuing service improvements and efficiency. You only need to compare the service standards and pricing on routes which many operators service, such as the kangaroo route from Australia to the UK, with the standards and pricing on routes where only one airline operates, such as between Perth and South Africa. Where is the drive to improve when you have the market all to yourself?

I will leave some of those arguments for another day because the legislation that we have before the House is actually a welcome departure from this international norm as it cements the benefits of the open skies agreement that we have with New Zealand. I think anyone would agree that this agreement is an outstanding success and it provides a wonderful model for Australia to conclude further open skies agreements with other nations. As a result of this agreement, Qantas has been able to set up and run an airline in New Zealand, and the trans-Tasman route is extremely competitive. This provides enormous benefits to consumers, who can choose from a large number of service providers, from budget airlines right through to major international carriers such as Emirates. This is not an abstract view from some pointy headed economist. The benefits that flow from the open skies agreement are easy to see and very real for anyone who flies that route. You can actually fly between Australia and New Zealand one way for as little as $150. You can choose between five different service providers who link airports that have never before been linked, such as the Gold Coast and Dunedin. You can choose between services that operate throughout the day and fly when you want to fly. If only other markets in this industry could be half as helpful for consumers.

The bill deepens this successful agreement. It was first introduced into the parliament in June 2003 and, after being examined by the Senate Rural and Regional Affairs and Transport Legislation Committee, failed to pass before the expiration of the last parliament. The bill has been reintroduced into this parliament in a slightly amended form. The previous bill estab-
lished a framework for the recognition of other safety certificates, such as maintenance, to be made via regulations without further legislative amendment. In response to the report from the Senate committee the ability for mutual recognition to be extended beyond AOCs, or air operator certificates, by regulation has been taken into account in this bill.

The committee report also recommended that, 12 months after the commencement of the mutual recognition of AOCs, the Civil Aviation Safety Authority, CASA, should conduct a comparative assessment of the safety records of airlines operating in Australia under both Australian and New Zealand AOCs. CASA will report the findings to the Commonwealth parliament within a further six months. I note that New Zealand has already implemented the minor amendments that it needs to its Civil Aviation Act to implement the measures that are contained in this bill. The bill is not a large one, but it does contain some very technical aspects, which I do not intend to go into today in anything but a general way.

Under the current circumstances, airlines must satisfy both Australian and New Zealand aviation requirements. These frameworks are set by the Civil Aviation Safety Authority in Australia under the Civil Aviation Act 1988 and by the Civil Aviation Authority of New Zealand in New Zealand under their Civil Aviation Act 1990. The problem with this situation is that it results in unnecessary duplication, complexity and added administrative and financial burdens on operators. This in turn deters operators from establishing air services in the other country. This is inconsistent with the intent of the current open skies air services agreement, which aims to promote competition amongst Australian and New Zealand operators, including on domestic routes.

The Civil Aviation Legislation Amendment (Mutual Recognition with New Zealand) Bill 2005 will allow CASA to recognise certain forms of safety certification issued by its New Zealand counterpart for the purposes of satisfying Australian safety requirements. The first form of safety certification to be mutually recognised will be the air operator certificates. In essence, an AOC certifies that an airline or aviation company is capable of providing flight services safely. There has been substantial activity by the Australian and New Zealand governments in recent years in relation to trans-Tasman aviation regulation. As I outlined earlier, this has provided very real and tangible benefits to anyone who flies this route.

The initial agreement, signed in 1996, is known as a single aviation market arrangement. In November 2000, an open skies air services agreement was initiated. That agreement lifted various restrictions on Australian and New Zealand airlines in operating some domestic, trans-Tasman and international flights. A memorandum of understanding signed at the time of the agreement foreshadowed the measures that are contained in this bill, and it is good that this MOU is now given effect in this bill. It is a bill that builds on the already successful arrangements that I have outlined.

Mutual recognition will enable airlines to operate to, from and within either country on the basis of their home certification. This will enable Australian and New Zealand airlines to integrate their fleets and to make these airlines more efficient and competitive—and, of course, that results in lower airfares and generally better conditions for consumers. I can only hope that our government and other much worse offenders in governments around the world heed the lessons for the benefit of their citizens that have resulted from this open skies agreement with New Zealand and take urgent measures to liberalise international aviation markets. I am
sure that the member for Cook, who is apparently speaking after me, will endorse those comments.

I was not going to say too much more on this bill, but since the member for Cook is not in the chamber yet, I re-emphasise that I am astonished by the ALP’s opposition to these very sensible measures. It beggars belief that they believe that the Australian government would take measures that would somehow endanger passengers travelling on Australian airlines. That is clearly a ridiculous claim. Where is any evidence that the safety regime established by the New Zealand government is dangerous for Australian consumers? The reality is that this is an incredibly important bill that gives effect to the final part of what is a true open skies agreement that has been immensely beneficial for Australian and New Zealand consumers—or indeed anyone who flies that trans-Tasman route. I commend the bill wholeheartedly to the House.

Mr Baird (Cook) (11.24 am)—It is my pleasure to rise to speak on the bill and to follow my colleague the member for Stirling. I thank him for his referral of the matter and for looking at it in fine detail. The Civil Aviation Legislation Amendment (Mutual Recognition with New Zealand) Bill 2005 is a technical bill and relates to the coordination with New Zealand of civil aviation requirements and mutual recognition of safety standards and certificates.

I chair the trade subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade in this House, and a few weeks ago we visited New Zealand as part of the 20-year anniversary—actually it has passed that; it is now some 23 years since the CER was established with New Zealand. Part of the reason why the CER was established was to ensure that we become a common market. That has happened to quite a large extent, but still there are obstacles which we continually need to overcome.

Part of our review was to look at what issues still remain on the agenda both within Australia and in New Zealand. Of course, we will be producing our report on that shortly. This bill is part of the coordination. In many ways, we operate like one country, but still with our independence. But with air safety, it is appropriate that we should coordinate wherever possible. Only air operator certificates for aircraft with more than 30 seats or 15,000 kilograms maximum take-off weight will be covered by mutual recognition at this stage.

The bill has been developed concurrently with New Zealand legislation, which was passed in the New Zealand parliament in March 2004, whereby their regulation and privileges will be compliant with ours and vice versa. It is a bill that has been designed to take out the duplication and complexity that currently exists for airline operators. It has been designed because current rules and regulations are not consistent with the intention of an open skies air services agreement to promote competition between Australian and New Zealand operators. It certainly will allow for a more flowing system of aircraft operation between the two countries.

The importance of it goes to the very core of the CER and the objectives of the CER to expand free trade by eliminating barriers to trade and promoting free trade competition. The fact is that New Zealand is a very important tourism destination for Australia. It is the No. 1 tourist destination for the Australian market. It is our source of tourists from New Zealand and vice versa—the No. 1 destination of their international visits is Australia, which is not surprising—albeit if you look at the spend of visitors from North America and Germany et cetera, they have a much greater to spend per capita. This is because many New Zealanders will come over to watch a footy match, which is fine, we love to have them. The figures represent
them as No. 1 in terms of the number of people who visit this country. New Zealand currently represents 17 per cent of total visitors to Australia.

In 2005 close to 800,000 New Zealanders visited Australia, and it is forecast that by 2012 this figure will be around one million. Around a quarter of the visitors to New Zealand also visit Australia—which is not surprising, as many such visitors would travel through Australia to get to New Zealand—and approximately 10 per cent of visitors to Australia also visit New Zealand. Therefore, it is important, because of the tourism connections between our two countries, that we coordinate. The fact we have got Air New Zealand operating into Australia and flying internationally from Australian airports—

A division having been called in the House of Representatives—

Sitting suspended from 11.29 am to 11.43 am

Mr BAIRD—As someone who shows a strong interest in tourism, Mr Deputy Speaker Scott, you would be interested in the way in which the tourism trade between Australia and New Zealand has developed so strongly. We are now in a position where New Zealand is our No. 1 source of tourists in terms of numbers. The same applies for New Zealand: Australians represent their No. 1 market for tourists. It is of note that approximately 10 per cent of those who travel to New Zealand also visit Australia. So there is that flow-on effect between the two countries. Their program ‘100 per cent New Zealand’ has worked very well for them. They attract a lot of international visitors, particularly American visitors, to the country.

As we have many visitors in common and the tourist numbers are similar, we should also be looking at coordinating arrangements in terms of civil aviation. That Air New Zealand flies freely within this country to international routes, particularly to the USA, and Qantas not only flies across to New Zealand to each of their major destinations—Auckland, Wellington and Christchurch—but also operates domestically and we now have Qantas’s subsidiary, Jetstar, operating through to the various ports in Australia, make this a very unique situation. It is a reflection of Australia’s CER agreement with New Zealand in coordinating our economic relations with the country.

There were some in New Zealand who were talking about a common currency and common border. Of course, it is going to take a lot more work before we get to that stage, but I think in the longer term we will see a very much changed environment and the two countries will have economic integration. Some would suggest that a mistake was made in 1901 when we formed the Commonwealth of Australia and that we should have included New Zealand at that time, but it was their decision not to join. We need to work on making sure that the coordination of our two economies is made as strong as possible.

The safety issues are obviously the predominant concern when you are dealing with aviation, and this is what this bill is about—ensuring that the safety standards that apply in one country apply equally in the other. It is obviously an issue which has taken on heightened importance since September 11, 2001. Our friends across the Tasman have very similar safety standards and produce very similar safety outcomes to ours in high-capacity airline operations. Mutual recognition terms are therefore going to allow for eligible aircraft operators to carry out aviation activity in Australia and New Zealand—whether international or domestic, passenger or cargo—based on the air operators certificate issued by their home country. The appropriate quote is:
… that an operator that is the holder of an AOC—
and associated certificates of permission—
issued in one country will not be required to hold an AOC—
or other certificate of permission—
in the second country in order to conduct air transport operations in that country.

This is a program that is going to be phased in. Initially, only eligible operators holding AOCs
will be mutually recognised. Then consideration will be given to other certificates not already
covered by other recognition arrangements. Currently the bill before us only makes allow-
ances for the recognition of AOCs. However, there are provisions in the act to allow for the
mutual recognition of more certificates in the future.

The issue of safety is, by way of an added guarantee, categorically put to rest by the fact
that the host regulator has the power to issue a temporary stop notice to an aircraft operator
who has permission issued by the other safety regulator if the operator is perceived to present
a serious risk to aviation safety. This was brought to the fore with the collapse of Ansett, and
there were some questions about the safety standards of Ansett at the time which undoubtedly
led to its ultimate demise.

Operators will still have to comply with rules of the air and certain laws of the country in
which they are operating. For example, New Zealand operators conducting services in Austra-
lia using an AOC supplied by the Civil Aviation Authority of New Zealand will still have to
comply with Australian laws with respect to security, the environment, curfew and carrier’s
liability, to name but a few. It is widely regarded that both Australia and New Zealand have
world’s best practice airline operations with similar standards and consistencies. Of course, as
two independent nations there are going to be discrepancies over the harmonisation of safety
standards. However, while the overall safety of each system is recognised and achieved, the
differences can be accepted.

This bill is going to enhance the cooperation between our two countries. It is going to pro-
mote aviation and competition in Australia and New Zealand by reducing the regulatory bur-
den on operators. Instead of them having to meet both Australian and New Zealand require-
ments, one requirement will be all that is necessary. In fact, it is more than feasible to foresee
that the announced changes, with the need to meet only one set of regulatory standards, will
result in lower airline costs.

There has also been some fear that jobs are going to be affected. This in fact will not be the
case. Australian cabin crew operate in a ratio of one staff member to 36 passengers, compared
to one to 50 for New Zealand cabin crews. CASA stated that this Australian level of service is
going to be forced to remain. New Zealand staffing ratios have support mechanisms and ad-
ministration which are geared towards crew and customer staffing levels. On a lowest com-
mon denominator basis, Australian and New Zealand standards are comparable.

In conclusion: this bill is about accepting mutual standards for regulation. It is part of the
CER, which harmonises our two economies and harmonises regulations between the two
countries. It is going to assist in tourism, with the tourism industries on both sides of the Tas-
man being important. For both countries the other market is a significant source of tourism
numbers.
When this was originally negotiated, in November 2000, it was suggested that the single aviation market of Australia and New Zealand was worth $6.8 billion. Mutual recognition will undoubtedly create significant opportunities and will add further to the relationship of our two countries. It is only through the joint understanding and commitment of Australia’s Civil Aviation Safety Authority and the Civil Aviation Authority of New Zealand that mutual recognition is feasible and possible. The force of the law given to CASA and CAANZ under the provisions of the act underpins this mutual recognition. I am happy to support this bill as further evidence that the CER is working and that we are making incremental progress. Following my visit to New Zealand with the trade committee recently, this highlights that we are working towards becoming in the longer term a single economic market. In the meantime, this assists at the level of coordination of the safety standards of the airline industries in both countries.

Mr ANTHONY SMITH (Casey) (11.51 am)—I will sum up on behalf of the government at this point and make the final speech here in the Main Committee. The Civil Aviation Legislation Amendment (Mutual Recognition with New Zealand) Bill 2005, as the previous speakers have outlined, will enable mutual recognition of aviation security certification between Australia and New Zealand. It does a number of things. It removes unnecessary administrative burdens currently imposed on aviation operators wishing to operate in both Australia and New Zealand. When implemented, the mutual recognition arrangements will mean that operators of aircraft of more than 30 seats or 15,000 kilograms may apply for an air operators certificate, with Australia and New Zealand aviation privileges. This AOC will allow operators to fly in both countries without the need for individual certificates issued by each country. Mutual recognition therefore has the potential to deliver significant savings to the Australian aviation industry and passengers alike and may also result in greater choice for air travellers in both Australia and New Zealand.

Airlines are currently able to set up organisations and operate in both Australia and New Zealand, something that Australian airlines have already done. Virgin, Pacific Blue and Qantas New Zealand domestic operation JetConnect are just some examples. This bill will reduce the cost of establishing such operations by removing the need to duplicate effort, resourcing and certification processes. However, airlines will not be able to shop around for the regulator that suits them commercially, because this bill ensures that the aviation authority which can most effectively provide safety oversight will be the one to issue the AOC with ANZA privileges. This is a matter not simply of where aircraft are registered but of where operations are principally being undertaken. The decision about which authority issues the AOC and therefore regulates an airline under mutual recognition is based on a range of factors, including where the airline’s supervision of safety systems is principally undertaken, where the related resources are located, where training and supervision of employees is principally undertaken and where the control of operations will be situated.

Australian aviation safety will not be compromised. Nothing in the bill requires Australia to water down its safety standards or to harmonise them with those of New Zealand. An examination of regulations was conducted by CASA and CAANZ and it was found that, although different in some respects, the safety regulatory systems in place in Australia and New Zealand achieve comparable safety outcomes with respect to large passenger aircraft. The standards in both Australia and New Zealand meet and, indeed, in some areas exceed interna-
tional requirements set by the ICAO, and this has been verified through publicly available audits. A recent report by the ATSB examining fatal accidents has found that Australia’s fatal accident and fatality rates were mostly similar to those of the other countries examined, including New Zealand. Safety outcomes, of course, are the result of a number of inputs. Regulatory oversight, while indeed an important factor, is not the sole determinant of safety results. The ATSB report notes that other relevant factors include weather, geography and air traffic density, to name a few.

While criticism of this bill has focused on cabin crew ratios, it should be noted that foreign airlines, including those from New Zealand, already operate within Australia under their own cabin crew ratios, which are different from those applied through Australian regulation. This has been an accepted international practice for a number of years. There is no evidence that this has had a negative impact on aviation safety in Australia. CASA’s current practice of conducting routine surveillance of foreign aircraft will continue to apply to airlines operating in Australia under ANZA privileges.

This bill has been thoroughly considered twice by the Senate Rural and Regional Affairs and Transport Legislation Committee. The government accepted recommendations made in the majority reports from that committee and has addressed them. The bill includes measures to ensure that aviation safety in Australia is maintained, and the government has committed to tabling an independent, comparative assessment of operator safety records within 18 months of the operation of the arrangements. The bill will be supported by appropriate regulations which will give effect not only to the provisions of the bill but also to the high-level operational arrangements currently being concluded with New Zealand. The government has undertaken that these will all be in place to allow commencement within six months of proclamation.

Despite claims to the contrary, aviation security will not be affected by mutual recognition of aviation safety certification. New Zealand airlines operating to, from or within Australia using a New Zealand AOC with ANZA privileges will still have to comply with Australian aviation security legislation and have an approved Australian aviation security program. As is presently the case for Australian domestic airlines, if a New Zealand airline were to operate domestic services within Australia, it would need to fully comply with Australia’s aviation security regime, including carrying air safety officers if they are assessed as falling within the risk based aviation security officer allocation process.

Importantly, while Australia’s high standards of aviation safety and security are maintained, the implementation of mutual recognition as set out in the bill will: open up increased market opportunity for Australian airlines; facilitate the use of both Australian and New Zealand registered aircraft in either country, improve aircraft utilisation and return on assets; and alleviate the administrative burden currently placed on Australian airlines wishing to operate in New Zealand. The passage of this bill will be of clear benefit to Australian airlines and their customers.

Question agreed to.
Bill read a second time.
Ordered that the bill be reported to the House without amendment.
DEFENCE FORCE (HOME LOANS ASSISTANCE) AMENDMENT BILL 2006
Second Reading

Debate resumed from 31 May, on motion by Mr Billson:

That this bill be now read a second time.

Mr McCLELLAND (Barton) (11.58 am)—The act which the Defence Force (Home Loans Assistance) Amendment Bill 2006 amends was introduced in 1991 to assist eligible ADF personnel and ex-members to purchase their own homes. For ADF personnel, assistance with housing has been a valued benefit which has built on the assistance traditionally provided to veterans returning from war. These days, the differential for ADF personnel serving is not so dramatic but no less valuable. The scheme provides a subsidy on the interest of a home loan through the approved lender—in this case the National Australia Bank. Single members have an entitlement to the subsidy up to a limit of $80,000. Married or de facto couples, where each has an entitlement, have a combined limit of $160,000 on one property.

The Defence Housing Authority administers the scheme on behalf of the Department of Defence. The act was last amended in 1996, when the eligible period was reduced from six years to five years of full-time service. The limit of any one loan to be subsidised was increased from $40,000 to $80,000 with some retrospectivity. The benefit was also extended to active and emergency reserve personnel. Fringe benefits tax is payable except where the entitlement was obtained due to reserve service only or as the result of warlike or operational non-warlike service.

The subsidy is payable only where the beneficiary lives in the house mortgaged and where no other property is owned at the time of application. The subsidy is equal to 40 per cent of the average monthly interest of the loan. The DHA calculates that the average over a 25-year period divides that by 300, which is the number of monthly repayments, and then multiplies that result by 40 to reach the subsidy level payable. The only change to the subsidy is through changes to interest rates during the period of the loan. There are special arrangements for the establishment and benchmarking of that interest rate which form part of the agreement between DHA and the bank.

The key point was to get ADF members the best deal possible. That deal, though, no longer stacks up in the modern marketplace. The total amount borrowed is subject to normal bank rules, but the subsidy, as mentioned, applies only to the first $80,000. The balance over that limit is treated as a normal top-up loan, which is a standard commercial home loan. The reality is that anywhere around Australia you are not going to be able to purchase a property for anything resembling $80,000. The original loan amount is used for the calculation of the subsidy regardless of the loan repayments, which are based on the actual cost or the actual full extent of the loan to purchase a property.

As an example, a loan of $80,000 at, say, 7.7 per cent would require a payment of $569 per month. The subsidy on that would be $120.93, leaving a reduced payment of $448 a month. That is a significant saving but the drawback is that, if you are in advance of repayments, you cannot redraw—that is, you cannot re-borrow the amount of your entitlement. You can, however, transfer the loan to a new property once the existing property is sold. In essence, that is a summary of how the scheme works.
There are of course many shortcomings to this program, which are now most notable as recruitment dries up and incentives to join the ADF are few and far between. In fact, this amended bill completely misses the opportunity to do something concrete to address the shortcomings. The bill Defence Force (Home Loans Assistance) Amendment Bill 2006 does no more than extend the life of the program for 12 months while the minister sorts out something else to do from a long-term perspective. The bill does nothing more than extend the operation of the act until 31 December 2007, at which time a review will be conducted.

Frankly, that review should have been conducted more than a year ago, because the shortcomings of this scheme have been well known for a long time. Those shortcomings include the following: firstly, the upper limit of the subsidy in no way recognises the real cost of housing or the average size of mortgages these days, as I have mentioned; secondly, it pays no heed to the comparative advantage and cost of rental accommodation and the subsidy implicit in those rents; thirdly, the scheme also restricts ADF personnel to the very limited range of home loan products negotiated by the government with the National Australia Bank; and, finally, it fails to recognise the needs of ADF personnel who are shifted from pillar to post almost annually with enormous disruption to their family life.

These are major drawbacks and have been known weaknesses for many years. As usual, ADF personnel have been taken for granted and told to be grateful for what they have. The revision of this important scheme does not go far enough to address the sleeping giant which is ADF recruitment and retention. The 2005 Defence attitudes survey identified that approximately 66 per cent of ADF personnel are dissatisfied with their current salaries. This is an increase on earlier years and stands in contrast with the 50 per cent of Defence civilian employees who expressed dissatisfaction with their salaries. Equally significant is the fact that fewer than half of Navy and Army personnel reported that their workplace promotes a healthy work-life balance, and one-third of Defence personnel are actually actively looking for other work.

It is difficult to reconcile these levels of dissatisfaction and the staggering number of personnel getting out with the government’s commitment to increased troop numbers. The figures show that last year’s recruitment target achieved only a 77 per cent success rate and the Army separation rate last year was 14 per cent—an increase of five per cent from 2004. These figures indicate that the Army will reduce its size over the next 12 months, conflicting with the government’s stated intention of its desire to increase Army numbers by 3,000 over the next decade.

The government cannot turn around these declining Defence numbers without addressing the fundamental concerns of our serving men and women and the interests of their families. These concerns have been expressed in the attitude survey in no uncertain terms. The government must address outdated conditions of service and salaries that are not keeping pace with average weekly earnings. It must become more sensitive to alleviating the particular pressures on ADF families, particularly in the current high operational tempo.

We are now losing personnel in droves and attracting few others. This is a problem essentially of the government’s own making. It is a problem of its own negligence and failure to act despite all the warning signs. Now recruitment has become a panic issue, and the publicity machine, making a silk purse out of a sow’s ear as usual, is in overdrive. ADF personnel need to know that this is not a new phenomenon. It has been a problem of great concern to them for
many years. We urge the government to get serious, do its review of the home loan scheme within months rather than a year and get fresh legislation into the parliament to smarten up this antique scheme as a matter of urgency.

As I have mentioned, the bill simply extends the current scheme to 2008. Entitlements will be preserved, as will the agreement with the National Australia Bank. As I understand it, there are about 6,500 ADF personnel using the scheme. We can assume that this represents pretty much the total of ADF personnel who find homeownership attractive while in service. This is compared to the general population, in which homeownership is a commitment made by almost 70 per cent of families but which is getting much harder due to rising interest rates—despite all the indications of the government’s intentions prior to the last election.

Fortunately, or perhaps unfortunately, for ADF personnel, not many will be represented in the large number of people who will be suffering from higher interest rates simply because there are not too many who have the commitment to homeownership. To begin with, Defence personnel cannot settle anywhere without being shifted frequently. We know of ADF families whose children have attended as many as 20 different schools. In many ways, they are modern day gypsies, and the reality is that, for many, renting is the only option. Compounding that, we have military bases scattered everywhere. This is not often based on rational planning—other than when it suits the location of marginal seats. There is not the slightest attempt to look at a real rationale, which puts people and defence needs first, rather than political interests in terms of shoring up votes in marginal seats.

Nor is it likely for ADF personnel that owning a home will become an option before discharge. Indeed, getting out simply to achieve that life goal for any family is a huge incentive to leave the armed forces. It seems to be a strange circumstance that so many ADF personnel rent from the DHA at a generous subsidy but fail to buy a house even with assistance under the housing loan scheme. Why couldn’t the DHA, for instance, encourage those people to buy under the scheme and allow DHA to manage their leases when they are posted to another location or overseas? One can only imagine innovative options going beyond the current limits which would give ADF people the same benefits of homeownership as the rest of the community and provide an incentive to remain in the defence forces.

We sincerely hope that the review produces some options, just as it might have done several years ago when these problems were equally apparent. Such frequent relocations and absences from home in the current high-operational tempo can be difficult for members and their families and may affect the decision to remain in the service. Homeownership in the posted locality may provide a stabilising factor.

In that light, the government might consider broader reforms to the scheme in a bid to encourage greater instances of owner-occupied housing among the Defence Force. Such broader reforms should properly address any disparity in entitlements between owner-occupiers and those members renting in the private market or living in Defence Housing Authority homes. The discounted rental rates and rental allowances are currently regarded as more generous than the assistance provided to ADF home occupiers under the scheme in its present form. Such disparities are likely to discourage members from taking advantage of the scheme and may negate the benefits of such assistance to the retention of trained personnel.

The scheme in its current form goes beyond assistance in buying a home to include assistance in completing or renovating a house already owned and lived in. A similar flexibility in
application should exist in any subsequent schemes. The dedicated members of the ADF provide an invaluable service to our nation. The particular demands of service life placed on members and their families are not necessarily reflected in the civilian world. Initiatives to mitigate these demands and alleviate some of the pressures on defence families are essential.

The subsidised home loans initiative established by the Labor government in 1991 is part of the deal. The modernisation of the initiative and recognition of modern-day market values is important recognition of the sacrifices made by service members and their families. That is why we support the bill, but that is why the government needs to redouble its efforts to get the scheme in order so that it is relevant to modern defence families.

Mr SLIPPER (Fisher) (12.12 pm)—I am always pleased to follow the member for Barton’s speeches in this place. Before the member leaves the chamber, though, I would like to point out that the Prime Minister has indicated to the parliament that the difficulty in affordability of housing is at least partly caused by the lack of availability of land. I think the member for Barton unintentionally placed interest rates as being the reason for people being unable to purchase homes, which is a fairly unusual statement bearing in mind that interest rates, relatively speaking, are still low compared with what they have been historically.

The member for Barton also wrongly suggested that the government placed military bases willy-nilly in marginal seats to benefit marginal coalition members. Interestingly, while he delivered a broadside on service conditions and indicated that people are dissatisfied with the government and the conditions in the armed forces, he also seemed to suggest that a majority of service personnel vote for the coalition. On the one hand he said that we are not providing adequate terms and conditions for serving personnel; on the other hand he said that we want to place these people, who apparently should be dissatisfied with the government, in marginal coalition seats. I cannot quite follow the honourable member’s reasoning.

However, I do agree with him that recruiting is very important and, as a nation, we need to make sure that we have appropriate levels of conditions so that in today’s uncertain world we are able to obtain the number of enlistments that we need. We also need to retain many more of those people who are currently in service. Given your ministerial experience in this general area, Mr Deputy Speaker Scott, I know you would understand the importance of what I have just said and you would share my concern about the need to provide appropriate levels of benefits to those people who have served our nation so well for so many years.

The defence home loan has been around for a considerable period. Originally, it might even have been called a war service loan and it may have been allocated to those who served in the Second World War. Australia does have a very proud history and heritage in the area of defence. Our history is punctuated by battles on numerous frontiers. Not all of these have been won, but on the whole they have added to our maturity and strength as a nation.

Most Australians who sign up for the military do not sign up because of financial reward or to get what they can out of the system. They sign up so that they are able to make a contribution to the security of their families and their nation, and it is a selfless step underpinned by a love of the country in which they live.

For the last couple of years I have had the very great fortune to participate in the Australian Defence Force Parliamentary Program, which is an excellent opportunity for members of parliament who have had no military experience to get some real taste of life in the military. I am
pleased to see the member for Wakefield, who is a former colonel, in the chamber. He is a great member and I know that he will be here for as long as he wants to be because he is doing such a wonderful job. When I was privileged to go on the ADF Parliamentary Program this year, I was very pleased that the member for Wakefield was able to be there too. In fact, he knew more than many of the instructors, and he was instructing those of us who were not as skilled as him in the use of weapons in how actually to use them.

Having said that, I do think it is important for us to understand the trials and tribulations and the stresses on family life of the serving personnel of the ADF and the length of time that they are away from their families and their homes. If I had not participated in this ADF program, I simply would not have been aware that people who serve in the Royal Australian Navy at sea are actually away sometimes for eight out of every 12 months. Many people joined what they thought was a peacetime Defence Force, and this is part of the reason for a bit of the turnover. The ADF has been much more proactive in overseas deployments in the last few years. There are many people who probably joined the armed forces never really intending to be deployed, and all of a sudden what they understood was going to be their service life was turned upside down. People who join the ADF at the moment, of course, would do so being aware of the reality of the situation.

I want to extol the role played by our fighting men and women. I want to commend them on their decision to sign up. It is only fitting that they should be recognised in various ways, including through defence home loans. The Defence Force (Home Loans Assistance) Amendment Bill 2006 affords a level of support for members of the Australian Defence Force in the area of homeownership. Recently, on 18 August, Australia commemorated the 40th anniversary of the Battle of Long Tan. At that battle, during the war in Vietnam, intelligent tactics, clever coordination of assets and sheer determination enabled the Australian forces to defeat a significantly larger opposing force. The government recognises the role played by our ex-service men and women, and I am very pleased, like other members, to have been able to announce funding for veterans’ organisations.

I would just like to digress briefly to state that the Queensland Air Museum at Caloundra was allocated $2,800 for a display of photographs and wartime memorabilia relating to the Vietnam War, and the Maleny RSL subbranch in Queensland’s Sunshine Coast hinterland received $1,400 to go towards a memorial service and a commemorative dinner. The Australian government also allocated $30,000 towards a memorial constructed in my electorate, on the bluff at Alexandra Headland, to commemorate the ex-HMAS Brisbane that was sunk as a dive wreck off the coastline last year. You would be aware of that, Mr Deputy Speaker Scott, because I think you were Minister Assisting the Minister for Defence at the time, and the Queensland Beattie Labor government would not provide the cost of sinking that ship, something that would usually be in the purview of a state government. I think we went to you and you gave us $1 million and later $3 million to make sure that that ship was able to be sunk as a dive wreck off the Sunshine Coast, bringing tens of thousands of dive tourists to the Sunshine Coast, boosting our local economy and at the same time improving our marine environment. On behalf of the Sunshine Coast, Mr Deputy Speaker, I would like to thank you for that very proactive decision by your good self when you were serving as a minister of the Crown. The grants to ex-service organisations that I mentioned do help citizens remember
what fighting men and women have done and the personal sacrifices they make that accompany their enlistment in the Australian defence forces.

The Defence Home Owner Scheme also recognises the men and women of the ADF in that it provides individual members with a subsidy on the interest expense incurred on their mortgage. As was indicated by other members, this subsidy is linked to home loans received through the National Australia Bank, up to a maximum of $80,000. As the member for Barton mentioned in his contribution, the scheme was due to finish at the end of this year, on 31 December, but this bill provides for the scheme to be extended by 12 months until 31 December 2007.

The program was set up at a time when banks were the major suppliers of home loans. As we are all aware, this is not necessarily the case now, with there being many and varied providers of home loans in today’s market. I think that is a very positive change, and that change has benefited many people. The providers of home loans include building societies, community banks, dedicated lending agents and the like, and the mortgage market has evolved and will continue to evolve.

In recognition of this changing marketplace, the ADF is reviewing the Defence Home Owner Scheme. It does not wish for its fighting men and women to lose access to the scheme in the meantime, so it is a necessary evil that this scheme will be extended for an additional 12 months. This bill is all about making sure that the men and women who have served our nation in the armed forces are able to continue receiving support until such time as the review has taken place. The opposition has attacked the timeliness of the review and the need for the extension of time which is provided for in this bill. I think it ought to be pointed out that this is an attack on the detail of the process rather than on the overall objectives of the scheme. I think the member for Blaxland opposite is nodding his agreement.

Mr Hatton—No, I am looking at the time.

Mr SLIPPER—I have another 10 minutes, but knowing that the member for Blaxland is anxious to make his contribution I certainly will not be detaining the House for that long. It is often easy to criticise delays. My own past experience in the parliament has indicated that it is quite a long and time-consuming process for a bill to be talked about, as to what ought to be included, then for it to go to the drafters and then for it to go through all the necessary processes. I am not going to defend the delay. I do think it is unfortunate. But we have no option other than to extend the life of the existing scheme while the review is taking place. I know that review will also consider what we need to do to make sure that people stay in or join and then stay in the defence forces. So it is better that the review is not hurried. The review ought to be able to take its course. However, in the meantime it is important to recognise through the defence home loans scheme the service of those people to whom this country owes so much. I am pleased to be able to commend this bill to the House.

Mr HATTON (Blaxland) (12.23 pm)—It may be novel but I intend to speak to the Defence Force (Home Loans Assistance) Amendment Bill 2006, though I will engage in some rebuttal as I do so. The fundamental purpose of this bill, which deals with a program that has now run for 15 years—since 1991, when the Australian Labor Party in government initiated this process—is to allow for an extra year to take stock of and review the situation of Defence Force housing loans. The Labor Party’s criticism with regard to timeliness is entirely apt. The
scheme finishes at the end of this year, so this bill is necessary to give an extra year to the program so that the review can be conducted.

What is the review fundamentally about and drawn to? The review was announced on 10 May this year. Its broad objectives, as the chair of the defence committee and I, as deputy chair of that committee, well appreciate, are to support recruitment, retention and resettlement. The review is also looking at the scheme being cost-effective for Defence, and it recognises the benefits that homeownership provides to both members and Defence. It is a necessary review at the end of a 15-year program. It should have happened a year ago. That is our one fundamental criticism of this process. There are a series of other shortcomings here in terms of the process and the actual operation of this, and they have already been canvassed at some length by the shadow minister. I will reiterate those if I have time.

The core of this is that time and circumstance change just about everything. In 1991 it was responsible and reasonable to have the first $80,000 of a home loan given to a member of the services—to provide them with a subsidy for that $80,000—when the average cost of a home loan for a person in Australia was much lower than today. That was an important contribution then but, with the effluxion of time, the change in circumstance and the fact that it now costs much more to buy in, even for a married couple with $160,000 that can be subsidised there is no longer a situation where that is the core part of the loan. It is a part, but now a relatively much smaller part.

Although this is within the context of being able to get a full loan from an institution—here it is the National Australia Bank, and has been since 1991, and part of the review will be how to spread that out further to enable more people to participate or more institutions to participate—it is also indicative of what the situation was prior to the banks coming fully in, prior to the reforms that were made by Paul Keating when he was Treasurer.

The ADF home loan situation is now the one that applied when John Howard was Treasurer, when the only way people could afford to buy was to take out a cocktail loan. They would go to the bank and get part of the loan from the bank, but they would have to go off to another set of lenders to get the rest of the money they needed to buy. Whatever the banking institution’s interest rate was, there was a much higher interest rate with those other lenders, so the total price of the cocktail was significantly high.

The fundamental change in putting banking institutions into first place in home loans and having a pegged rate—13½ per cent when that initially came in—was to not only peg down the price but also put banks in first place. As part of that process for the Australian Defence Force, doing a special deal with the National Australia Bank to provide subsidised loans allowed people to get a loan and, crucially, be able to take that loan from one property to another. The nature of serving in the Defence Force is such that people have to move from one end of Australia to the other, or be posted overseas. They could spend time, for instance, at HMAS Cairns. At HMAS Cairns the current accommodation is just off base. Young people have moved into that and a lot of people are in rented accommodation there. Some people have chosen to buy. But you will find that people throughout the service in the past 15 years have quite often taken a very long period of time to finally buy a property and take advantage of this loan. One of the reasons for that is the very nature of defence service—its peripatetic nature. People move around so much that they do not settle on a place to finally stay, and therefore mentally see themselves as buying a home, for quite a long period of time.
Part of the problem with this process is the effluxion of time and circumstance and now the relatively much greater interest burden that is faced by people in Australia’s defence forces under the Howard government, compared to the interest burden that was faced under the Hawke-Keating government. It is the cost of that loan, and the amount of their income that has to be directed towards it, that not only leads to this review, and therefore the extension of time in this legislation, but is the fundamental core of the problem at base. The shortcomings of this bill—I quote the shadow defence minister and will, hopefully, come back to this issue when I continue my speech—are as follows:

... firstly, the upper limit of the subsidy in no way recognises the real cost of housing or the average size of mortgages these days; secondly, it pays no heed to the comparative advantage and cost of rental accommodation and the subsidy implicit in those rents; thirdly, the scheme also restricts ADF personnel to the very limited range of home loan products negotiated by the government with the National Australia Bank; and, finally, it fails to recognise the needs of ADF personnel who are shifted from pillar to post almost annually with enormous disruption to their family life.

Mr Deputy Speaker Scott, with your past ministerial experience and from your current role as chair of the Defence subcommittee, you know and understand the full ramifications of those issues for the Defence Force—as do I, serving as deputy chair of that subcommittee. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

ADJOURNMENT

Mr NEVILLE (Hinkler) (12.30 pm)—I move:

That the Main Committee do now adjourn.

Mining Industry

Mr TANNER (Melbourne) (12.30 pm)—Australia is the world’s premier mining country, and clearly the mining industry plays a fundamentally important role in our economy and in our society. Not only does Australia play a major role as a supplier of minerals and resources to the world but also there are growing associated industries—particularly high technology industries and manufacturing industries—that derive from our expertise and our capabilities in mining. So whichever way you look at it, the mining industry is crucial to Australia’s future.

However, there is a particular aspect of Australia’s mining industry that gives us some cause for concern, and I want to raise this with the parliament today and consider how we move forward on this. Sadly, on a number of occasions Australian mining companies operating overseas have been at the centre of major controversies. They have been associated with bad environmental practices, spills and serious damage to the local environment and the interests of the local community. All of these generate bad publicity for Australia as a nation and bad publicity for the Australian mining industry and raise big questions about how we should deal with these issues as a nation.

We all recall the BHP involvement in the Ok Tedi project, the pollution of the Fly River and the serious damage to the interests of Papua New Guineans arising from that project. That was a matter of great controversy for a considerable period of time. There was the Esmeralda exploration incident in Romania. The release of cyanide tailings into the Danube in 2000 from a goldmine in Romania operated by Esmeralda led to appalling pictures on television of thou-
sands of dead fish. The livelihoods of many locals were severely affected and it created a very bad impression of Australian mining companies.

More recently, we have had the involvement of Lafayette Mining in the Philippines. Late last year on the island of Rapu-Rapu, cyanide leaked from a tailings dam of a goldmine operated by Lafayette Mining on two occasions. It was closed down, and after it reopened a further leak occurred. The company was fined $265,000 as a result of these breaches. There was significant damage done to the interests of the local fishing community in particular. There were dead fish in the local waterway and there was a lot of community concern about the impact of this release.

It subsequently emerged from the inquiry run by the Philippines government that the company had started operating the mine before it had completed the environmental protection processes and the building that was required to ensure that the local community and the local environment were protected from the threat of release of tailings, and particularly the release of cyanide. So on the face of it, it would appear that the mining company did not pay adequate attention to the interests of the local community.

We do not need to look too far to see how important these issues are in the developing world. We have seen recently the controversy with respect to the US mining giant Newmont in Sulawesi, in Indonesia. There are claims that some locals contracted Minamata disease as a result of pollution of the Buyat Bay area from a goldmine operated by Newmont. That is not an Australian company, but it is an example of the issues that are raised by pollution from mining activities.

It is extremely important for the future of our nation and for the future of the mining industry, of which we can be justly proud, that Australian mining companies operating overseas, particularly those operating in developing nations, are operating in a way that is sensitive to the interests of the local community—that is, they are not unduly polluting their waterways and land and are not causing major displacement of local communities and serious detriment to the indigenous people.

That is a crucial issue for Australia. Although I do not necessarily propose any kind of government intervention with respect to this matter—and it is not easy to see how the Australian government might intervene—I think it is important for both government and the Australian mining industry to contemplate how we collectively can apply pressure to ensure that Australian mining companies operating overseas, particularly in developing countries, do not end up in these circumstances. Although local conditions and local laws vary and we cannot completely ignore that, we do want to maintain Australia’s good name, we do want to maintain the good name of the Australian mining industry and we do want to ensure that we are seen as good corporate citizens all around the world. (Time expired)

Western Australia: Roads

Mr KEENAN (Stirling) (12.35 pm)—I rise to talk on the shocking failure of the Western Australian Labor government and its Minister for Planning and Infrastructure, Alannah MacTiernan, to put the safety of the people in my electorate of Stirling at the forefront of their agenda. For far too long the Western Australian Labor government has tried to fob off repeated calls for a much needed overpass at the intersection of Mirrabook Avenue and the Reid Highway in Mirrabooka. This intersection is extremely dangerous. Indeed, it is in the top 10
traffic black spots in the whole state, and it is of great concern to my local community. People are being killed and injured at that intersection on a very regular basis.

In the many surveys I have conducted, in my doorknocking and visits to the area during my mobile office days, and from school visits, the message has been loud and clear. The people of Stirling want the Western Australian Labor government to do something about upgrading this intersection. Alannah MacTiernan and the accident-prone member for Yokine, Bob Kucera, are continuing to shirk their responsibilities by refusing to get this project off the ground. They would prefer to bleat that it is the Commonwealth’s fault that they do not live up to their responsibilities to the people of Western Australia.

I was astonished to discover that the state government has again missed an opportunity to fix this intersection. The City of Stirling, the local authority that covers this area, consulted the Main Roads department in Western Australia about where it should apply for Roads to Recovery funding, which is a magnificent Commonwealth program, and was told not to apply for funding to fix this notorious black spot. It appears that the state government is not even remotely serious about doing anything but would prefer to leave it in place and ask for somebody else to fix it. This is despite the fact that close to $4 billion in federal government money for roads funding, under the Australian government’s AusLink program, flows through to important road projects in my home state. That is on top of the amount of GST funding handed back to the Western Australian Labor government, totalling $3.758 billion in the last financial year.

The state government are also reaping a windfall through a property boom, and transfer taxes such as stamp duty are bringing in tens of millions of dollars of added revenue to the state government. They are awash with money, yet they refuse to use it to upgrade the much needed infrastructure that they are responsible for. The Western Australian Labor government is $171 million better off under the new system of road funding that the Commonwealth has created, and AusLink will also give $5 million in 2005-06 for Western Australian black spot projects. The black spot program has been extended a further two years, as promised, to 2007-08.

The AusLink program also includes the Roads to Recovery program for local councils. The federal government has delivered on its promise to improve many other local traffic networks by doubling the amount of money it gives to the City of Stirling to improve local roads. The announcement of close to $2 million for Stirling city council should see many improvements and safety projects get up and running—issues that are very close to the heart of my community. This money can be used to help ease traffic flows and make our roads safer, and it comes hot on the heels of major black spot funding given to upgrade the safety features at dangerous intersections in Karrinyup, Osborne Park, Nollamara and Mirrabooka.

The announcement of $360,000 in black spot safety improvements from the Australian government will help to save lives on local roads. Works include modification to traffic signals, the extension of right-hand turning lanes and the upgrading of pedestrian facilities at locations in Osborne Park, Mirrabooka, Karrinyup and Nollamara. The black spot funding fulfils a promise that I made at the last election to help ease traffic congestion along Scarborough Beach Road, an issue that is of great concern to my local community.

Councils in Western Australia will receive $45 million under the Roads to Recovery program with a further $76 million provided as untied local road grants. This windfall honours
the Australian government’s commitment to improving our local road networks, making them safer and relieving traffic congestion. This major funding will see improvements to our local transport networks realised. It will allow the City of Stirling to take a look at what needs doing, assess the community’s priorities and get the relevant projects underway. These projects can include local roads as well as recreation facilities and services.

The federal government is committed to improving our road networks and to making them safer for local families in my electorate of Stirling. But the state Labor government is continuing to shirk its responsibilities and not do anything about dangerous traffic black spots while hiding under the cover that they expect the Commonwealth to do something in an area that is clearly their responsibility. Wake up and smell the coffee, Alannah MacTiernan; get something done for the people in my electorate. (Time expired)

Ms GEORGE (Throsby) (12.40 pm)—In 1999 the Prime Minister promised the Australian community that there would be no $100,000 degrees under his government. He actually used the words:

"The government will not be introducing an American style higher education system. There will be no $100,000 university fees under this government."

Just like the Prime Minister’s promise to keep interest rates at record lows, John Howard’s promise on the $100,000 degrees was not worth the paper it was written on. The recent release of the Good Universities Guide 2007 shows full fee paying degrees in medicine can now cost over $230,000, which, as we know, is around the cost of the average mortgage in Australia. More than 100 Australian university courses across the nation next year will carry a price tag of at least $100,000. In fact in my state of New South Wales alone there will be 41 full fee degrees costing undergraduates $100,000 or more. Courses in optometry, law, veterinary science and applied science all cost in excess of this figure.

It is my view and the view of my party that it is fundamentally wrong to have a US style system where money talks louder than merit. It is heartening that my local university, the University of Wollongong, has long refused, on the grounds of equity, to offer these full fee paying courses. In the words of Vice-Chancellor Gerard Sutton:

"... it’s a conscious decision because the judgement of UOW is that ... full fee places stop people from the lower socio-economic groups from enrolling in Universities ... the argument for me is not that they’re paying $100,000 or $200,000. It’s that it will have a negative effect on the participation rate of those from the low socio-economic group. For us, it’s an issue of principle."

Well said, Vice-Chancellor. How right you are.

I am pleased to say that Labor in government will put an end to full fee places for Australian undergraduates at public universities. Under a Labor government students will gain access to higher education according to their merits and not by their or their family’s financial means. I take this opportunity to congratulate the Vice-Chancellor, staff and students at the University of Wollongong for their efforts, which again this year have seen our university gain outstanding success. According to the latest Good University Guide the University of Wollongong was among only four universities across the nation to score at least eight five-star ratings over 19 categories. The university achieved five-star ratings on a number of key indicators, including graduate satisfaction and positive outcomes, getting a job, starting salaries for
graduates and staff qualifications. Our central campus at Wollongong maintained its status as one of the most difficult universities to get into across the nation. As the vice-chancellor commented in a recent media article:

... it’s good news for the students and graduates of the University. We have had increased numbers last year because of the guide and I am sure the demand will exceed supply again next year, which brings money into the city.

As the federal member covering many students who attend that university, let me say how proud I am of the efforts of a regional university which now scores very well alongside the ranks of the more elite sandstone universities that have been operating for a considerable period of time. I think it is wonderful news that the University of Wollongong was for a number of years rated the university of the year.

I want to convey to the vice-chancellor and to the staff and students that the Illawarra community is incredibly proud of our university, its close connections to the community, its very significant contribution to our regional economy, its significant research output—ground-breaking research in a number of its schools—its commitment to quality and innovation, as we will see in the development of the new medical school, and for continuing to provide an excellent learning environment for all its students.

**Childhood Obesity**

Mr JOHNSON (Ryan) (12.46 pm)—There are an estimated 1.5 million people under 18 who are considered overweight or obese. This translates to some 20 to 25 per cent of children and adolescents. About 20 to 25 per cent of Australian children are overweight or obese and the proportion is increasing at an alarming rate, particularly since the mid-1980s, a trend which reflects international patterns. At the same time the aerobic fitness of children and health generally has taken a sharp downward turn since the 1970s. Between 1985 and 1987, population prevalence of overweight increased by 60 to 70 per cent. Obesity increased two- to four-fold and combined obesity levels doubled, suggesting that the problem is not only increasing but, as alluded to, is accelerating at a very alarming rate.

Obesity is something that all of us here in the parliament should be very mindful of in terms of its impact upon the young people of our respective electorates. It is defined as a condition in which excess fat has accumulated to the extent that health may be impaired. The primary cause of obesity is generally understood to be an energy imbalance—a high-energy intake, mostly from food, coupled with very poor levels of energy expenditure, including low levels of physical activity and high levels of sedentary behaviour: not moving around and not engaging in significant physical activities.

Perhaps the most single important time for our young Australians in particular to increase their physical activity and to decrease their sedentary activity—such as watching television, playing computer games or just lounging around—is between the hours of 3 pm to 6 pm, after school. I want to lead on in this presentation to parliament to the Active After-hours Communities program, which is a very exciting initiative of the Howard government that has been developed and overseen by, amongst other agencies, the Australian Sports Commission as part of the Howard government’s Building a Healthy, Active Australia package.

I had the opportunity of visiting one of the very wonderful schools in my electorate of Ryan last week, the Jindalee state primary school, where I was able to witness for myself the
wonderful activities of the schoolchildren of Jindalee state primary. They were able to participate in a whole number of activities. In the parliament today I want to commend the parents of those children who allowed them to participate in this program. It is a very safe program. It is a very strictly monitored program in terms of the safety and supervision of the children. I want to encourage more of the parents of schoolchildren, not only at Jindalee state primary but at the other schools in the Ryan electorate where this program is taking place, to allow their children to participate because it really does have a big positive impact on the kids.

The schools involved are Good News Lutheran School, Jamboree Heights school and Middle Park school as well as, as I mentioned, Jindalee school. This is a program where feedback from parents and the children has been overwhelmingly positive. The surveys say that some 75 per cent of children want this program to continue into next year. Of the schools surveyed, 81 per cent believe that the after school hours program is very beneficial for the children’s social skills as well as their physical activities.

Over 90 per cent of the schools believe that the program improves the attitudes of the children towards each other and towards school officials and adults in general. So I would very warmly commend the program. It is something that I have seen for myself to be very positive. The after school hours program is, as I mentioned, a major component of the Building a Healthy, Active Australia package, whose aim is to encourage a healthy lifestyle, healthy eating and increased levels of physical activity amongst young Australians in particular. I think that it is commendable for parents to encourage their children to participate in these programs.

The government aims to involve 3,250 primary school students and has a target of involving 150,000 primary schoolchildren by the end of 2007. This is program whose consequences will be felt throughout the country and throughout the homes of Australia. As the federal member for Ryan, I want to thank all those who were very supportive of my visit and who made it a very enjoyable visit indeed.

**Multiculturalism**

*Mrs IRWIN* (Fowler) (12.51 pm)—As the representative of the most multicultural electorate in Australia, I have been alarmed by the comments made by a number of our nation’s leaders in recent weeks. We have seen the Prime Minister and the Treasurer engaged in what can only be seen as an appeal to the most bigoted and intolerant of our citizens. They have expressed views which are not only hurtful to many of my constituents but also harmful to our unity as a nation. On 1 September, the Prime Minister told an audience on Sydney radio 2GB:

… what I want to do is to reinforce the need for everybody who comes to this country to fully integrate and fully integrating means accepting Australian values, it means learning as rapidly as you can the English language …

He went on to say:

I understand that and I think there is a section, a small section of the Islamic population, and I say a small section and I've said this before, which is very resistant to integration.

The Prime Minister’s comments were echoed by the Treasurer in an interview with Laurie Oakes last Sunday when the Treasurer said:

The Prime Minister has a point that migrants who come to Australia are expected to speak English and to endorse basic Australian values …
There are some Australians who might agree with those comments but, in areas like my electorate of Fowler, they are seen with disgust and alarm. On the day of the Prime Minister’s comments, I spoke with one young man of Italian origin who expressed his concern for his 80-year-old grandmother. She came to Australia more than 50 years ago and worked on the family farm. She laboured hard for most her life and provided a bright future for her children and for her grandchildren. But, because she did not mix with many English speakers, she never mastered the English language. That young man felt it was a slur on his grandmother to suggest that, in spite of her contribution to the building of our nation, she was somehow less of an Australian because of her lack of English language skills. The comments of my constituent were shared by Ms Hage-Ali in an article in the *Australian*. She said:

There’s a whole lot of other ethnic communities whose parents, whose grandparents don’t speak the English language, and it’s never a problem in the mainstream Australian community for them to go on living their everyday life without speaking the language.

She went on to say:

Yet as soon as it’s a person of a Arab descent or a Muslim person ... politicians feel like they need to bring it to mainstream attention as the only group, like marginalising us even more then we already feel marginalised today.

The appeal from the Prime Minister’s Muslim reference group is that society must be more inclusive in order to keep young Muslims away from radicalism. Its report to the government is expected to call for a more inclusive Australian society so that rigid thinking and possible involvement in terrorism will be less attractive to those at risk. But it is clear that statements by the Prime Minister, the Treasurer, the Attorney-General and government members like the member for Mackellar and the member for Hughes are not designed to make Australian society more inclusive of our Arab and Muslim citizens. The Vegemite, Gallipoli and Bradman version of Australian values is neither inclusive nor realistic when it comes to the shared beliefs of our immigrant nation.

By questioning the loyalty of Muslim Australians, as the Treasurer has done, or by singling out Arab and Muslim Australians, as the Prime Minister does, we are making it impossible to have an inclusive, multicultural nation based on worthwhile values of tolerance and respect for others. As this government has also destroyed adult migrant English and literacy programs, one can hardly complain about people not having English language skills. Clearly this government’s agenda is to divide our nation—to set one Australian against another. That is downright un-Australian.

**Gladstone Health Services**

Mr NEVILLE (Hinkler) (12.55 pm)—I recently wrote to the people of Gladstone to let them know some of the different ways in which the coalition government is bringing health services to them and to other families. I outlined a number of different programs, ranging from more frequent visits to Gladstone by Australian Hearing Services staff to a further 12 months federal funding for the region’s oncologist. The response from the local community has been overwhelming. But, before I deal with some of the feedback I have received, let me outline exactly what the Australian government is making sure happens for the residents of Gladstone through their health services.

An overarching result has been the dramatic increase in bulk-billing services. I am very proud of the fact that the Hinkler electorate recently achieved the second highest increase in
bulk-billing in Queensland between 2004 and 2005. The figures show that the electorate’s bulk-billing rate reached an average of 69.9 per cent for 2005, up from 60.5 per cent in 2004. What made the achievement even more remarkable was the fact that the average increase across Queensland during those 12 months was 5.3 per cent—in other words, 9.4 against 5.3. I know we are probably coming to the top of the scale for bulk-billing. I notice that the Minister for Health and Ageing spoke about this matter in the chamber just this week. It looks like the 2006 figures may be close, and I look forward with eager anticipation to see if we can repeat that achievement. Although the statistics cannot be broken down into the number of people bulk-billed for the city of Gladstone, the electorate-wide increase means that more people have a greater choice when they go to the GP. In fact, over two-thirds of the people in my electorate can now be bulk-billed.

Closer to home for many residents is the fact that the coalition government, for the third year running, is funding the Gladstone visiting oncology service. I recently obtained a further payment of $58,000 from the Australian government to make sure that this financial year an oncologist can keep travelling to the city to treat local patients. The hundreds of people who rely on Dr Atkinson—a very fine oncologist, I might add—now have some peace of mind knowing that they will be able to keep their treatment up for at least another 12 months. The funding has come from the government’s Medical Specialist Outreach Assistance Program, which funded the local program for the previous two years. Although the scheme is principally designed to bring specialist services to outback and isolated areas of Australia, the Minister for Health and Ageing agreed with me that Gladstone should be considered a special case. What I find absolutely galling about this current arrangement is that the Queensland Labor government, which is ultimately responsible for providing oncology services for the region—and especially at its own hospital—has, for the last three years, abrogated its duty. Even though the Beattie Labor government has become synonymous with neglect of the public health service, I am determined to continue the fight to get appropriate attention for Gladstone’s oncology patients.

The third improvement in health services in the Gladstone region is more frequent visits by Australian Hearing Services staff. Residents now have access to a visiting Australian hearing professional at least two weeks in every month, and I understand that as this builds up it may go to even three weeks in every month.

As I stated at the outset, all these new and improved services were the subject of a letter I wrote to my constituents, and I was very heartened by the response. For example, one constituent of mine wrote back to me detailing why better health services were important for her family. Her husband is an existing client of Australian Hearing Services and she had glowing things to say about the service he receives, while she explained her reliance on visiting specialists. A few sentences from her letter will tell you what it means to her:

Cancer is of course a thing of the mind—if you know that there is treatment on hand it is easier to cope with mentally, which goes a long way towards curing somebody. Thank you for obtaining further funding for us older residents. I thank you. Please keep it up. Anything you can do—and I know that money does not grow on trees—to help keep some medical specialists coming to our city is a good thing and can only help in the quality of life for older Australians.
I salute the health services of Gladstone and I am proud to be part of enhancing them.
Question agreed to.

Main Committee adjourned at 1.01 pm
QUESTIONS IN WRITING

Al-Qaeda
(Question No. 3667)

Mr Rudd asked the Minister for Foreign Affairs, in writing, on 15 June 2006:
Has his Department made an assessment that the activities of Al Qaeda have increased in (a) Jordan, (b) Iran, (c) Syria, (d) Lebanon, and (e) the Palestinian Territories, since March 2003.

Mr Downer—The answer to the honourable member’s question is as follows:
No, the Department has not conducted such an assessment.

Child Care
(Question No. 3679)

Ms Plibersek asked the Minister representing the Minister for Communications, Information Technology and the Arts, in writing, on 19 June 2006:
(1) Do any agencies in the Minister’s portfolio offer childcare to employees; if so, which agencies.
(2) In respect of agencies that offer childcare, (a) is the childcare (i) long day care, (ii) outside school hours care, or (iii) another type of care, (b) is the childcare facility located at the agency’s premises; if so, (i) what is the maximum capacity of the childcare facility, (ii) is enrolment at the facility available to children whose parents are not employees of the agency, and (iii) do the children of agency employees receive preferential enrolment over the children of non-employees; if so, what are the provisions of the preference rule; and (c) will the Minister provide a copy of the information sheet given to employees seeking employer assistance with childcare.
(3) Are employees given the option of salary-sacrificing childcare offered by the agency.
(4) How many employees within each of the Minister’s portfolio agencies have made salary-sacrifice arrangements with the employing agency for childcare expenses.
(5) In respect of the employees identified in the response to part (4), how many use on site childcare.
(6) Do any of the Minister’s portfolio agencies have salary- sacrifice agreements relating to childcare with employees who do not use the on site childcare centre; if so, how many agreements of this type are there.
(7) Will the Minister provide a copy of the childcare benefits provisions from the Certified Agreements of each of the Minister’s portfolio agencies.
(8) What financial assistance for childcare, other than salary sacrificed fees, is available to employees (including those on AWA’s) of each of the Minister’s portfolio agencies.
(9) Have any agencies in the Minister’s portfolio sought private or public rulings from the Australian Taxation Office relating to childcare and fringe benefits tax; if so, when.
(10) Do any of the Minister’s portfolio agencies have arrangements with other Government agencies to provide childcare to employees such as sharing childcare facility costs at a site within, or external to, one of the agencies.

Mr McGauran—The Minister for Communications, Information Technology and the Arts has provided the following answer to the honourable member’s question:
The Department of Communications, Information Technology and the Arts response to the question is as follows.
(1) No
(2) N/A
(3) No
(4) N/A
(5) N/A
(6) No
(7) Yes (Attachment A)

(8) The Department provides reimbursement of (a) reasonable costs in relation to additional family care arrangements in cases of exceptional circumstances where employees are required by the Department to be away from home outside normal working hours (eg. required to travel with 24 hours or less notification); and (b) vacation care costs up to a maximum of $15 per day (per family) for children aged between 5 and 12 years who are enrolled and attend a registered child care service or certified vacation care facility during school holidays.

(9) No
(10) No

The response from portfolio agencies is as follows:

**AUSTRALIAN BUSINESS ARTS FOUNDATION (AbaF)**

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**AUSTRALIAN FILM COMMISSION**

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<td>7</td>
<td>The AFC Certified Agreement includes the following provisions: Where employees are required to work or to travel on a weekend, a public holiday, or outside their normal pattern of hours, reasonable childcare costs will be paid with receipts to be provided. Where an employee with school children has an application for leave during school holidays refused, or has approved leave cancelled because of AFC business requirements during school holidays, the AFC will reimburse up to $20 (including GST) per child per day of the amount paid by the employee for each school child attending approved or registered care during the school holiday</td>
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period. The AFC will meet, in full, reasonable costs of such child care where an employee is re-
quired to return from approved leave early because of AFC business requirements.
(8) See response to Part (7).
(9) No
(10) N/A

AUSTRALIAN FILM, TELEVISION AND RADIO SCHOOL (AFTRS)
(1) No
(2) N/A
(3) No
(4) Nil
(5) N/A
(6) N/A
(7) The AFTRS Certified Agreement includes the following provision: The Director may authorise the
payment of reasonable additional dependant care costs resulting from a staff member’s conference
attendance or work related travel, subject to approval of costs being sought in advance. Staff are
expected to take all reasonable steps available to avoid/minimise such costs to the AFTRS.
(8) See response to Part (7).
(9) No
(10) N/A

AUSTRALIAN NATIONAL MARITIME MUSEUM
(1) No
(2) N/A
(3) N/A
(4) N/A
(5) N/A
(6) No
(7) N/A
(8) We subscribe to a Corporate Child Care Advisory Service which staff can approach for advice on
their specific needs etc.
(9) No
(10) No

AUSTRALIAN SPORTS ANTI DOPING AGENCY
(1) No
(2) N/A
(3) N/A
(4) NIL
(5) N/A
(6) No
(7) N/A (no reference to child-care arrangements in CA)
(8) NIL
AUSTRALIAN SPORTS COMMISSION

(1) Yes

(2) (a) (i) Long day care (ii) Yes

(b) (i) Equivalent of 42 – 44 full time places per week. (ii) Yes, it is available to the community

(iii) Yes. The facility has a preference schedule for access to the Centre.

The preference schedule is:

Priority 1: Working parents employed by ASC and/or AIS athletes.
Priority 2: Siblings of children who are attending the Centre.
Priority 3: Parents who are working, studying, returning to the workforce, or seeking employment.
Priority 4: Disabled child or parent.
Priority 5: Child at risk.
Priority 6: Other.

(c) A staff information sheet is provided as an attachment (Attachment B) which details information for new staff, including details related to childcare and salary sacrifice.

(3) Yes. The ASC Certified Agreement 2004-2007 states that “The other benefits which may be taken as part of a salary package include …. Childcare expenses associated with the ASC’s on-site centre or a centre operated by another Australian Government agency ….”

(4) Currently there are 27 ASC employees with salary sacrifice arrangements for childcare expenses.

(5) 27 employees use the on-site childcare facility.

(6) Currently no ASC employee has a salary-sacrifice agreement for childcare other than for the ASC’s on-site childcare centre.

(7) The ASC Certified Agreement 2004-2007 makes provision for child care under the section titled “Health, Safety and Work-Life Matters”. Clause 41 states:

“41 Child care

41.1 The parties to this Agreement regard the provisions of an on-site childcare facility as important in enhancing the working environment of the ASC. Employer-provided child care gives employees a choice that may assist them to manage and balance their work and family commitments. In order to best meet the stated needs of ASC employees, the centre, which provides long-day care for 0-5 year old children, will continue to be maintained on the AIS site in Canberra.”

(8) There is no financial assistance other than salary-sacrificed fees available to ASC employees.

(9) There are no records of the ASC seeking a ruling.

(10) The ASC has no arrangement with another Government agency to provide childcare services to ASC employees.

BUNDANON TRUST

(1) No

(2) N/A

(3) No

(4) Nil

(5) N/A
(6) N/A
(7) N/A
(8) N/A
(9) No
(10) N/A

**FILM AUSTRALIA LIMITED**
(1) No
(2) N/A
(3) No
(4) Nil
(5) N/A
(6) N/A
(7) N/A
(8) N/A
(9) No
(10) N/A

**FILM FINANCE CORPORATION**
(1) No
(2) N/A
(3) No
(4) Nil
(5) N/A
(6) N/A
(7) N/A
(8) N/A
(9) No
(10) N/A

**NATIONAL ARCHIVES OF AUSTRALIA**
(1) No
(2) N/A
(3) No
(4) Nil
(5) N/A
(6) N/A
(7) N/A
(8) N/A
(9) No
(10) N/A
### NATIONAL GALLERY OF AUSTRALIA

(1) No  
(2) N/A  
(3) No  
(4) Nil  
(5) N/A  
(6) N/A  
(7) N/A  
(8) N/A  
(9) No  
(10) N/A

### NATIONAL LIBRARY OF AUSTRALIA

(1) No  
(2) N/A  
(3) No  
(4) Nil  
(5) N/A  
(6) N/A  
(7) N/A  
(8) N/A  
(9) No  
(10) N/A

### NATIONAL MUSEUM OF AUSTRALIA

(1) No  
(2) N/A  
(3) Employees are given the option to salary sacrifice childcare expenses.  
(4) Nil  
(5) N/A – the Museum does not have an on-site childcare service.  
(6) Nil  
(7) The Museum’s Certified Agreement is available on its internet site at:  
   There are no specific provisions in the Agreement relating to childcare benefits, other than the  
   general provision authorising salary sacrificing under Clause 3.9.  
(8) Nil  
(9) No  
(10) No

### AUSTRALIA COUNCIL

(1) The Australia Council does not offer childcare to its employees.  
(2) N/A  
(3) N/A
(4) N/A
(5) N/A
(6) The Australia Council does not have a salary sacrifice agreement relating to childcare with employees.
(8) The Australia Council does not provide its employees with childcare assistance.
(9) The Australia Council has not sought any rulings from the ATO relating to childcare and fringe benefits tax.
(10) The Australia Council does not have arrangements with other Government agencies to provide childcare to employees.

**SBS**

(1) Yes
(2) (a) (i) long day care
      (b) Yes (i) 35 (ii) Yes (iii) Yes. 28 places reserved for SBS employees and 8 places reserved for children from families within the local community.
      (c) See Attachment C.
(3) Yes
(4) 26
(5) 26
(6) No
(7) SBS Certified Agreement Clause 12.3 Salary Packaging
   12.3.1. SBS may offer employees a salary package.
   12.3.2. A salary package involves employees agreeing to sacrifice a portion of their salary for non-cash benefits, consistent with SBS guidelines.
   12.3.3. Employees wishing to accept a salary packaging offer must pay for fringe benefits tax and the administrative costs associated with the salary package if the package involves payments that cannot be made through the SBS payroll system.
   12.3.4. Employees must obtain independent financial advice prior to accepting any salary package.
(8) Nil
(9) No
(10) No

**ABC**

(1) The ABC subsidises part of the maintenance of several buildings from which childcare centres operate, and subsidises part of the salary of one childcare worker, in exchange for a number of reserved childcare places for ABC employees.
(2) (a) The ABC, to the extent that it assists its employees with access to childcare, only participates in long day care.
(b) The ABC has a childcare centre located on the premises in Ultimo, Sydney and shares a childcare facility off site in Southbank, Melbourne (i) The ABC has access to 25 full-time childcare places out of a total of 45 places in Ultimo. At Southbank, Melbourne, 10 of 35 places are reserved for children of ABC employees. The ABC also has an agreement with the 3 UTS child-
care centres in Sydney to provide 24 ABC dedicated places out of a possible 60 places. (ii) Yes (iii) There are separate waiting lists for the childcare centres to ensure the ABC has access to the agreed number of places.

(c) The following information is available to ABC employees via the ABC intranet:

CHILD CARE INFORMATION

Sydney Centres
The ABC has arrangements with the Sydney-based childcare centres. The Inner City Child Care Centre located at the ABC Ultimo Centre has 24 reserved places for children of ABC employees.
The UTS centres located at Ultimo, Chippendale and Lindfield have 25 reserved places, across the three centres, for children of ABC employees.
Staff should contact the centres and place their child’s name on the waiting lists as soon as possible to secure a place on return to work.
All enquiries should be made directly with the centres.

Inner City Child Care Centre
Information regarding Inner City Child Care
Street Address: 700 Harris Street, Ultimo
Postal Address: PO Box 120 Broadway NSW 2007
Phone: (02) 8333 1114 Fax: (02) 8333 1663
e-mail: incc@auschild.org.au

Magic Pudding Child Care Centre
Magic Pudding website
Family Information Booklet
Waiting List Information Sheet
Enrolment Form
Application for Parent Membership of Association
Direct Debit Request Form
Street Address: 1 McKee Street Ultimo
Postal Address: PO Box 123, Broadway NSW 2007
Phone: (02) 8289 8400 Fax: (02) 9211 4394

Kids Campus Children’s Centre
Kids Campus website
Street Address: Eton Road Lindfield
Phone: (02) 9514 5105 Fax: (02) 9514 5132
e-mail: kids.campus@uts.edu.au

Blackfriars Children’s Centre
Blackfriars website
Street Address: Buckland Street Chippendale
Postal Address: PO Box 123, Broadway NSW 2007
Phone: (02) 9514 2960 Fax: (025) 9514 2961
Melbourne Centre

Defence and ABC Child Care Centre

Defence and ABC website
Street Address: Victoria Barracks, cnr Wells and Coventry Sts. St Kilda
Phone: (03) 9282 5009
email: defchildcare@iprimus.com.au

(3) The ABC has salary sacrifice arrangements in place with two childcare centres.
(4) Within the last 12 months, 31 ABC employees have accessed salary sacrifice arrangements for childcare.
(5) Of the 31 employees, 21 access on site childcare.
(6) The ABC, in an arrangement with the Department of Defence, shared the set-up costs of an off-site childcare centre, and a salary sacrificing arrangement is made available to ABC employees.
(7) There are no childcare benefit provisions within the certified agreements in the ABC.
(8) No other childcare assistance is available to employees of the ABC.
(9) The ABC has sought two private tax rulings from the ATO in relation to childcare and FBT. The first was in September 1994 and the second, in September 2004.
(10) Refer to the answer to Part (6).

META ALERT

(1) No
(2) N/A
(3) No
(4) N/A
(5) N/A
(6) N/A
(7) N/A
(8) N/A
(9) No
(10) No

TELESTRA

(1) Telstra does not offer childcare to employees.
(2) N/A.
(3) Telstra provides staff on AWA/Common Law Contracts the ability to salary package private childcare costs under our company salary packaging policy.
(4) At present 10 Telstra staff members salary sacrifice childcare fees.
(5) None.
(6) Telstra does not have on site childcare centres. Staff members who choose to salary sacrifice childcare fees therefore use independent child care centres. As noted in answer to part (4) above, there are currently 10 Telstra staff members who salary sacrifice childcare fees.
(7) N/A
(8) Nil
(9) Yes – in April 2003.
(10) N/A

AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY
(1) No
(2) N/A
(3) N/A
(4) N/A
(5) N/A
(6) N/A
(7) N/A
(8) N/A
(9) N/A
(10) N/A

AUSTRALIA POST
(1) No
(2) N/A
(3) N/A
(4) N/A
(5) N/A
(6) N/A
(7) N/A
(8) N/A
(9) N/A
(10) N/A

Attachment A

DCITA

CHILD AND DEPENDANT CARE

1 Where employees are required by the Department to be away from home outside normal working hours, the Secretary will reimburse reasonable costs in relation to additional family care arrangements, in cases of exceptional circumstances eg. required to travel with 24 hours or less notification.

Vacation Childcare Program

2 The Department will continue to provide subsidisation for Vacation Childcare programs during the life of this Agreement.
Attachment B

ASC

On Site Child Care Centre
AIS Caretakers Cottage Child Care
Address: Battye St, Bruce
Phone: (02) 6214 1905
Email: Childcare@ausport.gov.au
Location: Next Door to the Athletics Track
Operating Hours: 8.00 am till 6.00 pm Monday to Friday
Who can use the centre? Preference is given to ASC employees, however the centre is also open to the public.
What is the philosophy of the centre? The centre is a 31 place child care facility. It has been established to provide high quality care, in an environment which is welcoming, nurturing and educational for the children, parents and staff.
What is provided? Qualified and Experienced staff, All meals for the children, Pre-school Teacher, High quality care for children aged 0-5 years, Nappy service
What about the program? The program aims at meeting the individual needs of each child in our care. Focusing specifically on the social and emotional, cognitive, physical and communicative development of the children.
Extra Activities: Learn to swim and gymnastics Programs, Music Program

Salary Packaging At The ASC
• motor vehicles
• child care
• superannuation
• other FBT exempt items
Salary Packaging is allowable in accordance with the Certified Agreement. A maximum of 50% of gross salary may be sacrificed at any one time.
Salary packaging is only available to full time and part time employees.
Salary packaging is attractive because non cash benefit are paid for using pre tax dollars (gross dollars) rather than after tax dollars (net dollars).
The total employment cost of an individual must not increase. Fringe Benefits Tax (FBT) and administration fees are paid by the employee.
Salary packaging for items that attract full FBT is not permitted as there is no monetary advantage. For more information please contact Gordon Haughe in Human Resources, on Ph: 02 6214 1379

Attachment C

SBS

Do you have pre-school aged children in child care?
Have you thought about using the SBS Child Care Centre?
The SBS Certified Agreement allows SBS employees to package their salaries. This is of real benefit to Sydney SBS employees who use the SBS Child Care Centre.
What is Salary Packaging?
Salary Packaging refers to an arrangement between an employer and an employee to provide some salary as a “benefit” instead of cash. In most cases, the “benefit” is subject to Fringe Benefits Tax (FBT), which must be met from the employee’s overall remuneration. FBT is usually charged at the same rate as the top income tax rate.

Child care is a “benefit” that could be packaged and child care provided on SBS business premises for SBS employees does not attract FBT. So if an employee has a child using the SBS child care centre, their child care fees could be packaged, and no tax would be payable on these fees.

This gives significant benefits to the employee.

An Example
Here is an example of a full-time employee, paid at SBS Band 3 ($45,000 pa) who has their child in care 4 days per week at the SBS Centre. The fees at the Centre are $54 per day, or $432 per fortnight in this example.

Before Packaging

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<td>402.00</td>
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<td>less child care fees</td>
<td>432.00</td>
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<td>net cash</td>
<td>$891.24</td>
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After Packaging Child Care Fees

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<td>266.00</td>
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<td>$1,027.24</td>
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In this example, the employee who packages their child care fees only pays $266.00 per fortnight tax, instead of $402.00 tax. This employee would have an extra $136.00 cash each fortnight.

Another way of putting it is that packaging effectively brings the daily fees down to about $37.00 per day in this example.

If you are interested in finding out how packaging child care fees would work for you, call Simon Douglas-Robertson (ext 3647) or Krystyna Chawa (ext 3657) in Human Resources to make an appointment to talk about this.

SBS Child Care Centre
The SBS Child Care Centre provides high quality care for pre-school children aged from six weeks to six years. It is open between 8am and 7pm, Monday to Friday. All meals are provided for the children.

The Centre is run by experienced staff who are qualified in child care. Its aim is to provide a caring and educational environment for the children.

Please contact the Centre Director on extension 3189 to make an appointment to visit the Centre. Alison Lamaro can also assist if you would like to talk to another parent who is already using the Centre.

NH-90 Helicopter
(Question No. 3793)

Mr McClelland asked the Minister for Defence, in writing, on 8 August 2006:

In which countries is the NH-90 helicopter in service, and in each case, for how long has it been in service.
Dr Nelson—The answer to the honourable member’s question is as follows:
The NH90 is not yet in service with any country. Germany will accept its first aircraft on 8 September 2006 and will be the first nation to operate a qualified NH90 variant.

Even in August of 2004, when the Commonwealth decided to procure the Tactical Transport Helicopter version of the NH90, developmental work was complete. At that time, over 2,500 hours of test flying had been completed with five prototypes. By the end of 2004, NH90 were in production.

As indicated by Brigadier Patch on 31 May 2006 at the Senate Legislation Committee, we are buying an aircraft that is being purchased at this stage by 14 other nations. Our first aircraft will be the 51st off the production line. To date, Germany, Italy, Finland, Sweden and Greece have received NH90 aircraft and commenced either aircraft acceptance testing or operational test and evaluation. Twelve of the German aircraft will be delivered and operational before the first NH90 is delivered to Australia in December 2007.

Depleted Uranium
(Question No. 3816)

Mr Price asked the Minister Assisting the Minister for Defence, in writing, on 8 August 2006:

(1) Is depleted uranium ammunition being used by any coalition forces in Iraq; if so by whom.
(2) Is exposure to depleted uranium ammunition considered harmful; if so what are the details.
(3) Have any of the Australian Defence Force (ADF) personnel in Iraq been exposed to depleted uranium ammunition; if so, how many.
(4) Has the ADF developed any testing or protocols for dealing with ADF members who may have been exposed to depleted uranium ammunition; if so what are they; if not, why not.
(5) Do any of the coalition forces serving in Iraq have testing or protocols such as those referred to in part (3); if so, which forces.
(6) Has the ADF established a level at which exposure to depleted uranium ammunition is considered to be harmful to ADF members; if so what is the level, and how was it derived.

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

(1) and (5) This is a matter for our coalition partners and should be taken up with them.
(2) and (4) See the answer to Senate Question on Notice 1791, published in the Hansard on 9 August 2006.
(3) Where urinary uranium screening has been carried out, all results have been normal.
(6) Yes. The Australian Defence Force uses the community standard, which is 70 parts per trillion as measured in urinary uranium.

Energy Efficiency Opportunities
(Question No. 3903)

Mr Martin Ferguson asked the Minister for Industry, Tourism and Resources, in writing, on 10 August 2006:
At 1 July 2006, which corporations are required to make regular assessments of Energy Efficiency Opportunities.

Mr Ian Macfarlane—The answer to the honourable member’s question is as follows:
Under the Energy Efficiency Opportunities legislation all corporations that use greater than 0.5 peta-joules of energy in 2005/06 must register their intention to undertake assessments for the program by 31 March 2007.

On the basis of Australian Bureau of Statistics data (Energy Survey 2001-02) and industry consultations, the Department of Industry, Tourism and Resources estimates that between 250 – 300 corporations will register for the program. These corporations will come from the manufacturing, mining, commercial and transport sectors, and together will account for around 60% of all business energy use.

The identity of companies required to undertake assessments of their energy efficiency opportunities will not be made public until a corporation formally registers with the program.

**Australian Defence Force**

(Question No. 3933)

Mr Bevis asked the Minister for Defence, in writing, on 15 August 2006:

1) Since the deployment of Australian Defence Force (ADF) personnel to Afghanistan in 2002, how many Australian Defence personnel have been (a) injured or (b) killed.

2) Of the ADF personnel identified in part (1), how many were injured or killed as a result of (a) action by enemy combatants, (b) training incidents or (c) action by an ally.

Dr Nelson—The answer to the honourable member’s question is as follows:

1) (a) and (b) Since February 2002, there have been 30 casualties (injuries) reported including one death.

2) (a) 15, including the one death. (b) 15. (c) None.

**Australian Defence Force**

(Question No. 3962)

Ms George asked the Minister for Defence, in writing, on 16 August 2006:

In respect of the Prime Minister’s statement that the nation should “expect casualties” in East Timor, will the Government reconsider its current position that Australian Defence Force personnel currently deployed in East Timor are not considered to be involved in “hazardous duty”; if not, why not.

Dr Nelson—The answer to the honourable member’s question is as follows:

Operation ASTUTE has been classified non-warlike following an assessment of both the military and environmental threats to Australian Defence Force (ADF) personnel in Timor-Leste. Non-warlike operations can encompass duties exposing individuals or units to a degree of hazard above and beyond that of normal peace-time duties.

Unlike previous ADF involvement in East Timor, there is no identified threat of deliberate targeting of ADF personnel by factional groups, gangs or individuals. Should the threat change, an immediate nature of service review will be conducted.