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SITTING DAYS—2006

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>7, 8, 9, 13, 14, 15, 16, 27, 28</td>
</tr>
<tr>
<td>March</td>
<td>1, 2, 27, 28, 29, 30</td>
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<td>May</td>
<td>9, 10, 11, 22, 23, 24, 25, 29, 30, 31</td>
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<td>June</td>
<td>1, 13, 14, 15, 19, 20, 21, 22</td>
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<td>August</td>
<td>8, 9, 10, 14, 15, 16, 17</td>
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<tr>
<td>September</td>
<td>4, 5, 6, 7, 11, 12, 13, 14</td>
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<td>October</td>
<td>9, 10, 11, 12, 16, 17, 18, 19, 30, 31</td>
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<tr>
<td>November</td>
<td>1, 2, 27, 28, 29, 30</td>
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<tr>
<td>December</td>
<td>4, 5, 6, 7</td>
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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

<table>
<thead>
<tr>
<th>Member</th>
<th>Division</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abbott, Hon. Anthony John</td>
<td>Warringah, NSW</td>
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<tr>
<td>Adams, Hon. Dick Godfrey Harry</td>
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<td>Albanese, Anthony Norman</td>
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<td>Anderson, Hon. John Duncan</td>
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<td>Bird, Sharon</td>
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<td>Kalgoorlie, WA</td>
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<td>Hall, Jill Griffths</td>
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<td>Moreton, Qld</td>
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<td>Cowper, NSW</td>
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<tr>
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<td>Blaxland, NSW</td>
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<td>Hawker, Hon. David Peter Maxwell</td>
<td>Wannon, Vic</td>
<td>LP</td>
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<tr>
<td>Hayes, Christopher Patrick</td>
<td>Werriwa, NSW</td>
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<td>Hasluck, WA</td>
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<td>North Sydney, NSW</td>
<td>LP</td>
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<td>Howard, Hon. John Winston</td>
<td>Bennelong, NSW</td>
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<td>Riverina, NSW</td>
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<td>Flinders, Vic</td>
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<td>Fowler, NSW</td>
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<td>Tangney, WA</td>
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<td>Ryan, Qld</td>
<td>LP</td>
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<td>Jull, Hon. David Francis</td>
<td>Fadden, Qld</td>
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<td>Kelly, Hon. Jacqueline Marie</td>
<td>Lindsay, NSW</td>
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<td>Ballarat, Vic</td>
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<td>Bowman, Qld</td>
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<td>Farrer, NSW</td>
<td>LP</td>
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<td>Capricornia, Qld</td>
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<td>LP</td>
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<td>Jagajaga, Vic</td>
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<td>LP</td>
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<td>McClelland, Robert Bruce</td>
<td>Barton, NSW</td>
<td>ALP</td>
</tr>
</tbody>
</table>
Members of the House of Representatives

<table>
<thead>
<tr>
<th>Member</th>
<th>Division</th>
<th>Party</th>
</tr>
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<td>Fraser, ACT</td>
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<td>Banks, NSW</td>
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<td>Mirabella, Sophie</td>
<td>Indi, Vic</td>
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<td>Pearce, WA</td>
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<td>ALP</td>
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<td>Bradfield, NSW</td>
<td>LP</td>
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<td>ALP</td>
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<td>Chifley, NSW</td>
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</tbody>
</table>
Members of the House of Representatives

<table>
<thead>
<tr>
<th>Member</th>
<th>Division</th>
<th>Party</th>
</tr>
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<td>Vasta, Ross Xavier</td>
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<td>Wakelin, Barry Hugh</td>
<td>Grey, SA</td>
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<td>Washer, Malcolm James</td>
<td>Moore, WA</td>
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</tr>
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<td>Wilkie, Kim William</td>
<td>Swan, WA</td>
<td>ALP</td>
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<td>Windsor, Antony Harold Curties</td>
<td>New England, NSW</td>
<td>Ind</td>
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<tr>
<td>Wood, Jason Peter</td>
<td>La Trobe, Vic</td>
<td>LP</td>
</tr>
</tbody>
</table>

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

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

Prime Minister  The Hon. John Winston Howard MP
Minister for Trade and Deputy Prime Minister  The Hon. Mark Anthony James Vaile MP
Treasurer  The Hon. Peter Howard Costello MP
Minister for Transport and Regional Services  The Hon. Warren Errol Truss MP
Minister for Defence  The Hon. Dr Brendan John Nelson MP
Minister for Foreign Affairs  The Hon. Alexander John Gosse Downer MP
Minister for Health and Ageing and Leader of the House  The Hon. Anthony John Abbott MP
Attorney-General  The Hon. Philip Maxwell Ruddock MP
Minister for Finance and Administration, Leader of the Government in the Senate and Vice-President of the Executive Council  Senator the Hon. Nicholas Hugh Minchin
Minister for Agriculture, Fisheries and Forestry and Deputy Leader of the House  The Hon. Peter John McGauran MP
Minister for Immigration and Multicultural Affairs  Senator the Hon. Amanda Eloise Vanstone
Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues  The Hon. Julie Isabel Bishop MP
Minister for Families, Community Services and Indigenous Affairs and Minister Assisting the Prime Minister for Indigenous Affairs  The Hon. Malcolm Thomas Brough MP
Minister for Industry, Tourism and Resources  The Hon. Ian Elgin Macfarlane MP
Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service  The Hon. Kevin James Andrews MP
Minister for Communications, Information Technology and the Arts and Deputy Leader of the Government in the Senate  Senator the Hon. Helen Lloyd Coonan
Minister for the Environment and Heritage  Senator the Hon. Ian Gordon Campbell

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

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<tr>
<th>Role</th>
<th>Leader</th>
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<tbody>
<tr>
<td>Leader of the Opposition</td>
<td>The Hon. Kim Christian Beazley MP</td>
</tr>
<tr>
<td>Deputy Leader of the Opposition and Shadow Minister for Education, Training, Science and Research</td>
<td>Jennifer Louise Macklin MP</td>
</tr>
<tr>
<td>Leader of the Opposition in the Senate, Shadow Minister for Indigenous Affairs and Shadow Minister for Family and Community Services</td>
<td>Senator Christopher Vaughan Evans</td>
</tr>
<tr>
<td>Deputy Leader of the Opposition in the Senate and Shadow Minister for Communications and Information Technology</td>
<td>Senator Stephen Michael Conroy</td>
</tr>
<tr>
<td>Shadow Minister for Health and Manager of Opposition Business in the House</td>
<td>Julia Eileen Gillard MP</td>
</tr>
<tr>
<td>Shadow Treasurer</td>
<td>Wayne Maxwell Swan MP</td>
</tr>
<tr>
<td>Shadow Attorney-General</td>
<td>Nicola Louise Roxon MP</td>
</tr>
<tr>
<td>Shadow Minister for Industry, Infrastructure and Industrial Relations</td>
<td>Stephen Francis Smith MP</td>
</tr>
<tr>
<td>Shadow Minister for Foreign Affairs and Trade and Shadow Minister for International Security</td>
<td>Kevin Michael Rudd MP</td>
</tr>
<tr>
<td>Shadow Minister for Defence</td>
<td>Robert Bruce McClelland MP</td>
</tr>
<tr>
<td>Shadow Minister for Regional Development</td>
<td>The Hon. Simon Findlay Crean MP</td>
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<tr>
<td>Shadow Minister for Primary Industries, Resources, Forestry and Tourism</td>
<td>Martin John Ferguson MP</td>
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<tr>
<td>Shadow Minister for Environment and Heritage, Shadow Minister for Water and Deputy Manager of Opposition Business in the House</td>
<td>Anthony Norman Albanese MP</td>
</tr>
<tr>
<td>Shadow Minister for Housing, Shadow Minister for Urban Development and Shadow Minister for Local Government and Territories</td>
<td>Senator Kim John Carr</td>
</tr>
<tr>
<td>Shadow Minister for Public Accountability and Shadow Minister for Human Services</td>
<td>Kelvin John Thomson MP</td>
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<tr>
<td>Shadow Minister for Finance</td>
<td>Lindsay James Tanner MP</td>
</tr>
<tr>
<td>Shadow Minister for Superannuation and Intergenerational Finance and Shadow Minister for Banking and Financial Services</td>
<td>Senator the Hon. Nicholas John Sherry</td>
</tr>
<tr>
<td>Shadow Minister for Child Care, Shadow Minister for Youth and Shadow Minister for Women</td>
<td>Tanya Joan Plibersek MP</td>
</tr>
<tr>
<td>Shadow Minister for Employment and Workforce Participation and Shadow Minister for Corporate Governance and Responsibility</td>
<td>Senator Penelope Ying Yen Wong</td>
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(The above are shadow cabinet ministers)
**SHADOW MINISTRY—continued**

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

ix
CONTENTS

MONDAY, 11 SEPTEMBER

CHAMBER

Delegation Reports—
Parliamentary Delegation to the Republic of Trinidad and Tobago and the United States of America and Official Visit to Canada by the President of the Senate ........................................ 1

Committees—
Intelligence and Security Committee—Report ................................................................. 2
Migration Committee—Report ......................................................................................... 5

Main Committee—
Migration Committee—Reference ................................................................................. 8

Private Members’ Business—
Hawkesbury-Nepean River System .................................................................................. 8
International Day of Peace ............................................................................................... 16

Statements by Members—
RAAF Base Williams ......................................................................................................... 21
Small Business ................................................................................................................ 21
Network Ten .................................................................................................................. 22
Green Corps ................................................................................................................... 22
Prospect Electorate: Pemulwuy Postbox ........................................................................ 22
Energy ............................................................................................................................ 23
Medicare ........................................................................................................................ 23
Mona Russell ................................................................................................................... 23
German Immigrants ......................................................................................................... 24
Housing ........................................................................................................................... 24
Cross-Media Ownership Rules ......................................................................................... 25

United States of America: Terrorist Attacks ...................................................................... 25

Questions Without Notice—
Interest Rates .................................................................................................................. 27
Workplace Relations ....................................................................................................... 28

Distinguished Visitors .................................................................................................... 28

Questions Without Notice—
Workplace Relations ..................................................................................................... 28

Distinguished Visitors .................................................................................................... 29

Questions Without Notice—
Workplace Relations ..................................................................................................... 29

Afghanistan .................................................................................................................... 30

Distinguished Visitors .................................................................................................... 31

Questions Without Notice—
Workplace Relations ..................................................................................................... 32

Defence .......................................................................................................................... 33
Interest Rates .................................................................................................................. 34
National Security ........................................................................................................... 35
Housing ........................................................................................................................... 35
Agricultural Exports ....................................................................................................... 36
Interest Rates .................................................................................................................. 37

Health ............................................................................................................................. 37
Climate Change .............................................................................................................. 38
Workplace Relations ..................................................................................................... 39

Climate Change ............................................................................................................ 40
<table>
<thead>
<tr>
<th>CONTENTS—continued</th>
</tr>
</thead>
<tbody>
<tr>
<td>Superannuation: .......................................................................................................................... 40</td>
</tr>
<tr>
<td>Questions to the Speaker— Mr Peter Brock AM ................................................................. 41</td>
</tr>
<tr>
<td>Personal Explanations: ................................................................................................................. 41</td>
</tr>
<tr>
<td>Questions to the Speaker— Personal Explanations ........................................................................ 42</td>
</tr>
<tr>
<td>Petitions— Human Rights: Falun Gong ...................................................................................... 43</td>
</tr>
<tr>
<td>Workplace Relations......................................................................................................................... 43</td>
</tr>
<tr>
<td>Free-to-Air Television and Radio ................................................................................................. 43</td>
</tr>
<tr>
<td>Western Australia: Proposed Nuclear Reactor ............................................................................ 44</td>
</tr>
<tr>
<td>Middle East Conflict ...................................................................................................................... 44</td>
</tr>
<tr>
<td>Adelong Pharmacy .......................................................................................................................... 44</td>
</tr>
<tr>
<td>Australian Broadcasting Corporation: Classic FM ........................................................................ 44</td>
</tr>
<tr>
<td>Dental Health ................................................................................................................................ 45</td>
</tr>
<tr>
<td>Tiwi Land Council: Mr John Hicks ............................................................................................... 45</td>
</tr>
<tr>
<td>Immigration Detention Centres .................................................................................................... 45</td>
</tr>
<tr>
<td>Whaling ........................................................................................................................................... 46</td>
</tr>
<tr>
<td>Workplace Relations......................................................................................................................... 46</td>
</tr>
<tr>
<td>Questions to the Speaker— Petitions ................................................................................................ 46</td>
</tr>
<tr>
<td>Private Members’ Business— Housing .......................................................................................... 47</td>
</tr>
<tr>
<td>Organ Donation ............................................................................................................................... 54</td>
</tr>
<tr>
<td>Grievance Debate— Disability Services ...................................................................................... 61</td>
</tr>
<tr>
<td>National Security .............................................................................................................................. 64</td>
</tr>
<tr>
<td>Interest Rates ................................................................................................................................. 66</td>
</tr>
<tr>
<td>Water ............................................................................................................................................ 69</td>
</tr>
<tr>
<td>Opinion Polls ................................................................................................................................. 72</td>
</tr>
<tr>
<td>Narranga Primary School .............................................................................................................. 74</td>
</tr>
<tr>
<td>Port Kembla Steelworks .................................................................................................................. 77</td>
</tr>
<tr>
<td>Bass Electorate: Employment ....................................................................................................... 79</td>
</tr>
<tr>
<td>Personal Explanations .................................................................................................................... 81</td>
</tr>
<tr>
<td>Civil Aviation Legislation Amendment (Mutual Recognition with New Zealand) Bill 2005— Report from Main Committee ........................................................................................................... 81</td>
</tr>
<tr>
<td>Third Reading ................................................................................................................................. 82</td>
</tr>
<tr>
<td>International Tax Agreements Amendment Bill (No. 1) 2006, Tax Laws Amendment (Repeal of Inoperative Provisions) Bill 2006 and Privacy Legislation Amendment Bill 2006— Returned from the Senate ................................................................................................................................. 82</td>
</tr>
<tr>
<td>Independent Contractors Bill 2006 and Workplace Relations Legislation Amendment (Independent Contractors) Bill 2006— Second Reading ................................................................................................................................. 82</td>
</tr>
<tr>
<td>Adjournment— Mr Peter Brock AM ............................................................................................ 129</td>
</tr>
<tr>
<td>Greenway Electorate: Rural Landholders.................................................................................... 130</td>
</tr>
<tr>
<td>Australian Muslim Community ..................................................................................................... 132</td>
</tr>
<tr>
<td>Mr Aaron Cadd .............................................................................................................................. 133</td>
</tr>
</tbody>
</table>
CONTENTS—continued

Ansett Australia ............................................................................................................... 134
Port Wakefield ................................................................................................................. 135
Media Ownership ............................................................................................................. 136
Notices ........................................................................................................................ ........... 137

MAIN COMMITTEE
Committees—
  Migration Committee—Report ................................................................................ 140
Ministerial Statements—
  Energy Initiatives ........................................................................................................ 142
Local Government ............................................................................................................... 153
Distinguished Visitors ......................................................................................................... 157
Local Government ............................................................................................................... 157

QUESTIONS IN WRITING
  Visas—(Question No. 3476) ............................................................................................ 167
Monday, 11 September 2006

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

DELEGATION REPORTS
Parliamentary Delegation to the Republic of Trinidad and Tobago and the United States of America and Official Visit to Canada by the President of the Senate

Mr. SCHULTZ (Hume) (12.31 pm)—I present the report of the Australian Parliamentary Delegation to the Republic of Trinidad and Tobago and the United States of America from 11 to 23 July 2006 and the report on the official visit to Canada by the President of the Senate from 23 to 28 July 2006.

It is with a great deal of pleasure that I rise to present the report of the parliamentary delegation. That is because the delegation, which was a joint delegation with the Hon. Paul Calvert, the President of the Senate, was one of those delegations that you always seemed to be happy with as an individual member. The delegation consisted of Senator the Hon. Bill Heffernan; Senator John Hogg, the Deputy President of the Senate; Steve Fielding, Leader of the Family First Party; Mr. Steve Ciobo, member of the House of Representatives; and me. I also must not fail to mention Senator George Campbell.

Not only was the delegation well received both in Trinidad and Tobago and in the US but, more importantly, it was gratefully acknowledged by all of those people who met the delegation that it was an excellent bipartisan delegation, with all members working together to ensure that the learning that was there to be obtained was maximised in a bilateral economic relationship and that future prospects were enhanced. It was the first Australian parliamentary delegation to Trinidad and Tobago, where we were welcomed with enthusiasm and warmth. Links were forged with the members of the Trinidad and Tobago parliament, and a greater understanding was gained from the perspectives of Australia and of Trinidad and Tobago.

I wish to express the appreciation of all members of the delegation for the professional guidance and support given by High Commissioner John Michell and his wife, Suzanne. In the United States we were greatly assisted by Mr. Rene Reinhart, Director of Consular Affairs, and Chris Benscher, Congressional Liaison Officer. We had a significant number of productive meetings. We also had one with the Ambassador to the UN, the Hon. Robert Hill, a former senator of this great place.

We got to know and meet with a significant number of Australian business men and women, both in Trinidad and Tobago and in the US. The issue of Australian export commodities cropped up from time to time. I was pleased to hear, because of the Tasmanian senators there, that, although it has not been officially recognised, the contract for one of those beautiful boats that are being built in Tasmania has been signed off on for the Trinidad and Tobago government.

I also took the opportunity, with Senator Heffernan, to meet with the United States Department of Agriculture to talk about a number of issues centred around the problems with wheat and, more importantly, some of the other issues centred around Australia’s contribution to bailing out the almond industry in the United States, as an example, by exporting millions and millions of honey bees, which has been the subject of some local discussion and media coverage in the past five or six months in Australia. So it was very constructive overall.

Just as an aside, we had the pleasure of meeting Senator Teddy Kennedy when we were coming out of the JFK memorial library in Boston. And, lo and behold, when we
were going from New York to Washington DC in the train, who should be sitting beside us and whom we were chuffed to be talking to but Henry Kissinger! So, from a historical perspective, this delegation was very constructive.

Can I compliment the Usher of the Black Rod in the Senate in particular and Mr Don Morris, the private secretary to the President of the Senate, for the significant contribution that they made in a very, very busy schedule that was put together by them. The contribution that they made ensured that anything we did was done professionally. *(Time expired)*

**COMMITTEES**

**Intelligence and Security Committee**

Mr JULL (Fadden) (12.36 pm)—On behalf of the Parliamentary Joint Committee on Intelligence and Security, I present the annual report of committee activities 2005-06.

Ordered that the report be made a parliamentary paper.

Mr JULL—Section 31 of the Intelligence Services Act 2001 requires the Joint Parliamentary Committee on Intelligence and Security to report to the parliament annually on the committee’s activities during the previous year. I present the following report as a fulfilment of that requirement. This process is an opportunity for the committee to inform the parliament of the committee’s work in a consolidated form. It is also an opportunity for the committee to review its own work and to review the act as it affects the committee’s operations. The Intelligence Services Act is a relatively new one, having been passed in 2001. The committee has been in place since March 2002.

Over that time, the work of the committee has evolved and grown because of the nature of the times. Each year the committee has found itself with a steady stream of legislative review and reviews of proscriptions, as well as its core requirement of scrutinising the administration and expenditure of the intelligence agencies. The breadth of the oversight task has also grown because of the inclusion in the last year of three additional agencies to the responsibility of the committee. The committee is still in the process of establishing its procedures and practices as far as the oversight of administration and expenditure is concerned. This report canvasses some of the complexities that the committee faces in managing its responsibilities. However, this is a work in progress, and future annual reports will no doubt continue to examine the challenges faced by a committee such as this one.

This last year saw amendments to the Intelligence Services Act which changed the committee’s name from the Joint Committee on ASIO, ASIS and DSD to the Joint Committee on Intelligence and Security. This reflected the fact that, on the recommendation of the Flood inquiry in 2004, the committee’s responsibilities for oversight had increased to include all six intelligence agencies—ASIO, ASIS, DSD, DIO, DIGO and ONA. The size of the committee was increased from seven to nine members, with the addition of a new opposition senator and a new government member of the House. A position of deputy chair was also created, and the committee now has the capacity to form subcommittees, should the pressure of work dictate the need for them.

In the last year, the committee tabled six reports: four reviews of terrorist listings and two reviews of legislation, one being a major review of ASIO’s questioning and detention powers. In addition, the committee has conducted a review of the recruitment and training procedures of all six of the intelligence agencies, although this report was tabled outside the reporting period for this report. The committee also has a program of regular
private briefings involving the directors of the agencies, the Inspector-General of Intelligence and Security, and visitors—overseas counterpart committees or specialists. Details of all these activities are listed in this report.

The committee has chosen to highlight three issues of procedural and practical interest in this report. The first affected the conduct of the inquiry into ASIO’s questioning and detention powers. The committee sought clarification of its powers in relation to the calling of witnesses who might have been associated with the operation of the powers under division 3 of part III of the act. Such people are subject to strict secrecy provisions under the ASIO Act. Nevertheless, the committee has a statutory obligation under the Intelligence Services Act to review the operations of the provisions. The committee sought to conduct as thorough a review as possible while not exposing individuals wishing to give evidence to any serious legal ramifications. Advice received from Mr Bret Walker SC affirmed the rights and protections of witnesses to give evidence to the inquiry so long as the provisions of the Intelligence Services Act for the taking of sensitive evidence were observed.

The second issue related to the preservation of archival copies of classified documents within the committee’s own records—a matter that would require amendment to the Intelligence Services Act. Finally, the committee remains concerned about the application of the non-disclosure provisions of sections 6 and 7 of the Intelligence Services Act. These blanket provisions which require a series of permissions for both the taking of evidence and clearances for reports have been brought into prominence by the increasing role of the committee in legislative review. This is a process which does not necessarily involve national security information and more approximates normal parliamentary processes. The committee believes there may be scope for a refinement of sections 6 and 7 to accommodate what are unforeseen circumstances in the work of the committee.

I commend the report to the House.

Mr Byrne (Holt) (12.41 pm)—I would also like to speak on the annual report of committee activities of the Joint Parliamentary Committee on Intelligence and Security. As outlined by the chair of the committee, the Intelligence Services Act 2001 requires that the Joint Parliamentary Committee on Intelligence and Security report to this parliament annually on the committee’s activities the previous year. It is worth bearing in mind when considering this report that this committee is relatively new, having commenced in about March 2002, and that it has dealt with continued referrals of security legislation review and review of proscriptions, in addition to the scrutiny of the administration and expenditure of intelligence agencies.

It is also important to note that this committee operates on a bipartisan basis. It is my observation, and that of the committee, as reflected in this report, that this committee has been dealing with the dilemmas of all committees which oversee intelligence agencies—that is, the tension between proper scrutiny that would be required in a functioning, vibrant democracy like Australia and the protection of national security information. As stated in the report, the committee has always sought to provide the maximum reporting to the parliament and to preserve the optimum powers and privileges of parliament consistent with its national security obligations.

In particular, last year saw amendments to the Intelligence Services Act which changed the committee’s name from the Joint Committee on ASIO, ASIS, and DSD to the Joint Committee on Intelligence and Security. This change, implementing one of the key recommendations of the Flood inquiry, in-
creased the committee’s oversight to include all six intelligence agencies—ASIO, ASIS, DSD, DIO, DIGO and ONA. As the chair has stated, the committee has increased in size from seven to nine members, with the addition of a new opposition member and a new government member of the House. A position of deputy chair has been created, to which I have had the honour of being appointed, and the committee now has the capacity to form subcommittees, should they be required due to workload constraints.

As also detailed, the committee tabled six reports: four reviews of terrorist listings and two reviews of legislation, one being a review of ASIO’s questioning and detention powers. I will comment on this particular review of the committee. It made a series of 19 recommendations relating to the clarity of the legal framework, the transparency of procedures, particularly some limitations on the secrecy provisions, and improved process—rights to legal representation and the supervision of the process by the prescribed authority. The committee noted that, whilst the regime established by division 3 of part III of the ASIO Act had been administered in a professional way, there could be improvements given the extraordinary nature of the powers conferred to the security agencies by this particular provision.

One issue in particular was the committee’s view that a sunset clause for these powers must remain, although the period recommended was 5½ years. It is interesting to note that the government disagreed with nine of the 19 recommendations arrived at by this bipartisan committee, particularly the recommendation relating to the sunset clause. The government inserted a 10-year sunset clause instead of the committee’s recommendation, so the next review of this very controversial legislation will occur in 2016.

It is my view, given that this committee does operate on a bipartisan basis, that the rejection of this particular recommendation was short-sighted and ignored the experience of this committee, which has a proven track record of improving security legislation that it has been asked to review and in providing the right balance between effective legislation and appropriate legislative protections to the Australian community.

In addition, the committee has conducted a review of the recruitment and training procedures of all six intelligence agencies. The procedural issues highlighted in the annual report are also worth mentioning. The first, relating to the conduct of the inquiry into ASIO’s questioning and detention powers, has just been dealt with by the chair. The other issues, relating to the preservation of archived documents and classified documents with which committee members were working, are of some concern and may require an amendment to the Intelligence Services Act in order for the committee to appropriately discharge its duties. Additionally, as mentioned by the chair of the committee, concerns remain about the application of the non-disclosure provisions of sections 6 and 7 of the Intelligence Services Act.

I would comment on the application of section 7, where in some cases the government or government agencies have the capacity to veto the committee reporting of any matter that they determine as relating to national security or prejudicial to Australia’s foreign relations. In my view this section is very broad and it could be argued that, if inappropriately applied, it could operate as an impingement on this committee’s capacity to appropriately report on mandated matters to the Australian parliament. The committee has sought modification to this clause with the government without success to date.
In closing, I would like to thank the hard-working staff of the committee secretariat, including the secretary, Ms Margaret Swieringa, the inquiry secretary, Ms Jane Hearn, research officer Dr Cathryn Ollif and executive assistant Mrs Donna Quintus-Bosz. I certainly recommend this report to the House.

Migration Committee

Mr RANDALL (Canning) (12.46 pm)—On behalf of the Joint Standing Committee on Migration, I present the committee’s report, entitled *Negotiating the maze: review of arrangements for overseas skills recognition, upgrading and licensing*, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be made a parliamentary paper.

Mr RANDALL—by leave—Skilled migration is the subject of much comment in the Australian community. There is concern that the level of skills of those coming into the country is not equivalent to Australian quality and safety standards and that lower skilled workers are being used to undercut the wages of existing workers. People need to know that Australia’s skills recognition system is fair and well managed. A strong commitment to local workers and improving the skill levels of our current workforce is essential. However, skilled migration is an additional method of addressing the immediate skills shortages facing Australia.

Australia currently needs overseas trained workers such as doctors, engineers, electricians and plumbers. An overly bureaucratic system that impedes the timely arrival of much needed skilled labour does not assist industry in providing economic growth for Australia. Anecdotal evidence from my own state, for example, suggests that a lack of skilled workers is having a serious impact on plans for a number of major mining ventures. For all of these reasons, this was a very timely inquiry for the committee to undertake. The current picture is complex and a number of witnesses likened the task of navigating Australia’s skills recognition system to trying to find their way through a maze. If they started in the wrong place, they might find themselves lost in a bureaucratic muddle, unable to go forward or back.

I want to highlight four areas that were of particular interest to the committee. Firstly, the report looks at how Australia’s skills recognition and licensing arrangements can be streamlined and simplified. The committee’s recommendations combine with recent Council of Australian Governments initiatives to create a more streamlined framework for the future. The committee supports COAG’s initiative for the creation of national skills assessment and registration bodies for the health profession. For the non-health professions, the committee recommends continuation of existing arrangements but with improved monitoring by the Department of Education, Science and Training.

For the trades, the committee strongly supports COAG’s push for more effective mutual recognition arrangements between the states and territories and new offshore assessment processes for trades in demand. However, the committee highlights the need for an accelerated time frame for these arrangements and recommends a tripartite review of the initiative. The committee also recommends that the Tradesmen’s Rights Regulation Act 1946 be repealed and that Trades Recognition Australia confine its activities to international assessment of overseas qualifications, with the states and territories to take on the domestic trades assessment role.

Secondly, the report examines how Australia’s skills recognition procedures can be
improved. As the committee heard during the inquiry, many migrants have been frustrated by a lack of information on skills recognition processes, the gap between migration assessment and employment assessment, the cost of skills assessments and the time taken to complete assessment processes.

The committee was concerned, for example, to hear the account of a physiotherapist who sought overseas skills recognition through the relevant assessment authority. The process took two years, including three attempts at a written exam costing $1,100 each time. In one particular year, 11 out of 76 candidates passed the written exam. When questions from the test were put to some Australian physiotherapists, they admitted that they could not answer many of them. The committee has responded to these concerns with a series of recommendations.

Thirdly, another question facing the committee was how the process of trades recognition and licensing could be fast-tracked without detriment to the skills levels of trades. The ideal situation would be for skilled migrants to arrive in Australia job ready and able to enter the workforce in particular occupations without further delay and for there to be a uniform licensing system across Australia. As already discussed, the committee therefore supports recent COAG initiatives in this area.

The committee also had serious concerns about the performance of Trades Recognition Australia—or TRA, as it is known. This was a strong theme in evidence to the inquiry with comments about the lengthy processing times, closure of TRA state offices in Brisbane, Adelaide, Perth and Tasmania and restricted telephone contact hours. Inconsistencies in assessment outcomes were also raised. It is to be said that TRA did lift its game part way through the inquiry in response to the committee’s scrutiny. The committee hopes that TRA continues to improve its performance.

Finally, another issue facing the committee was what can be done to make sure that the qualifications of overseas trained doctors are properly assessed. The Australian Medical Council’s comments to the committee about overseas trained doctors were of great concern. Mr Speaker, as I am out of time and it is relevant to the report, I seek leave to table the remainder of my speech.

Leave granted.

Dr LAWRENCE (Fremantle) (12.52 pm)—I would like to commend the recommendations of the committee to the government as sensible, moderate and affordable, and I hope that they do not meet the same fate as some previous inquiries’ recommendations. One of the things that comes out of the committee and demands further investigation is the abuse of 457 visas. I draw attention to this problem because of the government’s apparent refusal to refer the 457 visa scheme to the Senate Legal and Constitutional Committee for investigation and because of recent reports of further abuses of the 457 visa. I think it is vital that all aspects of the temporary skilled migration process come to light in one or another.

The impact of 457s on the Australian community has been hotly debated, and rightly so, but the debate usually centres on the use of temporary labour to drive down wages—the gazetted pay rate for temporary skilled workers is often below the market rate, as we have heard—and on the existence of an experienced temporary workforce that could reduce the incentive to train Australians. These are very important issues and deserve the attention of this parliament.

But what has received little coverage or debate is the plight of the foreign workers themselves and the kind of behaviour that Australian employers are engaging in to-
wards their non-Australian employees. The first thing that should be noted is that, while the Howard government has talked up the importance of migrants learning English for assimilation purposes, there is no requirement for workers coming into Australia under the 457 visa scheme to have any functional let alone vocational English—and that certainly came to light in the committee’s investigations. DIMA, indeed, was unable to tell our committee how the possession of adequate English language skills for 457 visa applicants and others was assessed. As a consequence, the committee recommended that a minimum standard of vocational English should be required and that DIMA be required to specify precisely how language proficiency is to be assessed and subject such processes to independent evaluation.

I think all of us in this parliament are aware of recent reports of a construction site where none of the Chinese workers could speak English, read safety signs or follow emergency procedures. This is surely alarming, particularly for the workers themselves. The fact that many temporary workers have no English raises the issue of whether they understand their rights and their employer’s obligations—and, indeed, whether they are open to being exploited.

A case has come to my attention of a Korean family living in my electorate who were induced into coming to Australia by their prospective employer promising them permanent residency—as many of them are. On arrival, the husband was paid much less than originally promised and was frightened into silent compliance by a fellow countryman being sacked by the same employer after he complained about his working conditions. This family have no English and my office needs to use a translator to communicate with them. They have four children, one of whom is an epileptic and requires constant medical care. Whilst this family understood that it was their responsibility to take out private medical insurance to cover their stay, no-one explained to them that there is a one-year waiting period before they can make a claim. They are now experiencing great difficulty in paying for medication, as the husband’s wages are fixed for the contract period. Neither do they understand how the school system works, at what ages their children can enrol and how to go about enrolling them. They were not eligible for any government sponsored English lessons, and the only way they were getting by was with the assistance of a concerned neighbour. These are serious problems.

The husband, the breadwinner, did not know how to approach his employer to ask about his conditions of employment. He had seen many colleagues scared into submission and was not about to jeopardise the future of his family in order to question his working conditions. The family had sold everything in Korea for the promise of a life in Australia. They live in the hope that they can secure a new sponsor, which is why I am not naming the family at this stage—I do not want to jeopardise their future.

The family were told that if they had to return to Korea they would have to fund their own expenses. While it is the employer’s obligation to ensure that the cost of travel for an employee to return to their home country is met, DIMA has advised my office that there is no way it can actually enforce this obligation. Furthermore, it said that, if the government were forced to pay for these airfares, the employee and not the employer would have a debt to the Commonwealth, which the employee would have to pay if they ever wanted to return to Australia. It is a catch-22 situation.

This raises the issue of whether the government is serious in treating employer non-compliance with visa conditions, including
the question of whether the employee can speak English in the first place. All that can happen is that, if a business does not comply with its visa obligations, the department may—and I underline ‘may’—prevent the employer from sponsoring or nominating any other employees, cancel the business sponsorship agreement, cancel the visas of employees and consider any previous noncompliance. But it is my understanding that they can do little to enforce these provisions.

In Western Australia, allegations of breaches of workplace relations laws are referred to the state Department of Consumer and Employment Protection. According to the department, in 2004-05 it investigated 36 allegations that employers failed to pay temporary skilled migrants their full entitlements and found that nearly 78 per cent of the investigated employers were in breach of their obligations to the tune of nearly a quarter of a million dollars. These breaches included employers not having paid appropriate superannuation and giving misleading information on living and working conditions. If these employees had been able to speak or understand English—(Time expired)

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

Mr RANDALL (Canning) (12.57 pm)—I move:

That the House take note of the report.

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

MAIN COMMITTEE
Migration Committee
Reference

Mr RANDALL (Canning) (12.57 pm)—I move:

That the following order of the day be referred to the Main Committee for debate: Parliamentary Joint Committee—Negotiating the maze: review of arrangements for overseas skills recognition, upgrading and licensing—Report—Motion to take note of document: Resumption of debate.

Question agreed to.

PRIVATE MEMBERS’ BUSINESS
Hawkesbury-Nepean River System

Mr BARTLETT (Macquarie) (12.58 pm)—I move:

That the House:

(1) recognises the vital importance of the Hawkesbury-Nepean river system for Sydney’s population and the New South Wales economy;

(2) expresses its concern at the degradation of the Hawkesbury-Nepean catchment and the poor health of the river;

(3) recognises that the Hawkesbury-Nepean bears the brunt of the State Government’s failure to adequately plan for Sydney’s water needs; and

(4) calls on the New South Wales Government as a matter of urgency to address the issues facing the health of the Hawkesbury-Nepean river.

The Hawkesbury-Nepean River system is arguably Australia’s most important river system. Its 22,000 square kilometre catchment area generates drinking water for almost five million Australian people. It generates 70 per cent of the goods and services produced in New South Wales and its horticultural and agricultural produce amounts to some $1 billion a year. It also provides a water playground for Western Sydney, itself generating probably $100 million worth of tourism expenditure and, in the broader
catchment, several hundred million dollars worth a year. Yet, sadly, the Hawkesbury-Nepean river is in a very fragile state, suffering from low environmental flows and excessively high nutrient levels. Some 50 per cent to 80 per cent of the flow in the Hawkesbury-Nepean river system in times of low flow is treated effluent from the large number of STPs in the upper parts of the catchment, producing some hundred megalitres a day of treated effluent into the system. The manifestations of this are in the large outbreaks of weed that we see. A couple of years ago, there was a terrible outbreak of *Salvinia molesta* and, more recently, *Agraria* and algal blooms are seen from time to time in the Hawkesbury-Nepean river system.

Sadly, the Hawkesbury-Nepean has suffered from years of neglect by the state Labor government. In 2001 we saw the abolition of the Hawkesbury Nepean Catchment Management Authority, which had been established by the Greiner government some years before. That catchment management authority very effectively coordinated the activities of a large number of community organisations focused on improving qualities of land management, riparian management and so on that affected the quality of the Hawkesbury River system.

In 2004 we saw the scrapping by the state government of core funding for the local government advisory group consisting of eight councils that together generated several million dollars a year in funding for local hands-on projects that again improved the quality of parts of that catchment. In 2004 we also saw the axing of the recreational water assessment monitoring program which, in my electorate alone, monitored eight sites frequently throughout summer to check the health of the water in the Hawkesbury-Nepean and some of its tributaries. It monitored the safety of water for recreational users.

So on one hand we have seen the neglect of issues affecting the health of the river and on the other the removal in 2004 of the ability to monitor the health of the river and the quality of the water—to the detriment of recreational water users: waterskiers, boaters and swimmers in the river. If you were cynical you might argue that it was a deliberate attempt to conceal from river users the effects of the removal of those other programs that actually were instrumental in trying to improve the quality of health in the river.

Then in May last year we saw the cutting of the environmental flows out of Warragamba Dam by 50 per cent. I know that was in response to the drought, and for emergency reasons perhaps that had to be done. But, if there had been serious long-term planning to address Sydney’s water needs, that desperate measure may have been avoidable. The cutting of environmental flows by 50 per cent has had serious downstream effects in the Hawkesbury River.

This is the point: the failure of the government to adequately plan for Sydney’s water needs has had a serious effect downstream, affecting residents all along the Hawkesbury River. The delay in completing the formal water plan for the Sydney region that is part of the state government’s responsibility as part of the National Water Initiative, to which it is a signatory, is indicative of its failure in this regard. There are a number of short-term, stopgap measures that we have seen. As I said, there has been the government’s decision to cut the environmental flows by half. There has been the decision to pump deeper into the Warragamba Dam. That might help in the short term, but it is not a sustainable solution. The desalination fiasco, which cost tens of millions of dollars, has come up with no solution at all. And now
there is the decision to pump from the Shoalhaven.

The point is this: the state government, instead of undertaking a series of stopgap, headline measures to put band-aids on the problem, needs to seriously address the water demand and the water supply in Sydney and seriously undertake recycling programs—

(Time expired)

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

Miss Jackie Kelly—I second the motion and reserve my right to speak.

Mr ALBANESE (Grayndler) (1.03 pm)—That speech by the member for Macquarie was an extraordinary performance by a member of parliament who has sat on the government benches for over 10 years—on the back bench, it is true, but on the government benches nonetheless. His failure to mention any responsibility whatsoever by the federal government with regard to water reflects the fact that the federal government has been missing in action when it comes to national water policy in this country. We have a situation where the government has just got around to appointing a parliamentary secretary for water. The issue is not important enough for the government to have someone on the frontbench! The Labor Party has the water portfolio in the shadow cabinet, which reflects the important function that we see water playing and the important responsibility that we have in terms of having national leadership.

I certainly agree that the Hawkesbury-Nepean is a river of national significance. Its water helps to generate 70 per cent of goods and services in New South Wales, as well as providing drinking water for over four million residents of Sydney, the Illawarra and the Blue Mountains. The Hawkesbury-Nepean is one of the most varied catchments in Australia. It supports a population of nearly one million people, generates over $1 billion each year in agriculture, and supports a $6 million a year commercial fishing industry and 43,000 recreational fishers. It supplies 80 per cent of the sand and gravel used in Sydney’s construction industry, worth an estimated $100 million a year; provides 23 per cent of New South Wales’s electricity through water from its rivers; and supports an extensive underground coalmining industry.

All these elements combine to place significant pressure on the Hawkesbury-Nepean river system. That is why the New South Wales government deserves congratulations for developing strategies to deliver Sydney’s water supply and taking action to improve the health of the Hawkesbury-Nepean. In July 2001, the New South Wales government established the Hawkesbury-Nepean River Management Forum, which is supported by an independent expert panel. The government adopted the forum’s recommendations for environmental flows from the upper Nepean dams and incorporated those into the 2004 metropolitan water plan. This water sharing plan, which will include the Hawkesbury-Nepean, will contain rules for the sharing of water between the environment and water users. The water sharing plan will provide statutory protection for environmental flows in the Hawkesbury-Nepean and will limit extractions for consumptive use. Environmental flow rules will be incorporated in the Sydney Catchment Authority’s water licence.

The New South Wales government’s Hawkesbury-Nepean river restoration project is one of the Hawkesbury Nepean Catchment Management Authority’s three flagship incentive funding projects, the others being its bushland conservation project and the catchment protection scheme. These projects alone saw over $5 million invested in 2005-06, resulting in 94 kilometres of riverbank
undergoing rehabilitation and weed control, 2,432 hectares of land being treated for soil erosion, 331 hectares of remnant native vegetation being protected, 90 kilometres of riverbank and gullies being fenced, 114,000 native trees being planted and 17 hectares of land being treated for salinity. These were all achievements of the state Labor government.

These are just some examples of the positive actions being undertaken by the catchment management authority, which will result in the improved health of the Hawkesbury-Nepean. Instead of criticising the New South Wales government, what government members should be doing is asking their frontbench—asking the Prime Minister—why they have done nothing to improve the health of the Hawkesbury-Nepean. This is a consistent theme when it comes to the federal government: it is all the states’ faults.

We know that, on the issue of water, they have refused to come to the party, they disagree over whether there should be water trading, they have disagreed whether there should be a buyback on a voluntary basis and the Minister for Agriculture, Fisheries and Forestry disagrees with the parliamentary secretary for water. When it comes to state governments offering up big initiatives, we know of course that when Cubby was offered up—a plan in 2004 by the Queensland Labor government—the federal government would not have a bar of it. It was reform that would have returned water to the whole Murray-Darling system. (Time expired)

Miss Jackie Kelly (Lindsay) (1.08 pm)—The member for Grayndler has obviously and clearly shown his complete lack of understanding of the Hawkesbury-Nepean catchment. Coming from the inner city suburb of Marrickville, it is no wonder. How he could have sat in parliament for 10 years and missed the fact that our government is investing $12.9 million into the Hawkesbury-Nepean investment blueprint, compared to the New South Wales government’s paltry $1.2 million, is disgraceful and it is no wonder he is leaving very quickly. He is exiting the chamber before he learns a little more about what this government has done for the health of the Nepean catchment management system. This is appalling neglect by this absolutely lazy and quick-fix state government led now by Morris Iemma but previously by Bob Carr.

The state government’s response to this major problem has been a sort of a short-term quick-fix approach that we have seen with pretty much everything else. They have basically cut the environmental flows to 50 per cent so absolutely nothing goes over Penrith. We had a fantastic resource right there in Penrith, which was used for the bridge-to-bridge swim, which is now moving to the Sydney International Regatta Centre next year because most of the swimming clubs refuse to use it anymore because their swimmers get caught in the weed. We have had the Nepean triathlon for 26 years, mainly on the river. Again, it has been moved to the regatta centre. We have even seen all of the rowing events go out to the Olympic centre. The head coach of the Nepean club is reported in the Penrith Star as saying that it could affect the chances of the club getting a medal in the future. They are getting broken equipment and they are getting strained muscles from athletes getting caught in the weed and really upsetting themselves. In fact, one of their learners fell in and had to be rescued from one of the coaching dinghies.

The river is in a real mess. A lot of those tourism dollars that are generated from its recreational uses have gone, and the state government is basically offering to pump deeper in the Warragamba, have a desalination plant—presumably run by about three coal powered electricity stations—or pump from the Shoalhaven. Why they do not just dam the Shoalhaven, I do not know. It is just
unbelievable. At the moment they are actually drilling in Leonay. They are now drilling for aquifers in my suburbs. They have no idea how long these aquifers take to refill but say, ‘Let’s go drilling willy-nilly for these aquifers now, and that will solve the water crisis.’

As a government that shows very scant regard for people who are pro-life or have religious leanings, their sole plan for water for Sydney is to pray for rain. I do not know that they are going to have much success in that. One of the quick-fix options they offered my electorate was that they were going to spend about $100,000 over five weeks on a weed harvester. That is $20,000 a week that they were going to spend on a weed harvester. If they had bought a second-hand harvester, which is available for about $250,000, they would have been able to operate their own harvester for 12 weeks to pay it off. You would have a permanent harvester and, over a year, you could keep the harvesting going and make a real start on fixing the problem.

Our state government are not renowned for their budgetary expertise, and they seem to get in a hole wherever they go. They certainly have not closed many STPs since I was elected in 1996. There were 36 STPs draining to the Hawkesbury-Nepean catchment system before it exited at Broken Bay. Today there are about 30. In fact, the residents of Hawkesbury have been drinking and using effluent. Eighty per cent of what is pumped into the Hawkesbury River is effluent, and they have been recycling that water to a drinkable state for the city of Hawkesbury.

There is a lot more that the state government could do, rather than letting an enormous amount of rainwater flow out to sea and putting more chemicals and stormwater run-off into the river. They can certainly improve what goes back into the river. It is already caught. We in the federal government did some magnificent reports on sustainable cities, and those outcomes need to be put in place by state governments.

They have really made a big impact on a lot of the financial aspects of the river, as mentioned by the member for Macquarie. We have seen a lot of tourism events close down; we had a lot of houseboats; we have seen a lot of propellers being choked by weed; we have seen a lot of events move off the river system. Those events do not come back. It will be an enormous investment by the state government in tourism to get that type of funding back into the areas along the Hawkesbury. (Time expired)

Mr GARRETT (Kingsford Smith) (1.13 pm)—This motion is about blame shifting but it is confused as well. I note that the member for Lindsay referred to the committee report on sustainable cities. We in this House are looking forward to the government and Mr Howard endorsing the recommendations of that committee and putting them in place immediately. I call on him again, given that one of his backbenchers has raised it in the House, to do that as a matter of course.

It is true that the Hawkesbury-Nepean catchment is one of the most varied in the country. It supports a population of over one million people and generates over $1 billion every year in agriculture. It supports a commercial fishing industry, it supplies 80 per cent of Sydney’s sand and gravel for construction purposes and it provides 23 per cent of New South Wales’ electricity, so it is true that we ought to treat issues surrounding the Hawkesbury-Nepean and its health with some seriousness, but it is incorrect for the member for Macquarie to state that the New South Wales government has ignored its responsibility to ensure the long-term health of
the Hawkesbury-Nepean river system. From the late 1990s, when the Healthy Rivers Commission completed its investigation into the health of the Hawkesbury-Nepean river system, the New South Wales government has been active in both securing Sydney’s water supply and improving the health of the river.

The Hawkesbury-Nepean River Management Forum was established in July 2001, supported by an independent expert panel. Its brief was to make recommendations on environmental flows for the Hawkesbury-Nepean, and its recommendations were adopted by the New South Wales government and incorporated into the metropolitan water plan announced in 2004. The upgraded plan, the 2006 metropolitan water plan, established a water sharing plan for the greater metropolitan region, and set out the conditions for the sharing of water between environmental needs and commercial uses. Environmental flow rules will also be stipulated in the Sydney Catchment Authority’s water licence—an approach which all managers of New South Wales rivers now have to adopt. The Water Management Act, which codifies the responsibilities of water managers, puts water for the environment above all other water uses.

It is the case that the pressures on catchments like the Hawkesbury-Nepean are enormous. The Hawkesbury-Nepean Catchment Foundation, a community organisation which is designed to promote ecologically sustainable development within the river system, has argued against political bickering over the Hawkesbury-Nepean. The foundation is committed to political bipartisanship, recognising that the challenge of healing the river and its catchment requires a vision and collective concerted effort beyond the time frame of day-to-day partisan politics, which is all that this motion is about.

The federal government’s own report card for the Hawkesbury-Nepean from Natural Resource Management, administered by the Department of Agriculture, Fisheries and Forestry and the Department of the Environment and Heritage, in 2004 highlighted a number of joint investments between the state and federal governments, including river health, sustainable agriculture, biodiversity and community partnerships. That is what we need to do to fix the river system—not jump up in the House and start blaming the New South Wales government. The webpage puts it very succinctly:

The Hawkesbury-Nepean region’s future lies with the community’s inspiration to build a healthy environment. The Australian and New South Wales Governments, Hawkesbury Nepean Catchment Management Authority and the many community groups supported under the governments’ programs are all working to ensure protection and sustainable development of the region’s land, vegetation and water resources. So it is a bit rich for the member for Macquarie and the member for Lindsay to blame solely the New South Wales government when bureaucrats from the Department of Agriculture, Fisheries and Forestry and the Department of the Environment and Heritage have shown that there are a number of joint initiatives underway. Most importantly, it is a bit rich for the member for Macquarie to come in here and not mention climate change. Seventy per cent of New South Wales will be in drought if we get a one-degree increase as a consequence of climate change. Climate change is the gorilla in the room for this government. It is the very issue that the government will not address—and, because it will not address it, it comes in here and moves a motion of this kind which simply blames the New South Wales government.

We are experiencing significant drought in New South Wales, and it is a consequence of
the failure of the Howard government to take climate change seriously. Today the Minister for Industry, Tourism and Resources, talking about former Vice-President of the United States Mr Al Gore’s documentary An Inconvenient Truth, said that what is contained in this documentary is an entertainment. I have to tell you, Mr Deputy Speaker, that it is not entertaining to the people of New South Wales to have blame-shifting motions moved in this House when the most important and significant action that the Howard government could take in relation to dealing with the state of our rivers, both in New South Wales and right around the country, is to address climate change. The National Water Initiative is at a standstill, and this motion is misdirected, because if you cannot deal with climate change then you are not going to be able to do anything about the rivers of New South Wales. (Time expired)

Mrs MARKUS (Greenway) (1.18 pm)—I rise to speak in support of the call by the member for Macquarie for the New South Wales government to address the issues regarding the health of the Hawkesbury-Nepean river system. The Hawkesbury-Nepean region covers 22,000 square kilometres and supports five million people in over 20 local government areas, including the electorate of Greenway. There are a number of creeks in my electorate that run from the Hawkesbury, and they are in serious disrepair as a result of the challenges facing this river.

The greater west region, which is the third-largest economy in Australia behind that of the Sydney CBD and south-west Queensland, is acknowledged as Sydney’s new economic powerhouse and comes within the catchment area. Significant economic activity depends on the catchment. Agriculture in the region has an annual farm gate value of well over $1 billion and eggs, poultry, fresh vegetables, flowers and fruit are supplied to Sydney markets. Additionally, the area supports oyster and prawn farming, extensive horse breeding and a turf industry. This has a flow-on effect for local businesses in the area that supply and service those major industries. The Hawkesbury-Nepean is also a major tourism drawcard. Such a resource is of vital significance to the economy, the population and the natural environment. The challenge is to maintain the health and sustainability of the Hawkesbury-Nepean river, and there are many challenges.

The best example of how the New South Wales government has let down the Hawkesbury-Nepean catchment area is for me to talk about the Hawkesbury-Nepean Catchment Action Plan 2006-15. I heard the member for Kingsford Smith talk about plan, plan, plan. I did not hear him talk about action. I did not hear him talk about the sign-off of the draft plan. The draft plan, written in December 2005, is yet to be signed off. I refer to some of the challenges raised within that document. These are challenges not at grassroots level but at the management, funding and resource issues level—issues that are firmly in the hands of the New South Wales government.

The Hawkesbury-Nepean is a catchment of national significance. It supplies 97 per cent of the drinking water for metropolitan Sydney. This water supports the generation of 70 per cent of the state’s income. The federal government is committed to water management, and it is taking leadership on the issue. It remains the key national conservation challenge of our age. In 2003-04, the federal government approved close to $4.3 million and committed a further $12.9 million to the Hawkesbury Nepean Catchment Management Authority for the years 2004-07. I was present at that launch. I heard the member for Lindsay note that that involved between $1 million and $2 million—a lot less than $12.9 million. My challenge to the
New South Wales government is to at least match what the federal government contributes. The New South Wales government needs to take more responsibility for water, follow the lead of the federal government and match, dollar for dollar, our contribution.

One of the strategies listed in the catchment action plan is to encourage more participation by community groups and to partner with local councils. As recently as August this year, the partnerships between the catchment management authority and Blacktown council and the catchment management authority and Hawkesbury councils were completed. On page 90 of the action plan, however, there is the warning that ‘the number of services local government is expected to deliver is increasing faster than its ability to fund’ and that ‘natural resource management is not always a top priority’.

The New South Wales government should shoulder the responsibility for management and funding of the issues and not devolve that responsibility to local government, who already complain of stretched resources. If the desired outcome is a healthy river system and the environmental, economic and social benefits that that brings then hiving off such responsibility to local communities, councils and volunteers is not in the best interests of the community, the river or the people it services. It is a sad indictment that time is being spent addressing management issues rather than getting on with the job of actually doing the work.

The federal government has invested significant funds to assist with weed eradication over a four-year period and has contributed to the control of a major outbreak of salvinia in 2004. The action plan is yet to be signed off by the New South Wales state government. Many of the people moving to the Hawkesbury-Nepean region want a rural lifestyle, and the number of small acreage blocks and hobby farms has increased. This puts enormous pressure on water resources.

The New South Wales government has delayed completion of its formal water planning for the water systems in the Sydney region, including the Hawkesbury-Nepean, yet this formal water planning requirement is one of the commitments under the National Water Initiative to which New South Wales is a signatory. There is great concern that the final plan will be inadequate to address Sydney’s growing water demand. I call on the New South Wales state government to not just plan but act. 

Mrs IRWIN (Fowler) (1.23 pm)—There must be a New South Wales state election looming—I believe it is going to be in March of next year. The Premier, Morris Iemma, will have a great victory, just like the Premier of Queensland did last weekend.

The first two parts of this motion are worth noting. The Hawkesbury-Nepean river system is of vital importance to the population of Sydney and the New South Wales economy and, like all river systems in developed countries, it is subject to degradation. The rest of the motion moved by the member for Macquarie and supported by the members for Lindsay and Greenway is simply politically motivated fiction which ignores the long history of the development of the region and the importance of the river system in providing the great proportion of the water supply of not only Sydney but Wollongong, the Illawarra, the Southern Highlands, the Blue Mountains and the Central Coast.

More than 60 per cent of the population of New South Wales, over four million people, rely on the Hawkesbury-Nepean for their water supply. Sydney has drawn its water from the Nepean for more than 100 years and the management strategy for those catchments has been to limit urban development and agriculture in the headwaters of those...
catchments. That strategy of maintaining pristine water catchments meant that it was not until a decade ago that Sydney’s drinking water needed secondary treatment. By far the greater part of the catchments in the upper Nepean and Warragamba rivers are protected by water catchment reserves and national parks. The same can be said for the Grose River and streams flowing into the lower Hawkesbury. Where there is urban and rural development there are restrictions on land use, and waste water treatment is in place. As the primary source of water for 60 per cent of the New South Wales population, the Hawkesbury-Nepean system must be managed to ensure a safe and adequate supply of water.

The member for Macquarie is well aware, although we have not had any reminders lately, that flooding has brought tragedy and devastation to the river system since the times of early settlement, and flood mitigation must always be a principal concern for planners considering the Hawkesbury-Nepean.

There are, of course, other major concerns. Development in Western Sydney along the eastern catchment is progressing and will place greater strain on the river system since the times of early settlement, and flood mitigation must always be a principal concern for planners considering the Hawkesbury-Nepean.

In bringing this motion to the House, the member for Macquarie seems to think that the management of this river system began in the last 10 years under a Labor state government. He must have come down in the last shower. If he checks his history, he will see that it has been part of our state’s water management strategy for more than 100 years. Decisions taken many years ago have long-term impacts. Some of those have been good for the river, like the abandonment of the Grose River dam.

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

International Day of Peace

Dr LAWRENCE (Fremantle) (1.28 pm)—I move:

That this House:

(1) notes that, on 7 September 2001, the United Nations General Assembly declared that the International Day of Peace should be observed annually on the fixed date of 21 September, as a day of global ceasefire and non-violence;

(2) notes that United Nations Secretary-General, Kofi Annan, has repeatedly urged member states of the United Nations to support the observance of global ceasefire on the day, arguing that a global ceasefire would:

(a) provide a pause for reflection by the international community on the threats and challenges we face;

(b) offer mediators a building block towards a wider truce, as has been seen in nations such as Ghana and Zambia;

(c) encourage those involved in violent conflict to reconsider the wisdom of further violence;
(d) provide relief workers with a safe inter-
lude for the provision of vital services and
the supply of essential goods;
(e) allow freedom of movement and infor-
mation, which is particularly beneficial to
refugees and internally displaced per-
sons; and
(f) relieve those embroiled in violent con-
lict of the daily burden of fear for one’s
own safety and the safety of others;

(3) supports the Australian organisations that
intend to hold vigils, concerts and walks on
21 September this year, in Melbourne, Syd-
ney, Adelaide, Darwin and Brisbane;
(4) calls on the Australian Government to ac-
tively support the observance of a ceasefire in
Afghanistan, East Timor, Iraq and the
Solomon Islands on 21 September of this
year by ensuring that Australia’s armed
forces:
(a) do not engage in hostilities for the dura-
ton of 21 September, unless provoked
to do so in self-defence;
(b) promote the observance of a global
ceasefire for the duration of 21 Septem-
ber; and
(c) promote the practice of non-violence for
the duration of 21 September; and
(5) requests that the Australian Government en-
courage other nation-states to follow its lead.

The terms of that motion indicate the UN
General Assembly’s declaration that 21 Sep-
tember should be an international day of
peace observed annually as a day of global
ceasefire and nonviolence. In my view it is a
very important initiative that deserves to be
supported by this parliament and by the gov-
ernment.

I will begin by quoting a man who knew
war all too well, former US President
Dwight D Eisenhower, who said in 1953:
Every gun that is made, every warship launched,
every rocket fired, signifies in the final sense, a
theft from those who hunger and are not fed,
those who are cold and are not clothed. The world
in arms is not spending money alone. It is spend-
ing the sweat of its laborers, the genius of its sci-
entists, the hopes of its children.
I think that is the message we should take
today.

Elie Wiesel, Holocaust survivor and Nobel
Peace Prize winner, surveyed the legacy of
the 20th century and labelled it a ’violent
century’; a century which encompassed two
world wars, countless civil wars, a senseless
chain of assassinations, civilian bloodbaths
in many armed conflicts, the inhumanity in
the gulags, the tragedy of Hiroshima and the
vile stain of the Holocaust. It is impossible to
hear that list without shuddering.

But, sadly, the 21st century is shaping up
as no less bloody, from both state sanctioned
and terrorist violence. Despite near satu-
ration coverage of the continuing violence
there is still little public reflection on what
actually happens when armed conflict is used
to resolve disputes, on who pays the price or
on what can be done to avoid war. We should
all turn our attention to that last question. It
is estimated that during the last century over
one hundred million people died in war in
over 50 countries around the globe. This fig-
ure is a dramatic increase over earlier centu-
ries and is about three-quarters of all the es-
timated war deaths since 1500 AD; most of
the violence and killing has been in the last
100 years. Add to this the lives cut short in
the aftermath of war by disease and malnutri-
tion and the many millions more murdered
by politically repressive regimes and terrorist
attacks, and you arrive at a staggering loss of
death.

This loss, sadly, has been sanitised and
rendered ’normal’ at the same time as the
way war is conducted effectively removes
the distinction between combatants and civil-
ians as targets of war. Indeed, civilians have
been deliberately targeted, and not just by
terrorists, as they were in Dresden, Cologne,
Hiroshima and Nagasaki and in the recent
conflict between Israel and Hezbollah in Lebanon. Civilians accounted for five per cent of all victims in World War I, 50 per cent in World War II and nearly 90 per cent in recent wars. Much of this increase is the result of large-scale bombing, particularly from the air, described by one commentator as ‘the most barbaric style of warfare imaginable’. Hitler’s bombing of Guernica produced near universal revulsion; such attacks today pass almost without comment, justified as ‘surgical’ or precise despite the ‘collateral damage’ of death, disability and wholesale destruction.

Over the last 50 years we in the developed world have been largely insulated from this suffering since most of the wars have been in the economically impoverished Third World. As memories of the catastrophic reality of the Second World War fade, war is enjoying a resurgence of respectability as an instrument of foreign policy, with no apparent concern by our governments for the devastation it inflicts on so many lives and hopes, and no thought either, it seems, for the potential for revenge and hatred to grow from the seedbed of war. We should not accept the inevitability of war, and that is what is important about this day of global ceasefire and nonviolence. Deadly conflict is not inevitable. It does not emerge inexorably from the human condition. We are not condemned by our natures to settle disputes with violence, and there are no mysteries about why violence erupts. The problem is not that we do not understand the roots of deadly conflict but that we do not act. Such action should be based on the concept of prevention, confronting both the inequalities and intolerances which fuel conflict and the manufacture of weapons which enable deadly conflict.

Instead of signing up to an increasingly deadly expansion of militarism, the Australian government and all governments should be playing their part in ensuring that the international community appreciates the increasingly urgent need to prevent deadly conflict, especially given the increasing availability of weapons of all descriptions. It is our task in this parliament to draw attention to the need for peace, to resolve conflicts without violence and to make sure that the United Nations is in a position to facilitate peace and that on 21 September there is a total global ceasefire so that people can build towards a wider truce in areas where there is conflict and reconsider the wisdom of further violence.

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

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

Mrs MOYLAN (Pearce) (1.33 pm)—I thank my colleague the member for Fremantle for bringing this motion to this House today. Today is indeed an opportunity to think about and consider the International Day of Peace. The day actually falls on 21 September but this House has the opportunity to consider it this week as we do not sit on that particular date. To me it seems fitting to the memory of those innocent people who lost their lives in the destruction of the twin towers in New York and other targets in other places on this day in 2001, just five years ago, for us to be speaking to this motion for the International Day of Peace.

It gives us time to pause and to offer expressions of sympathy and sorrow for those who lost family members, work mates and friends in the horrendous and barbarous attacks of 2001. Several Australians lost their lives on that day, as did people from other nations. I think there were about 80 different nationalities affected in that horrendous event. Our heartfelt sympathy goes to all of those families who suffered losses and to all of those people who lost friends and work mates. But for the American people it sig-
nalled both a personal loss and a symbolic loss, and our thoughts are with our American friends on this day.

War and acts of violence affect everyone, but it seems to me that they impact disproportionately on the lives of innocent men, women and children. War destroys and damages people, property and the natural environment. For many developing countries already struggling to improve their quality of life, war deprives people of the basic necessities of life, legal rights and ultimately, of course, the loss of human dignity.

Working for global peace is the responsibility of every living person. This is not somebody else’s responsibility; it is ours. I think I might have reflected in the past that when I was a very young child, less than 10, I asked my father why we had wars, because I was born at the end of the Second World War and I recall my uncles coming back from the front. My father turned to me and said, ‘Why do you fight with your brothers and sisters?’ He did not have to say another word. The message was a very graphic one. I think about that often and thank my father for that lesson because wars are about not respecting others; they are about having disagreements and ultimately using violence and force to resolve differences and they are about a lack of tolerance for other people.

The responsibility for global peace rests with every one of us. Each of us can play a role. At the foundation of achieving global peace is respect for human life and a commitment to upholding human dignity through equality of opportunity and through tolerance. The International Day of Peace is a time for all of us to stop and reflect on the task of working toward a peaceful world, and each person can participate. I think on the United Nations website on this day it says, ‘Peace begins with ourselves, living in harmony with one another and with the earth.’ I do not think I could summarise it any better than that.

There is no doubt that achieving global peace is a formidable task, but Australia is committed to peace building in a very real way and to conflict resolution in many parts of the world. None of us, as the member for Fremantle said, should feel defeated because preventing war, which prevents peace, is difficult. Democracy and good governance play an integral part in upholding human dignity and equal opportunity, and the Australian government has an outstanding record of participating in the strengthening of democratic principles and in the governance of the Asia-Pacific region in particular as well as many other parts of the world.

I conclude by personally acknowledging and thanking members of the Australian Defence Force who are currently serving to bring about peace in many parts of the globe, including Iraq, Afghanistan, East Timor, Sinai, the Middle East, Sudan and the Solomon Islands. May I say how much we appreciate the task that they do and that we wish them all safe missions and a speedy return home.

Mr EDWARDS (Cowan) (1.38 pm)—One of the points of the motion moved by the member for Fremantle says:

... provide a pause for reflection by the international community on the threats and challenges we face;

Some of the threats and challenges that we face are in some of the horrific weapons of war which people have a potential to use. I want to speak briefly today on the issue of cluster bombs. They are horrific weapons which cause as much, or even more, damage to civilians, particularly kids, as to soldiers involved in conflict or war—to the degree that, in the face of the horror and suffering caused by the use of cluster bombs in Lebanon and Afghanistan, many international peace motivated organisations are now com-
ing together more and more strongly and calling with louder and more unified voices for an end to the use of cluster bombs. More than 50 international organisations, including the International Committee of the Red Cross, the Mennonite Central Committee, Human Rights Watch, Amnesty International and the International Campaign to Ban Landmines, are now calling for a cessation of the use of cluster bombs.

They are joined in Australia by organisations like the MiVAC Trust. MiVAC was launched in Australia in March 2002 and is a non-profit, non-political and non-sectarian charity. It is the initiative of former soldiers who served in Vietnam who saw firsthand the results of landmine explosions and were aware of the trauma for civilians who lived and worked close to minefields as well as the danger to their fellow soldiers, including mine clearance teams.

MiVAC initially appealed to Tasmanian Vietnam veterans, but it now has members from many fields and all political persuasions. Although members have undertaken to promote landmine awareness, MiVAC is primarily a fundraising body that raises funds to assist landmine survivors. My congratulations go to Rob Woolley and Gill Paxton for the work they are doing. They have called for a rethink of the use of cluster bombs.

Cluster bombs are dropped in big canisters. They are an imprecise weapon. They are usually dropped when civilians are not around. These big canisters fall from the sky, where, at a certain height, they open up and smaller, deadly bombs the size of hand grenades fall and cover many acres of ground. Of course, there is a failure rate. Sometimes this failure rate is estimated to be as high as 20 or 30 per cent. Those smaller bombs often lie in the ground for months or years, sometimes hidden and sometimes not, and they kill, wound, maim and injure many civilians, particularly children. I think it has been highlighted that in Afghanistan bombs that have fallen have become particularly attractive items for kids because in colour and in size they are so like the food aid parcels that are dropped to feed starving children. These are a horrific weapon of war.

There is a big movement today of non-government organisations that have joined together to call on nations of the world to do away with the use of cluster bombs. I know the Australian Senate has debated this issue, and parliaments in countries like Denmark and Norway, and the European Parliament, have all addressed their attention to how these bombs might be banned in the future.

I think on a day when we consider peace all around the world, on a day when this parliament considers a motion moved by the member for Fremantle and on a day when we give thought to those horrific events that occurred in America just a few years ago, we should also give some thought to the suffering of civilians around the world. (Time expired)
larly for those witnessing war. The death of family and friends and living in poverty are other negative effects of unrest in any country.

There is no denying that achieving peace globally is an enormous challenge. Political, religious and cultural disagreements are a fact of life in many areas and many societies across the world and, regrettably, often the major cause of conflict. The Australian government recognises the overwhelming desire for global peace among all humanity.

The SPEAKER—Order! It being 1.45 pm, the debate is interrupted in accordance with standing order 43. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting. The member will have leave to continue speaking when the debate is resumed on a future day.

STATEMENTS BY MEMBERS

RAAF Base Williams

Ms GILLARD (Lalor) (1.45 pm)—Tomorrow, civilian users of the Point Cook RAAF base in my electorate will be evicted from the hangars and associated buildings that they occupy. Four bellman hangars are operated by civilian users, as well as two associated buildings. The users have been told that they must get out because the hangars are unsafe, but they have their own structural engineers report that says the hangars are safe. The civilian users need to talk to the government, most particularly Senator Sandy Macdonald, meaningfully about what should happen now. It is absurd for these eviction notices to go ahead without there being such a proper discussion. These civilian users are part of the rich life of Point Cook, an important heritage asset that is the oldest operational airstrip in the world. It is very important that these civilian users are able to continue to be a part of the life of Point Cook, and I am calling on Senator Macdonald today to revoke these eviction notices, to sit down with the civilian users and to sort out a strategy for the future.

Small Business

Mrs MARKUS (Greenway) (1.46 pm)—On 22 August I was fortunate to work alongside the owners of the Living Planet Garden Centre, Paul Maait and his wife, located on Windsor Road at Riverstone. I was there as part of the Australian Business Ltd, State Chamber of Commerce and Australia Post Pollies for Small Business program. I worked as a waitress in the cafe of the centre, serving coffee and meals and waiting tables. It is very important that small businesses like Living Planet, which provide local jobs and support the local economy, are able to flourish and prosper. New South Wales has the largest number of small businesses of all the states, and their collective contribution to both the state and national economies cannot be underestimated. This combined with the lowest unemployment levels in 30 years in a strong and stable economy means that businesses both in the western suburbs of Sydney and nationwide remain profitable and competitive.

One of the biggest challenges facing Living Planet is the ongoing roadworks on Windsor Road. These works, which were due to be completed in March 2006, remain unfinished five months later. The ongoing disruption has had a major impact on all the businesses along Windsor Road. The New South Wales government and the Roads and Traffic Authority need to take responsibility. They must compensate these businesses for the lost income and provide a transparent timetable and completion date for the roadworks.

Finally, I would like to thank everyone at Living Planet, particularly Paul Maait and his wife, who sacrifice much for that business, for the opportunity they provided. My time there was invaluable. (Time expired)
Network Ten

Mr DANBY (Melbourne Ports) (1.48 pm)—Perhaps one might have expected nothing better from the network that brought us Big Brother Uncut, but on Saturday night Channel 10 broadcast the so-called documentary 9/11: In Plane Site, which is a calculated insult and defamation of the American people and the victims of September 11. Ten’s major shareholder, Mr Izzy Asper of CanWest, should sack the programming director of Channel 10 for broadcasting this barking mad conspiracy program, which claims that all American political parties, officials, airlines and news networks were collaborators in a plot to murder their fellow citizens, over 3,000 innocent people, including some of our countrymen—Australians.

Are there no standards we can expect from Channel 10? Have they no sense of shame for trying to kill again the memory of those cruelly murdered five years ago by al-Qaeda? Can you imagine the reaction if a US network produced a similar broadcast about the murders of Australians in Bali? I am sure I share the contempt and derision of the Australian people and its parliament for this abominable act of bad taste by Channel 10 on the eve of the September 11 mass murder.

Green Corps

Mr BARTLETT (Macquarie) (1.49 pm)—Darwin’s Walk in Wentworth Falls is a Blue Mountains landmark named after Charles Darwin, who travelled its path in search of the waterfall there in 1836. This very scenic walk continues to be well travelled by both locals and tourists. Darwin’s Walk has recently undergone a process of restoration and rejuvenation by two Green Corps teams. The most recent team graduated in August after constructing and repairing boardwalks, planting 500 native species, removing weeds and improving the quality of the water along the walk. Their project followed progress made by the first team of Green Corps, who began works at the site last year, cleaning drains and restoring and building steps, handrails and boardwalks.

These dedicated young Australians are just a few of the 15,000 who have taken part in worthwhile environmental projects around the country since the Green Corps program began nine years ago. Together they have planted more than 13 million trees, fenced more than 7,000 kilometres and built or maintained walking tracks spanning more than 5,000 kilometres around the country. Green Corps programs provide a challenging and rewarding 26-week environmental training and youth development course for 17- to 20-year-olds. Volunteering to conserve their local environment, they receive accredited training in OH&S, first aid and an environmental field while earning an allowance from the Australian government and gaining valuable life skills. I know that local Green Corps teams have greatly enjoyed the experience. Congratulations to those graduates who worked so hard at Darwin’s Walk and at the many other sites across the country. You have made a real difference.

Prospect Electorate: Pemulwuy Postbox

Mr BOWEN (Prospect) (1.51 pm)—Today I want to bring the attention of the House to the campaign for a postbox at Pemulwuy in my electorate. Pemulwuy is a new estate, and it is estimated that by 2008 it will have 5,500 residents. Recently, Mr John Kropman, a resident of Pemulwuy, organised a petition calling for a postbox at Pemulwuy, and he arranged 2,100 signatories very quickly. Pemulwuy has a very good shopping centre, but it has no postbox, and it is a loss to that area. I understand that Australian Post gets many requests for postboxes, but this is one which is very legitimate. There is a very significant population moving into Pemulwuy, and the people of Pemulwuy and the
shopping centre at Pemulwuy deserve a postbox. I wrote to Australia Post and to the minister for communications over a month ago, but apart from an acknowledgment I have not received a reply. This is a genuine request. I congratulate Mr Kropman for his efforts and I call on Australia Post to install a postbox at Pemulwuy shopping centre.

**Energy**

**Mr MICHAEL FERGUSON** (Bass) (1.52 pm)—The current debate on Australia’s energy needs is an opportunity for a meaningful discussion, including considering the viability of subsidies and what they can mean to everyday power customers. The fact is, subsidising renewable energy means that the costs of the subsidy get passed on to power users. While the future certainly does lie in reducing emissions wherever possible, as well as non-greenhouse options like renewable energy and nuclear energy, we as a nation need to plan carefully and not rush into uneconomic solutions. Labor’s recent proposal would see home electricity prices soar in Tasmania. If such an emissions trading tax were introduced then Tasmanians could expect to pay up to $160 more on their power bills. The emissions trading scheme proposal effectively taxes traditional power sources. The cost of the tax would then immediately be passed on to consumers. Interestingly, the Queensland and Western Australian premiers have already rejected this idea for these reasons.

Labor says that it wants to reduce Australia’s greenhouse gas emissions by 60 per cent by 2050, but because Australia only produces 1.46 per cent of the world’s greenhouse gas emissions this plan will just force Australian jobs offshore by making our lifestyle and our cost of business more expensive.

**Medicare**

**Dr EMERSON** (Rankin) (1.53 pm)—Following the government’s announcement of an electronic claiming system for Medicare, I wrote to Medicare Australia, which is an agency of the federal government, seeking an assurance of the continued operation of the Logan Central Medicare office in light of the introduction of these new technologies. I did that against the background of that Medicare office being under severe threat in the past. Only a very vigorous campaign from local residents ensured that it stayed open, even though it did move from one shopping centre to another. It was a very simple request: an assurance that this office would remain open.

The answer says: ‘Electronic Medicare claiming will make it more convenient for Australians to obtain their Medicare rebates quickly and easily, without the need to visit a Medicare office. This will free up capacity in Medicare offices to deliver other services stemming from a range of government initiatives such as family assistance payments.’ Lacking from this response is a simple assurance that this Medicare office will remain open. It was a simple question; the answer does not deal with that question, and on that basis the residents of Logan Central again can be concerned about the ongoing commitment of this government to that Medicare office. I will certainly be drawing that fact to their attention and ensuring that it remains open.

**Mona Russell**

**Ms ANNETTE ELLIS** (Canberra) (1.54 pm)—Last week on Tuesday I had the pleasure of spending half an hour or so—as it was a sitting day—with Mona Russell, who had turned 100 two days before. There is a group down in Tuggeranong, in my electorate, called the Tuggeranong singalong group. They meet every week, and Mona has been a member of that group for 10 years now. The Tuggeranong Communities@Work community organisation hosts and helps organise the
Tuggeranong singalong group. So I was glad to go along there last Tuesday, brief though it was, and see the joy, friendship and love of each other in that room and the wonderful community support that goes on, and also to have the opportunity to join with all of those fantastic people in wishing Mona Russell 100th birthday wishes. She was a very strong participant in the singalong, I can assure you. Her family were with her for the special day, and I have to commend the work and the dedication of the Communities@Work organisation, which helps to auspice such a simple yet really meaningful and helpful community organisation as the Tuggeranong singalong group. I am sure everybody here joins with me in wishing Mona Russell many more birthdays after her 100th celebration.

**German Immigrants**

Mr McARTHUR (Corangamite) (1.56 pm)—Yesterday I attended the dedication of a plaque and memorial at the Grovedale Cemetery. This was a very moving occasion, which was organised by the Grovedale Rotary Club. It celebrated the arrival of the immigrant German population to the originally-called Germantown, which is now called Grovedale, in the suburbs of Geelong. Those Lutheran immigrants arrived in 1859, and the cemetery and plaque are dedicated to those early families whose names are recorded on the plaque. This cemetery is close to the main part of Grovedale, and it is a part of the Rotary Club’s activity to bring to the attention of the new generations those early pioneers. I compliment Mr Ron Arthur, community convenor of the Grovedale Rotary Club, who put an enormous amount of time and effort into this particular project: the plaque, the organisation of the day and the recognition of those early families who came to Grovedale who escaped Europe. Like my forebears the Scots, they escaped the political conflict and the poverty. There was a symmetry between the Presbyterians and the Lutherans, and Dr Alexander Thompson looked after the— *(Time expired)*

**Housing**

Mr RIPOLL (Oxley) (1.57 pm)—I want to put on the record the fine work of the ALP Family Watch Task Force, which has been travelling round the country. I make particular reference to the chair, Catherine King. We have been travelling round the country talking to people, listening to people and, importantly, engaging with families to better understand some of the issues, problems and pressures they are facing. There is a whole range of issues: childcare access as well as childcare cost, the rising price of petrol and the impact that is having on family budgets, the cost of living and all the issues associated with that, and the price of groceries and utilities—how life is becoming more difficult for ordinary families. But out of all those issues there was another issue that really stood out as one that is putting a great deal of pressure on families, and that is the cost of housing. This is the case whether they own a home, are paying one off, are in the rental market or, even more importantly, are trying to buy their first home. It is now more expensive and more difficult for a young person to buy a home than it has ever been, probably, in Australian history.

I want to note that the Prime Minister has actually broken his word—broken his promise—in terms of interest rates, claiming that under him interest rates would not go up. Well, they have gone up quite a number of times. The government is also—

Fran Bailey—That’s not what he promised, you know that.

Mr RIPOLL—And you will notice, Mr Speaker, that they get very touchy about this, because they know they are responsible for what is happening to the price of housing, to the costs of interest rates repayments on mortgages— *(Time expired)*
Cross-Media Ownership Rules

Mr MURPHY (Lowe) (1.59 pm)—David Crowe reports in today’s Australian Financial Review in an article entitled ‘Media bills on fast track to approval’ that Senator Helen Coonan, the Minister for Communications, Information Technology and the Arts, wants to allow companies the right to own radio, print and TV media as long as there are at least five media operators in mainland state capitals and four in other areas. I ask this House and the Prime Minister: how can we allow such massive concentration of media ownership in Australia? The public interest must strike back. It is just appalling that Australia’s two largest media companies could be allowed to own television stations, radio stations and newspapers in the one market when they have a stranglehold on the internet, and they have a monopoly on pay TV. Senator Coonan should be flogged, and so should the government.

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

UNITED STATES OF AMERICA: TERRORIST ATTACKS

Mr HOWARD (Bennelong—Prime Minister) (2.00 pm)—I seek the indulgence of the House to make a few remarks to mark the fifth anniversary of the terrorist attack in the United States. This fifth anniversary is an occasion for both remembrance and reaffirmation. It is an occasion to remember the tragic loss of life, which included some 10 Australians. It is also an occasion to mark what an extraordinary change in the affairs of the world that terrorist attack ushered in.

It represented a cruel, unprovoked, premeditated attack on the United States. It was designed to inflict the maximum possible damage and death. Its purpose was to terrify the civilian population of that country and hopefully cow the resolve and the will of the American people. None of those objectives have been achieved. It is true that there is greater apprehension now, understandably, all around the world about the possibility of terrorist attacks, but the determination and the resolve of the people of the United States as well as the people of many other countries, including Australia, to stand firm against the threat of terrorism denies the goal ultimately sought by the terrorists. We Australians sadly lost some of our country men and women in that attack. Again, of course, and in much greater numbers, Australians died in the two Bali attacks in 2002 and 2004.

The most important observation to make today is that fighting terrorism is a cause that involves us all. It is not just for the United States. It is not just for the United Kingdom or what used to be called the West. It is not just for Australia. It is for the entire world. If terrorism is to be defeated ultimately—and it will take years; let us not delude ourselves—it will require the marshalling, the commitment, the resolve, the resources and the spirit of men and women all around the world. It will involve the commitment of all faiths as well as people of no faith at all.

Very particularly, it will involve and require the commitment of people of the Islamic faith. The most blasphemous thing of all about terrorism as we understand it in the modern world is its obscene invocation of the sanction of Islam to justify the murder of innocent people. Nothing could be further from the goals of the great religions of the world than to have the faiths attested to by those religions used as a justification for wilful murder.

So, as we in this place remember the events of 11 September, we remember those who died and we remember the courage of the police and firemen of that great city of New York and all the other people who
worked so hard to bring assistance and com-
fort to those affected by that attack. Let us
not only remember but let us reaffirm our
determination to resist, with all the means
available to us, both physical and spiritual,
the depredations of terrorism. Terrorism is a
threat to our way of life. The attack on 11
September was not just an attack on the peo-
ple of the United States; it was an attack on
the free people of the entire world. In our
responses, let us understand the grim reality
that, whereas in so many other cases preven-
tion is better than cure, in relation to terror-
ism there is no cure. The only effective anti-
dote against terrorism is to prevent it occur-
ing in the first place. That is why the em-
phasis that countries have placed on stronger
intelligence services and the greater invest-
ment in those intelligence services is so very
important.

We only have to be instructed by the ex-
perience of the plot that was apparently dis-
covered in the United Kingdom recently. If
all the reports are to be believed—and I have
no reason to disbelieve them—that particular
exercise could have involved the deaths of
tens of thousands of innocent people. It was
aborted by excellent intelligence work by the
relevant British agencies. We have much to
ponder on, five years on from 11 September.
But the most important lesson from it, and
one that all of us must understand and em-
brace, is that this is a fight for all of us; it is
not just a fight for a few.

Mr BEAZLEY (Brand—Leader of the
Opposition) (2.06 pm)—May I have your
indulgence, Mr Speaker, to speak on the
same matter.

The SPEAKER—The Leader of the Op-
position may proceed.

Mr BEAZLEY—I want to offer a few
words of support to the remarks the Prime
Minister has made and to say how much I
appreciated the opportunity to be with him,
my colleague the shadow minister for for-
ign affairs, some of the Prime Minister’s
ministerial colleagues and the ambassador,
Robert McCallum, at a small ceremony a
couple of hours ago at the United States em-
bassy. It was a modest thing but it was a
poignant and moving small ceremony. It was
a privilege to be a part of it—a small part of
what is an enormous memorialisation of that
appalling day five years ago across the
United States. The way in which citizens of
the United States have supported each other
and the families of those who were tragically
killed on that day made them feel part of
society and they told their stories and en-
sured that children understand what hap-
pened to their parents, where that is relevant.

It really is inspirational to see a commu-
nity determined to support itself emotionally,
physically and spiritually, ensuring that a
cataclysmic event like that which could have
so winded a society in fact strengthened it. It
was a terrible tragedy, a vicious crime, but
the United States as a community has
emerged not only stronger, harder and more
determined as a result of the experience it
has been through but also more affectionate
and regarding of others’ concerns and needs.
For those who are allies of the United States
it is inspirational to see that.

I was very glad that five years ago the
Prime Minister was in Washington in the
United States when this event occurred. It
enabled the Prime Minister to speak for all of
us with our friends and allies in the United
States and to state how determined we as
Australians all were to ensure that this thing
was seen through to the end. Shortly after
that, the parliament decided that the ANZUS
treaty would be invoked and we went to war.
These are not small matters. These are seri-
ous matters, and that state of conflict basi-
cally then focused on Afghanistan, and it
persists there and is not yet solved. Austra-
lian soldiers and service personnel are, of
course, fighting and struggling in this conflict.

We know that, as a result of our experience over these last five years, only through vigilance and courage will we win the battle against those who seek to destroy our society and the societies in which they are largely located. We know they may break our hearts, but they cannot diminish our resolve and our spirit. There have been wins and losses over the last five years. In many ways, our police and intelligence services are much better prepared now than they were. They are far more knowledgeable and far more effective in their mutual cooperation. They are obviously capable of disrupting the plans and patterns of activities of terrorists and have done so on numerous occasions.

There have, nevertheless, also been appalling atrocities—and the Prime Minister referred to them. Two of them, of course, very deeply affected Australians much more so than even September 11, enormous although that effect was. They are far more knowledgeable and far more effective in their mutual cooperation. They are obviously capable of disrupting the plans and patterns of activities of terrorists and have done so on numerous occasions.

This is a challenge that will outlast, I am afraid to say, the political careers of both the Prime Minister and me. It is a challenge that will go on through several generations. I can only hope that we get better and better at meeting it, that we have the same reserves of courage, resilience, love and affection that have been shown by survivors of September 11 five years ago, and that we hold up the way in which the families most deeply affected by it have been so magnificently supported.

QUESTIONS WITHOUT NOTICE

Interest Rates

Mr BEAZLEY (2.12 pm)—My question is to the Prime Minister. Is the Prime Minister aware that new figures produced by the Reserve Bank from last week’s June quarter national accounts show a new record 9.1 per cent of household income is consumed by mortgage interest repayments? Is the Prime Minister aware that, under the new interest rate reality, this level is 50 per cent higher than the peak reached under Treasurer Keating in 1989? Is the Prime Minister aware that, under the new interest rate reality, this level is 50 per cent higher than the peak reached under Treasurer Keating in 1989? Is the Prime Minister aware that, under the new interest rate reality, this level is 50 per cent higher than the peak reached under Treasurer Keating in 1989? Is the Prime Minister aware that, under the new interest rate reality, this level is 50 per cent higher than the peak reached under Treasurer Keating in 1989? Is the Prime Minister aware that, under the new interest rate reality, this level is 50 per cent higher than the peak reached under Treasurer Keating in 1989? Is the Prime Minister aware that, under the new interest rate reality, this level is 50 per cent higher than the peak reached under Treasurer Keating in 1989? Is the Prime Minister aware that, under the new interest rate reality, this level is 50 per cent higher than the peak reached under Treasurer Keating in 1989? Is the Prime Minister aware that, under the new interest rate reality, this level is 50 per cent higher than the peak reached under Treasurer Keating in 1989? Is the Prime Minister aware that, under the new interest rate reality, this level is 50 per cent higher than the peak reached under Treasurer Keating in 1989?
Mr Howard—The figure is higher because the size of mortgages is much higher, because the cost of housing is much higher. That is the reason. The question must be rhetorically asked: can you imagine what it would be at if we were paying 17 per cent, as we were under Mr Keating.

Workplace Relations

Mr Lindsay (2.14 pm)—My question is addressed to the Prime Minister. Would the Prime Minister outline to the House why Australian workers are able to access more jobs, higher wages and a better standard of living than a decade ago? Is the Prime Minister aware of proposals which would threaten Australian workers and their prosperity?

Mr Howard—May I take the second part of the answer first. I saw over the weekend the Leader of the Opposition talking about a new proposal he had for collective bargaining. He did not provide much detail of it to me, but I really did not need him to do that because I had had the benefit some months ago of a discussion with the secretary of the ACTU. He told me what good faith bargaining, a la the Labor Party and the Australian trade union movement, meant. What he basically said was that, if you have a workplace where a majority of people vote in favour of a collective agreement, that would mean that a collective agreement would be forced on every member of that workplace. I was told that this is what happened in the United States. I was a little surprised at the reference to the United States because I thought we never followed anything in the industrial relations area or the social welfare area that came from the United States.

What the Leader of the Opposition has in mind in relation to collective bargaining would strike at the right of businesses to run their own businesses. It would deny freedom of choice to employers and employees. It demonstrates again that he does not have a commitment to the policies that are needed to maintain the prosperity of the Australian economy.

And that brings me to the first part of the honourable member’s question. Let me simply say to him: the reason why we have had almost two million jobs created in the last 10 years, the reason why in the last six months we have had 175,000 new jobs created since Work Choices came into operation, the reason why industrial disputes are now at their record low level since statistics began to be collected and the reason why workers’ wages have gone up by 16.4 per cent in real terms since this government came to power is the combination of this government’s economic policies and the relentless commitment of this government to maintaining and extending the prosperity of the Australian people.

The problem with the Leader of the Opposition’s proposal in relation to collective bargaining is that it would take us back to the rigidity of the Keating era, when more than a million Australians lost their jobs. It is not a recipe to spur prosperity; it is a recipe to retard prosperity. It is a recipe to take away the right of managers to manage and it would deny the freedom of choice now available to Australian workers.

Distinguished Visitors

The Speaker (2.17 pm)—I inform the House that we have present in the gallery this afternoon the Rt Hon. Sir Alan Haselhurst, the Deputy Speaker of the House of Commons of the United Kingdom. On behalf of the House I extend to him and his wife a very warm welcome.

Honourable Members—Hear, hear!

Questions Without Notice

Workplace Relations

Mr Beazley (2.17 pm)—My question is to the Prime Minister and follows the question he has just answered on what is fair
and what is a decent thing in the workplace. I refer the Prime Minister to the fact that employees at Boeing’s Williamtown military aerospace support division were forced into a debilitating strike for more than 260 days in 2005 because of Boeing’s refusal to negotiate a collective agreement. Isn’t it the case that the vast majority of those employees wanted to collectively bargain with Boeing? Isn’t it also the case that neither the New South Wales nor the Australian industrial relations commissions, when the matter came before them, had a capacity to require Boeing to deal collectively with its employees? Doesn’t that mean the only choice here was the employer’s? Why can’t a majority of the employees and the independent umpire have a say as well?

Mr HOWARD—The people who chose in the Boeing case—and I met some of these men—to go on strike were the men themselves. They could have returned without any kind of penalty. I am also reminded by the minister for workplace relations that, ironically enough, in this particular case two-thirds of the employees did not want the collective agreement.

Mr Beazley—That’s wrong!

The SPEAKER—Order! The Leader of the Opposition has asked his question!

Mr HOWARD—So apparently it is all right for the majority to rule, if the majority rules the right way—and that is the Combet-Beazley way. But if the majority goes in the other direction it is: ‘Oh, this is dreadful. We’re being forced into a debilitating industrial dispute.’ What you want in the workplace is freedom of choice. You want freedom of the individual. That is what has made this country great and that is what will maintain its prosperity.

DISTINGUISHED VISITORS

The SPEAKER (2.19 pm)—I inform the House that we have present in the gallery this afternoon the Secretary of State for Constitutional Affairs and Lord Chancellor of the United Kingdom, the Rt Hon. Lord Falconer of Thoroton. On behalf of the House I extend to him a very warm welcome.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Workplace Relations

Mr TUCKEY (2.19 pm)—My question is to the Minister for Employment and Workplace Relations. Would the minister update the House on how the government’s workplace relations reform is benefiting Australian employees and their families? Is the minister aware of proposals to reregulate the Australian labour market? How might these undermine employment and wages?

Mr ANDREWS—I thank the honourable member for O’Connor for his question. As he and other members of the House know, since the introduction of Work Choices we have seen 175,000 jobs created in Australia—great news for Australian families; great news for Australian workers—and, at the same time, wages have continued to grow in this country and industrial disputation has fallen to the lowest level on record. So this is great news for Australians and great news for the economy.

As the Prime Minister indicated in answer to an earlier question, over the weekend we had the Leader of the Opposition quietly slip out a policy which amounts to sheer economic vandalism of this country. This compulsory union bargaining policy means, in effect, that union officials would be able to march into any business in Australia and demand to have a collective agreement put in place. As part of this process which Mr Combet and those in the trade union movement have been outlining, they would be able to seek to open up the financial affairs and the books of account of all these businesses as well. That is what compulsory un-
ion bargaining under the Labor Party means. Let us make no bones about this: this will be a job-destroying move if it is ever implemented in Australia.

Not only that, there is a great contradiction in what the Leader of the Opposition says. On one hand he says, ‘If a majority of employees want to have a collective agreement, then we’ll legislate to allow them.’ But just remember what else he said: ‘If a majority of employees want to have an individual Australian workplace agreement, we’ll ban them.’ So there is not even any internal logic in this place. We have to ask why is it—

Mr Beazley interjecting—

Mr ANDREWS—This is an important interjection. He says, ‘You all know that they can have a common law contract.’ Anybody who knows labour relations 101 knows that a common law contract involves the terms of the award. So what he is saying is—

Opposition members interjecting—

Mr ANDREWS—They can laugh.

Opposition members interjecting—

Mr ANDREWS—Well done! He has just shown, by either his connivance or his sheer ignorance, that a common law contract in his language means the old award system. So this is either a collective agreement that is demanded or an award going back to the Keating days of industrial relations in Australia—going back to the 104 working days lost per 1,000 employees when he was minister for employment; going back to the 10.9 per cent unemployment rate when this man was allegedly responsible for employment in this country.

But why is he doing this? This is the most important question. The member for Franklin let the cat out of the bag last week. I think most people regard the member for Franklin as a decent and honourable man, and he let the cat out of the bag. He said that the leadership of the Leader of the Opposition was under pressure from the mates in the New South Wales Right. What happened? A few months ago, John Robertson from Unions New South Wales started a campaign against the Leader of the Opposition. So the Leader of the Opposition rushed off to their conference and said, ‘We’ll rip up Australian workplace agreements.’ Now there is another campaign against the Leader of the Opposition, which the member for Franklin has honestly told us about, and the Leader of the Opposition has gone out once again and said, ‘I’ll do the bidding of the unions in New South Wales.’ This has nothing to do with the national interest; it would destroy the national interest. This is simply about looking after the vested interests of the Leader of the Opposition.

Workplace Relations

Mr McMULLAN (2.24 pm)—My question is addressed to the Prime Minister. I refer to defence service provider Serco Sodexo Defence Services, a contracting company employing more than 6,000 people nationally in defence related services. I also refer to the fact that Serco has been awarded a contract to provide cleaning services to defence facilities here in the ACT. Is the Prime Minister aware that Serco is adamant that it will offer its ACT cleaners an Australian workplace agreement only? Isn’t it the case that Serco cleaners have made it clear that they want to negotiate a collective agreement? Doesn’t this mean that the only choice here is the employer’s choice? Will you tell the Serco cleaners who are here in the gallery today why they cannot have a say rather than being told to ‘take it or leave it’?

Mr HOWARD—I am aware in general terms of this situation. I am aware that the company mentioned by the member for Fraser has won the contract from another company. I am also aware that the former com-
pany employed many people under an AWA—though not all of them. It is the right of an employer to decide how to manage his business. In a free enterprise society, employers do have the right, subject to the law, to manage their businesses. This proposition that the government should tell somebody who has invested their capital in starting a business how to manage it and micromanage their business for them is not a proposition that I accept. The purpose of industrial relations legislation is to set a framework, and within that framework businesses should be able to manage their own business—

Ms Plibersek—Come on, Joe; give him a hand. He’s really struggling.

The SPEAKER—The member for Sydney is warned!

Mr HOWARD—and employees, if they wish, should be able to negotiate. Under this government, both employers and employees have more freedom of choice than they did under the former government. If the Labor Party were to win the next election, it is obvious that the Leader of the Opposition, from what he has said over the weekend and today, would be hell-bent on going back to a situation where managers will be denied the right to manage their own businesses. That is a recipe for reducing the entrepreneurial spirit of this country. It is a recipe for returning to the days when real wages hardly moved at all. I say not only to workers employed by a particular company but, indeed, to workers all around Australia: look at how your real wages have increased under this government and compare that with what happened when presumably you were living in the nirvana of the workers under the former Labor government. There is no comparison.

Mr Snowdon interjecting—

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

Mr HOWARD—What the Leader of the Opposition has conveniently done today is to remind us that good faith collective bargaining is to hand back control of industrial relations to the union movement of this country. We now know that Greg Combet was deadly serious when he said in Adelaide, ‘The unions used to run this country and it wouldn’t be a bad idea if they started doing so again.’

Afghanistan

Dr SOUTHCOTT (2.28 pm)—My question is addressed to the Minister for Foreign Affairs. Would the minister inform the House of the latest developments in the battle to defeat terrorism in Afghanistan? Would the minister also inform the House of Australia’s progress in the broader war against terrorism?

Mr DOWNER—I thank the honourable member for Boothby for his question and for his interest. He is very concerned about these issues and often speaks about them. First, in answer to the honourable member’s question, let me say that we were saddened to hear of the death of the governor of Paktia province in Afghanistan, Hakim Taniwal, who was killed yesterday by a Taliban suicide bomber. He was an Australian citizen. He came to Australia in order to flee from oppression in his country and he returned to Afghanistan in 2002 to contribute to the rebuilding of his country of birth. I would like to extend our condolences to his family in Melbourne. It is a truly sad thing that someone who became an Australian citizen has died in these tragic circumstances, finding his country of birth liberated—a country that was free but a country still under a good deal of pressure.

Today, on 11 September, this is a reminder for all of us that the fight against terrorism is going to continue on a number of fronts. It is also a reminder that Muslims who stand up for democracy and freedom are targeted just
as much as, if not more than, Westerners and Western interests.

By the end of 2006, there will be over 300 Australian troops in Afghanistan. We are determined to play our part in denying the terrorists a safe haven and to support the democratically elected government of President Karzai to ensure that we are able to see democracy and freedom flourish in that country. Our first resident ambassador leaves Australia this week. He will lead the new embassy which we are just in the process of opening in Kabul.

In Iraq, also, Australia is continuing to play its part in confronting the terrorists and supporting democracy. In our region, our government has very much led the way in cooperation against terrorism. Our counter-terrorism initiatives since 2004 are worth over $400 million. We have a network of 12 counter-terrorism memoranda of understanding which underpin our cooperation, and this cooperation is delivering results. Over 300 terrorists have been tracked down and arrested in South-East Asia in recent times.

Finally, today we remember the Australians who have been killed in terrorist attacks in Indonesia, in the United States on September 11, in Iraq, in the United Kingdom on 7 July last year, in Afghanistan and indeed elsewhere. We want to take the opportunity to pay a special tribute to the Australian soldiers, the Australian police and even officers of my department who stare down the threat of terrorism every day of their lives in extremely difficult and often very dangerous circumstances.

I think all members of the House know that this government will continue to confront these extremists and to confront their ideology. Very importantly—and let me say this in the presence of the British Lord Chancellor, a member of the British cabinet—we will continue to work with our friends and our allies, including our very traditional allies of Great Britain and the United States of America, in confronting and ultimately defeating terrorism.

DISTINGUISHED VISITORS

The SPEAKER (2.32 pm)—I inform the House that we have present in the gallery this afternoon members of the Committee for Internal and Judicial Affairs of the National People’s Congress of China. On behalf of the House I extend a very warm welcome to the members.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Workplace Relations

Mr STEPHEN SMITH (2.33 pm)—My question is to the Prime Minister. I refer the Prime Minister to his repeated defence in this place of the Cowra Abattoir and its owner, who, under the government’s industrial relations legislation, lawfully sacked 30 employees and rehired some on inferior terms and conditions for so-called financial operational reasons. I also refer to the administrator’s report into the abattoir, showing that as at 30 June 2006, while the Office of Workplace Services was conducting its investigation into the operational reasons for the sackings, a total of $1.18 million had already been transferred from the abattoir to a related company of the owner. Why did the Prime Minister give the abattoir owner a clean bill of health when there was a highly questionable million-dollar transfer on the books of the company at the very time of the Office of Workplace Services investigation?

Mr HOWARD—My position on this has not been to repeatedly defend the company. Rather, my position has been to repeatedly point out that the argument made by the Labor Party and the unions—that the retrenchment of these workers was due entirely to the operation of the new Work Choices legisla-
tion—was wrong. That is the argument. It may come as a blinding flash of light and new reality to the member for Perth for me to tell him that companies have lost money, gone broke and retrenched workers under every industrial relations system this nation has had since Federation. If in fact there has been something wrong in the behaviour of the company, I would invite the member for Perth—and anybody else who is interested—to take that matter up with the relevant body, which is ASIC.

My position is very simple. The argument advanced by the unions and the Labor Party all along in relation to this company has been ‘It’s all been due to Work Choices’. The evidence to date is that that claim is wrong. If the unions and the Labor Party have any evidence to the contrary, they should give it to ASIC. The reality to date is that what the Labor Party has been arguing is completely false.

**Defence**

Mr WOOD (2.35 pm)—My question is addressed to the Minister for Defence. Would the minister update the House on measures taken by the Defence Force to enhance Australia’s security.

Dr NELSON—I thank the member for La Trobe for his question and his preparliamentary profession, committed to law and justice, particularly in policing. When the government came to office in 1996 and inherited a $10 billion deficit from the previous government, one of the first things it did do was cut Australian Defence Force expenditure. In fact, over the last decade, this government’s investment in defence has increased in real terms by more than 40 per cent. In addition to that, $900 million a year has been shifted from the back end of Defence to the front.

On 11 September five years ago, the lives of many of us were bisected into the half that was lived before those heinous events from Islamic terrorism and the half that has come since. Amongst that government expenditure in defence over the last five years has been $752 million in increased investment which has brought a tactical assault group to the eastern part of Australia to specifically provide a rapid response in counter-terrorism; an incident response regiment to focus specifically on nuclear, chemical and biological threats and incidents; and a special operations command, staffed principally by 330 specialist combat trained Defence Force personnel, to coordinate anti-terrorist capability in Defence and coordinate operations.

In this year alone, with the budget and announcements made since, this government has committed an additional $26 billion in defence expenditure over the next decade, which will include the establishment of two more battalions of 2,600 more light infantry soldiers. The government also announced, late last year, another 1,500 soldiers, supported by, amongst other things, 59 heavy Abrams tanks. Next year we will also make a decision about building three air warfare destroyers which, amongst other things, will give Australia the option of mobile anti-ballistic-missile capability.

It is also important for us to appreciate that, if it were the case on 11 September five years ago, anyone who thought that protection of Australia’s people, interests and values began and ended at our borders would have had that illusion shattered. Defending Australia is about what happens in our region and it is also about what happens in the rest of the world. The war against terror and the global struggle against Islamic fundamentalism and Islamic terrorism needs to be fought as much in Afghanistan and Iraq as it does in our region or, indeed, on our borders. We need to appreciate that Muklas, Hambali and Samudra—and others who planned to kill and killed innocent Australians in Bali—
trained in Afghanistan. This is a long war in which we are engaged to see that the next generation is able to live free from this kind of terrorist behaviour and this kind of heinous terrorist fear. We need to understand that this is a cause we need to take up and that the government has well and truly invested in the future security of Australians.

Interest Rates

Mr HAYES (2.40 pm)—Has the Prime Minister seen reports in the Sun-Herald on 10 September on the sharp increase in mortgage repossessions in New South Wales since interest rates started to climb in 2002? Did the Prime Minister see the comments from accountant Anthony Bell, who said, ‘Interest rate rises have made loan service ability harder and harder’? When will the Prime Minister finally admit that it is his seven back-to-back interest rate hikes that are causing some families to lose their homes?

Mr HOWARD—I have seen the reports in the weekend press, and my understanding of those figures is that they do not relate solely to dwellings; they also include actions to repossess properties involved commercially, and it is not possible on the figures available in the media to know precisely how many of those relate to homes. He asks me a question relating to interest rates. It is true that interest rates rose by 0.25 per cent recently, and there have been three interest rate rises in the last 18 months. I acknowledge that. That is a statement of fact. The other statement of fact is—

Mr Fitzgibbon—You said, ‘Go forth and borrow!’

The SPEAKER—Order! The member for Hunter!

Mr Fitzgibbon—‘Go forth and borrow!’

The SPEAKER—The member for Hunter is warned!
Mr BARRESI (2.43 pm)—My question is addressed to the Attorney-General. How will the recent government initiatives increase Australia’s security against terrorist attacks?

Mr RUDDOCK—I thank the honourable member for Deakin for his question because obviously the member for Deakin is far more interested in the security of Australia and the Australian people than some of those who have been interjecting opposite. But, as reminded by the Prime Minister, today marks five years since—

Mr Edwards—And you’re not interested in politicising it?

Mr RUDDOCK—Perhaps you might like to be quiet and listen.

Opposition members interjecting—

The SPEAKER—Order! The Attorney-General has the call.

Mr RUDDOCK—As I said a moment ago, September 11 tragically represented the loss of too many innocent lives at the hands of terrorists, and those events changed the security environment forever. This government is committed to the safety of Australia and Australians.

The opposition would have us believe that a new department of homeland security would offer a magic answer to all security concerns. Unfortunately, administrative restructure would offer nothing in the way of new policy and ignores the excellent cooperative arrangements that underpin our security arrangements that are in place here in Australia today. As the Commissioner of the Australian Federal Police, Mick Keelty, acknowledged in a radio interview only yesterday, there exists a very high level of cooperation between relevant agencies here in Australia.

Fortunately for Australians, this government is committed to implementing practical measures to improve security. We have committed over $8.3 billion over 10 years, enhancing national security arrangements. We have increased the resourcing of our security agency ASIO—an increase in the order of a quarter of a million dollars in this financial year. We have identified critical infrastructure assets at greatest risk, and we have worked in partnership with the business community to protect those most vital assets.

Our counter-terrorism exercise program is one of the most comprehensive in the world. It attracts observers from around the globe to Australia when those exercises occur. The national security hotline has proven to be a very considerable success, with over 83,000 calls since it commenced operation in 2002. Many of those calls have led to very fruitful lines of inquiries for appropriate agencies. On the legislative front, we have refined and adapted our laws in response to the experience and relevant developments we have seen abroad.

While the government cannot offer a guarantee that a terrorist act will not occur in Australia, we are clearly committed to protecting our citizens here and abroad. Our law enforcement and security agencies have the resources and the tools, and I am sure all members of this House would join me in recognising their professionalism at the front line in the fight against terrorism.

Mr SWAN (2.46 pm)—My question is directed to the Prime Minister. Has the Prime Minister seen predictions of the impact of new land releases on house prices by Mr Alan Moran, the Prime Minister’s preferred housing expert, who said:

In the case of Sydney, outer Sydney, we would see a very dramatic reduction over time, we would see a reduction of perhaps half.
... in Melbourne we would see a reduction of
maybe a quarter.
... Adelaide about the same again.
... Perth a little bit more than that.
Given that new land releases would lead to a
significant impact on the value of the family
home, is the Prime Minister still advocating
this proposal as the sole solution to families
who are struggling with their mortgage?

Mr Howard—Mr Speaker, I know my
hearing is bad, but I thought the member for
Lilley said that any new land releases would
have an effect on the value of the family
home.

Mr Swan interjecting—
The Speaker—Order! The member for
Lilley has asked his question.

Mr Swan interjecting—
The Speaker—Order! The member for
Lilley does not have the call.

Mr Howard—You have been caught
out. The shadow Treasurer is saying that any
land release will have an effect on the value
of the family home. I have in fact seen what
Mr Alan Moran said. I saw it on
Lateline,
late on Friday night.

Mr Beazley—And it gave you the hor-
rors.

Mr Howard—No, I took it in calmly,
and I thought, ’I’ll bet that’s a selective
grab.’ Of course, on 6PR, he qualified his
comments. He said, ‘Well, I’m not suggest-
ing there’s going to be open slather.’ Of
course there is not. Obviously, if you decided
to hurl vast tracts of land onto the market, of
course it would have an impact. Nobody is
arguing that. What I have in mind are modest
proposals—and they were modest proposals;
they came from the Australian Labor Party,
actually. That is why I know they are mod-
est! This is what Jenny Macklin had to say—
and this was when they were interested in
young home buyers:

Let’s also work with State Governments to make
sure that we get adequate land release—

Government members interjecting—

The Speaker—Order! Members on my
right!

Mr Howard—Do I assume that the
value of the family home in Sydney is now
going to go down if we adopt those policies?
She continued:
... that we get proper urban development, regional
development, that we address this issue as
broadly as possible.
On 15 March, Kim Carr not only called on
the states but also on the Commonwealth to
make a contribution. The reality is that the
policies of the state governments have con-
tributed to the very issue drawn attention to
by the retiring Governor of the Reserve
Bank.

Agricultural Exports

Mrs Hull (2.50 pm)—My question is
addressed to the Deputy Prime Minister and
Minister for Trade. Would the Deputy Prime
Minister and Minister for Trade update the
House on the performance of Australian ag-
ricultural exports? What are the threats to
this performance, particularly in my elector-
ate of Riverina?

Mr Vaile—I thank the honourable
member for Riverina for her question. Of
course, it is well known that agricultural ex-
ports are a very important component of
Australia’s overall export earning effort. Fig-
ers released on Friday show that in the
month of July agricultural exports rose by
two per cent. Foremost amongst those were
exports of grains, which were up $22 million
or five per cent; and wool, which increased
by $16 million or seven per cent. Notwith-
standing those results in July, the major
threats to our ability to earn more income
from agricultural exports are probably cli-
matic conditions and the advent of drought.
As the member for Riverina would know
from her own area, drought has been a significant handbrake on agricultural production in this country for almost a decade in different parts across Australia. We need to recognise that and always be prepared to help out our agricultural producers.

Interestingly, at the moment 98 per cent of New South Wales is either in drought or marginally getting close to being in drought. Irrigators in the Goulburn system in Victoria’s food bowl have been allocated only 17 per cent of their water rights at this stage, and more than 60 per cent of Queensland has been drought declared. Obviously, the greatest impediment to increasing our agricultural exports is drought, and it is something that none of us have any control over. But we do have some control over the level of assistance that we are able to give to Australia’s farmers. Forecasters were predicting last week that this year’s grain crops may only be half the size of last year’s, and that will have a profound impact on Australia’s exports of that product next year.

As a result of drought the Australian government has provided over $1.1 billion in direct welfare and business support to farmers through the exceptional circumstances program administered by the Minister for Agriculture, Fisheries and Forestry. That has assisted 53,000 applications from drought ravaged parts of Australia. It is a very important program that helps people get back on their feet very quickly and back into the production cycle to make that very important contribution to Australia’s export effort. The coalition government recognises the ongoing impact of drought on farm families in rural communities and we will continue to support them during these difficult times when they are being dramatically affected by the impact of drought.

Interest Rates

Mr SWAN (2.54 pm)—My question is to the Prime Minister. Has the Prime Minister heard other comments from the Reserve Bank governor, Ian Macfarlane, on ABC radio last night where he said he was ‘disappointed’ with the coalition’s interest rate campaign at the last election which was ‘accepted by some members of the community’? Prime Minister, is this why Mr Macfarlane said the coalition’s interest rate campaign was ‘incorrect’ and ‘not plausible’?

Mr HOWARD—The answer to the first part of the question is: yes, I have heard those comments. They were part of an answer given to Maxine McKew. The question reads as follows:
Did you think their line was defensible, within the context of an election?

This is what he said:
Ah, well it was logically defensible, yes. It was a logically defensible position.

Mr Swan—Go on; quote the rest!

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

Mr HOWARD—Then he goes on to say that it was disappointing. I simply say to the member for Lilley that if he wants to quote the Reserve Bank governor on this issue, quote him in full and do not be selective.

Mr Downer interjecting—

The SPEAKER—Order! The Minister for Foreign Affairs is warned!

Health

Mr TICEHURST (2.55 pm)—My question is addressed to the Minister for Health and Ageing. Will the minister advise the House of recent measures taken by the government to improve Australians’ general health and reduce their susceptibility to disease? How is this improving health generally
as well as for the people in my electorate of Dobell?

Mr ABBOTT—I thank the member for Dobell for his question. I note in passing that there are already 30 schools in his electorate that have taken advantage of the government’s Healthy School Communities grants to improve the diets in their school canteens. As everyone knows, prevention is better than cure, and the government is building a health system which does not just treat illness but which promotes wellness too. The government wants our system to anticipate problems and to treat these early. We are doing this through a series of health checks which are now funded under Medicare. Since 1999 people over 75 have been able to access annual health checks under Medicare, and I am pleased that some one-quarter of a million people accessed such a check in the last year.

Indigenous people of all ages are able to access biannual health checks under Medicare. In the last year almost 20,000 Indigenous people did so. From 1 November, everyone turning 45 with risk factors will be able to access a comprehensive health check funded by Medicare. As well, Medicare is now funding more comprehensive treatment for people with chronic diseases. In the first year of its operation, some 650,000 GP management plans were put into practice. In the last financial year there were some 250,000 team care plans for people with complex care needs, and there were a half a million allied health consultations under these plans, which was double that of the previous year. These are not the end but the beginning of changes which this government is making to promote good health. This government will continue to support incremental changes to make our great Medicare system even better.

Climate Change

Mr BEAZLEY (2.58 pm)—My question is to the Prime Minister. Has the Prime Minister seen the April 2006 report released by the Australian Business Roundtable on Climate Change, comprising Westpac, Origin Energy, Insurance Australia Group, BP, Visy and Swiss Re? Can the Prime Minister confirm that the report finds that 250,000 more jobs will be created if we act early to address climate change rather than if we delay? Isn’t this why on 19 December 1997 the Prime Minister said the Kyoto protocol was ‘a win for the environment and a win for Australian jobs’?

Mr HOWARD—I have seen a summary of that and I am aware of the broad thrust comprised in that report. I have no argument with acting in relation to climate change. My disagreement is in relation to the desirability of this country signing up to the Kyoto protocol because I think it is in the interests of the nation to revise one’s view about something that you may have held in 1997, which is nine years ago. The truth is that if Australia were to sign Kyoto in its present form it would assume burdens—

Mr Bowen interjecting—

The SPEAKER—Order! The member for Prospect!

Mr HOWARD—not assumed by countries like China and Indonesia. As a result it would be more economic for investments carrying the creation of thousands of jobs to be made in countries like China and Indonesia rather than in Australia. That, in a nutshell, is the reason why we are not in favour of signing Kyoto. We are in favour, and we are giving effect to the favour, of encouraging investment in technologies that will reduce the greenhouse gas emissions of fossil fuel. We have signed up to the Asia-Pacific partnership for development and energy. Kyoto was essentially constructed by the Europeans to suit the Europeans.

Mr Albanese—It was constructed by the Americans.
The SPEAKER—Order! The member for Grayndler!

Mr HOWARD—It was not constructed in order to accommodate the legitimate interests of a developed country which is a large net exporter of energy, which is the case with Australia. So I would say in reply to the business roundtable, as I would say in reply to other people who raise this issue, that those who believe that you have answered the call and deserve a tick in relation to climate change by signing up to Kyoto misunderstand the national interest of this country. I am never going to support something that will result in Australian industry and Australian jobs being exported from Australia to countries like China and Indonesia.

Mr Tanner—Didn’t we agree to Kyoto?

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

Mr HOWARD—That would be the effect of signing Kyoto in its present form. Until we have an agreement that embraces all of the major emitters, including the United States and China, we are never going to have an effective protocol. In the meantime all countries, including Australia, will take steps to reduce greenhouse gas emissions. I am happy to compare Australia’s performance in meeting her Kyoto target of 108 with the efforts of other countries that on occasions assume the right to lecture Australia about our contribution. My first responsibility is not to an ideology on this. It is to the jobs and future of Australian workers.

Workplace Relations

Mr HENRY (3.03 pm)—My question is addressed to the Minister for Small Business and Tourism. Would the minister inform the House how the government’s Work Choices reforms have encouraged greater flexibility amongst small businesses? Would the minister confirm that many small businesses are anxious about a return to centralised wage fixing?

FRAN BAILEY—I thank the member for Hasluck for his question and for his very strong support of small business. I can advise the member for Hasluck and all members of the House that Work Choices has really delivered strong growth in jobs—in fact, 175,800 jobs to be specific. As well, the flexibility of Work Choices has enabled small businesses to negotiate 24,000 AWAs with their employees. This is where 24,000 small business people have sat down with their employees and negotiated for their mutual benefit.

Opposition members interjecting—

FRAN BAILEY—The opposition obviously does not want to listen, but many in industry are very determined and very supportive of Work Choices. Let me tell the House what Mr Bill Healey, the Director of the Australian Hotels Association, says: WorkChoices will mean that business operators will have greater incentive to move out of the current one-size-fits-all award system and negotiate arrangements that are better suited to their business, the local economy and needs of the worker.

I am also asked by the member for Hasluck if small business is anxious about the prospect of having collective bargaining reimposed on them. They certainly are. Not only that, but there are 24,000 people currently employed in small business and the Leader of the Opposition will just take their AWAs and rip them up. As well as that, the 1.2 million small businesses know that the Leader of the Opposition plans to reintroduce unfair dismissal legislation onto 1.2 million small businesses, in stark contrast to what this government stands for with small business. It is no wonder, Mr Speaker, that the Leader of the Opposition proudly boasts—

Mr Snowdon interjecting—
The SPEAKER—Order! The member for Lingiari is on very thin ice!

FRAN BAILEY—‘We have never pretended to be a small business party, the Labor Party.’ And small business knows it.

Climate Change

Mr ALBANESE (3.06 pm)—My question is addressed to the Minister for Industry, Tourism and Resources. Does the minister recall dismissing Al Gore’s climate change documentary, *An Inconvenient Truth*, as ‘just entertainment’? Is the minister aware that the film documents the scientific consensus that global warming has led to a significant increase in both the duration and intensity of hurricanes and cyclones, and that this is consistent with the Howard government’s own *Climate change risk and vulnerability* report which it received in July last year? Minister, what was entertaining about Hurricane Katrina?

Mr IAN MACFARLANE—I genuinely thank the member for Grayndler for his question. There are three places I do not go for advice on climate change. One of them is to unsuccessful candidates for the US presidency who cannot even convince their own people that they are right. The second place is the movies—

Ms Plibersek interjecting—

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

The member for Sydney then left the chamber.

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Ms Plibersek interjecting—

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

The member for Sydney then left the chamber.

Mr IAN MACFARLANE—the third place is the Labor Party, who promote a policy that will cost jobs in Australia. The inner-city Sydney attitudes of the member for Grayndler are in stark contrast to those of Mr Tony Maher, the General President of the CFMEU, who found himself compelled to write to the Leader of the Opposition complaining that the Labor Party was selling them out on jobs in the coal industry. His letter went on to say:

My point is I fear—

Mr Price—Mr Speaker, I rise on a point of order. What does this have to do with whether or not Hurricane Katrina’s attack—

The SPEAKER—What is the member’s point of order?

Mr Price—Relevance, of course.

The SPEAKER—The Chief Opposition Whip will resume his seat. I have been listening closely to the minister. He is answering the substance of the question.

Mr IAN MACFARLANE—the Labor Party is asking us to ratify Kyoto and sacrifice Australian jobs, particularly jobs in the coal industry. Tony Maher said in his letter that 30,000 jobs were being put at risk by the member for Charlton in her opposition to what she described as a ‘rapacious’ coal industry.

This government will continue to support the jobs of Australians. We will continue to support policies that actually reduce greenhouse gas emissions and technologies that will see greenhouse gas emissions lowered, not policies supported by the Labor Party on Kyoto that will simply cost jobs. I table documents to back the statement.

Mr Albanese—I seek leave to table a section in the latest issue of the *Economist*, ‘The heat is on: a special report on climate change’. He obviously has not read it.

Leave not granted.

Superannuation

Mrs MIRABELLA (3.10 pm)—My question is addressed to the Minister for Revenue and Assistant Treasurer. Given the strong retirement policies that are key to meeting the challenge of an ageing population, would the minister advise the House of
the community response to the government’s plan to simplify and streamline superannuation?

Mr DUTTON—I thank very much the member for Indi for her question and appreciate very much the way in which she has been engaged in this process, because the radical changes to superannuation in this country are all about the Howard government securing and planning for the future of this country. We have an ageing population in this country and we must put in place proper retirement plans, proper economic plans, to secure this nation’s future.

The responses to the final announcements made in response to the consultation period that we had last week have been that the plan will be overwhelmingly successful. All of the industry advice to us has been that this is a great plan for the future of the country. Richard Gilbert, the CEO of IFSA, the Investment and Financial Services Association, welcomed the announcements. He said:

"The package will help make life simpler and more efficient for industry, with the benefits ultimately flowing through to consumers ..."

Dr Michaela Anderson of ASFA, the Association of Superannuation Funds of Australia, said:

"These are highly positive steps to reform super, and will increase workers’ engagement with one of their most significant investments ..."

Out of all of this, one of the most significant plans that have ever been put forward by a government to secure the economic future of the nation, the most significant point that needs to be made is that there has still not been one utterance from the Leader of the Opposition on superannuation. There were 1,500 submissions made in relation to the government’s plans to radically overhaul superannuation and not one suggestion was made by the Leader of the Opposition. I went to the index. You can look under ‘A’ for Australian Labor Party—no submission. You can look under ‘B’ for Beazley—no submission. You can skip down to ‘K’ for Kim—no submission under ‘Kim’ either.

Last week the opposition leader had the perfect opportunity when he was addressing the International CEO Forum. He delivered a speech called ‘Nation building for the modern economy’. He was talking about the future of this nation and there was not one word on superannuation. He never mentioned retirement policy. It is one of the biggest policies affecting the nation’s future, and there was nothing mentioned by the Leader of the Opposition at all. It is an example to the Australian people of why the Leader of the Opposition is not fit to govern this country.

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

QUESTIONS TO THE SPEAKER

Mr Peter Brock AM

Mr GIBBONS (3.13 pm)—Mr Speaker, given that just last week we quite appropriately acknowledged the tragic passing of Queenslander Steve Irwin, I am wondering whether we will be doing the same for the equally tragic passing of Melbourne racing driver Peter Brock.

The SPEAKER—I thank the member for Bendigo. It is a matter for the government as to whether or not that will be acknowledged.

PERSONAL EXPLANATIONS

Mr Swan (Lilley) (3.13 pm)—Mr Speaker, I wish to make a personal explanation.

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

Mr Swan—Yes.

The SPEAKER—Please proceed.

Mr Swan—During question time the Prime Minister said that I was quoting selec-
tively the Reserve Bank governor. The quote was:

It was disappointing to us because the bold claim, rather than the more nuanced one, was probably accepted by some members of the community and, if they accepted the bold claim, that indicated that they weren’t aware that we had an independent central bank.

That is the full quote—the one the Prime Minister did not give the House.

Mr HOWARD (Bennelong—Prime Minister) (3.14 pm)—Mr Speaker, I wish to make a personal explanation.

The SPEAKER—Does the Prime Minister claim to have been misrepresented?

Mr HOWARD—Yes.

The SPEAKER—Please proceed.

Mr HOWARD—It is true that all of those words quoted by the member for Lilley were in fact quoted by the Reserve Bank governor, but it was topped and tailed with the following statements:

Ah, well, it was logically defensible, yes. It was a logically defensible position.

That was the beginning. At the end he said that the government’s position was logically defensible.

Mr BEAZLEY (Brand—Leader of the Opposition) (3.15 pm)—Mr Speaker, I wish to make a personal explanation.

The SPEAKER—Does the Leader of the Opposition claim to have been misrepresented?

Mr BEAZLEY—Yes.

The SPEAKER—Please proceed.

Mr BEAZLEY—I have been serially misrepresented by the minister who last spoke, who I think is the member for revenue—that young fellow who needs adult supervision, the Assistant Treasurer. On the number of occasions when I have been invited by the media to say something about the issue of superannuation, I have in fact responded to them. Can I tell you exactly what our position is, because he says no position has been put down?

The SPEAKER—No. The Leader of the Opposition will show where he has been personally misrepresented.

Mr BEAZLEY—Where I have been misrepresented is this persistent nonsense that somehow or another nothing has been said about it. What I said last week, for example, was this:

We support these changes in principle, subject to the final details in the legislation.

End of story!

QUESTIONS TO THE SPEAKER
Personal Explanations

Mr MURPHY (3.16 pm)—Mr Speaker, in relation to the Prime Minister adding to an answer from the member for Lilley’s question—

The SPEAKER—Is the member for Lowe asking a question?

Mr MURPHY—Yes, I am. It is in relation to when a member wants to make a personal explanation because they have been misrepresented. It was apparent from what the Prime Minister just said that the member for Lilley had faithfully recorded what the Governor of the Reserve Bank had said, so I want to know from you why the Prime Minister was allowed to debate it, because he added—

The SPEAKER—Order! The member for Lowe would be aware that the Prime Minister sought leave to make a personal explanation. He did not seek leave to add to an answer, so the Prime Minister got the call on that basis.
Mr Murphy—He made it clear that he was not misrepresented, because the Prime Minister acknowledged that what the member for Lilley—

The SPEAKER—The member for Lowe will resume his seat. The Prime Minister sought leave and was given leave.

PETITIONS

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

Human Rights: Falun Gong
To the Honourable The Speaker and Members of the House of Representatives Assembled in Parliament:
The petition of certain citizens and residents of Australia draws to the attention of the House that:
Witnesses, including an investigative journalist and a veteran military doctor have revealed that Falun Gong practitioners are being held in at least 36 concentration camps in China where they are routinely subject to the forced removals of their organs which are then sold for transplants. The bodies are then cremated to destroy all evidence.
YOUR PETITIONERS THEREFORE REQUEST THE HOUSE TO INITIATE A RESOLUTION TO:
I. Call for the Australian Government to fully support the International Coalition to Investigate the Persecution of Falun Gong (CIPFG), and demand that the Chinese Communist Party (CCP) immediately open the doors of all concentration camps, forced labour camps, hospitals, prisons and detention centres throughout the People’s Republic of China in order to allow independent teams to investigate the charges of illegal detention, torture and live organ removal for transplants.
II. Demand that the CCP regime release all detained Falun Gong practitioners immediately.

by Mr Johnson (from 420 citizens),
Mr Slipper (from 692 citizens),
Mr Swan (from 1,134 citizens) and

Mr Tuckey (from 137 citizens)

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

by Mr Ripoll (from 177 citizens) and
Mr Tanner (from 20 citizens)

Free-to-Air Television and Radio
To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament:
The petition of certain electors of the State of Tasmania draws to the attention of the House that the undersigned have no access to ‘free to air’ television channels and or FM radio transmissions in our localities, a matter that will be exasperated with the roll out of digital television.
Your petitioners therefore request the House to make the necessary resources available to allow all Tasmanians to access local free to air television and radio.

by Mr Adams (from 3,216 citizens)

**Western Australia: Proposed Nuclear Reactor**

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

This petition of citizens of Australia calls on the Parliament to urge Government members to:

1. Table all environmental evidence and other studies supporting the proposal to build a nuclear reactor in Western Australia;
2. Identify which bodies in Western Australia have been consulted over such a proposal;
3. Advise on what consultation has taken place with the community in Western Australia over the proposal;
4. Identify all the sites in Western Australia under consideration for the construction of this nuclear reactor; and
5. Advise what safeguards will be put in place to prevent terrorist attacks against nuclear facilities in Western Australia.

by Mr Edwards (from 172 citizens)

**Middle East Conflict**

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

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

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

by Mrs Irwin (from 95 citizens)

**Middle East Conflict**

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

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

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

by Mrs Irwin (from 106 citizens)

**Adelong Pharmacy**

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

The petition of certain citizens of Australia, residents of New South Wales draws to the attention of the House.

That a local resident Gehan Mark, pharmacist, has made application to establish a pharmacy in Adelong which is to be open six days per week. Consideration of her application has been delayed and there is an urgent need for a pharmacy to be situated in the town.

Your petitioners therefore:

Pray that the House investigate this matter and expedite the application made by Gehan Mark to open a pharmacy in Adelong so that the pharmacy can be established as soon as possible.

by Ms Ley (from 414 citizens)

**Australian Broadcasting Corporation: Classic FM**

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

The residents of the District of Mansfield, in the Electorate of Indi draw the attention of the House to the fact that the Petitioners have no reasonable access to the ABC Classic FM broadcasts.
Your petitioners therefore pray that the House direct the Minister for Communication to request that the appropriate Authority give consideration to the installation of a repeater station on “The Paps” a local high point within the Shire of Mansfield.

by Mrs Mirabella (from 450 citizens)

Dental Health

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

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

Your Petitioners therefore ask the House to:

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

by Mr Ripoll (from 141 citizens)

Tiwi Land Council: Mr John Hicks

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

We, the undersigned, are residents of the Tiwi Islands and wish to bring to your attention the concern of the Tiwi people regarding the actions of Mr John Hicks, the Executive Secretary/CEO of the Tiwi Land Council.

We, the Tiwi people, feel that our interests are not being represented.

After his 20 year involvement in the Tiwi Land Council, we feel that Mr Hicks exercises excessive influence over the respected Elders of the Tiwi Land Council. We, the Tiwi people, are not sufficiently consulted on the decisions made which have a significant impact on our land and our people. We have little information about the workings of the Tiwi Land Council which makes decisions about our future.

We do not have confidence in Mr Hicks playing such an influential role in the Tiwi Land Council and immediately call for his resignation.

The undersigned petitioners therefore ask the House of Representatives to call on the Honourable Minister for Indigenous Affairs to acknowledge our call for Mr Hicks’ resignation and to commission an inquiry into the Tiwi Land Council including their administrative procedures, land-use decision making processes and Pirntubula Pty Ltd.

Chief Petitioner: Gawin Tipiloura, Nguui P0, Bathurst Island, Phone: 0428 473 861

by Mr Snowdon (from 493 citizens)

Immigration Detention Centres

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

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

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

In particular petitioners:

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

Your petitioners therefore request the House to call on the Government to:
Adhere to their previous commitments that they would not force a detention centre on an unwilling community.

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

by Mr Swan (from 35 citizens)

Whaling

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

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

Japan's intention to seek an expansion of its whaling quota at the June meeting of the International Whaling Commission.

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

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

(1) Take all steps to prevent an increase in Japan's "scientific research" quota at the International Whaling Commission meeting to be held in Korea in June 2005.

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

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

by Mr Swan (from 627 citizens)

Workplace Relations

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

The attention of the House to the fact that Australian employees will be worse off as a result of the Howard Government's proposed changes to the industrial relations system.

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

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

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

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

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

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

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

(6) Adopt Federal Labor's principles to produce a fair system based on the fundamental principles of minimum standards, wages and conditions; safety nets; an independent umpire; the right to associate; and the right to collectively bargain.

by Mr Swan (from 355 citizens)

Petitions received.

QUESTIONS TO THE SPEAKER

Petitions

Mr JENKINS (3.20 pm)—Mr Speaker, am I to assume because the Clerk has not announced any responses to petitions that the government has made no responses to petitions?

The SPEAKER—I would say that the answer to that question is yes.
PRIVATE MEMBERS’ BUSINESS
Housing

Mr CADMAN (Mitchell) (3.20 pm)—I move:

That the House acknowledges that:

(1) the cost of housing in Australia is often more than double what it should be;
(2) the high cost is mainly due to the huge increase in the price of land and, as a result, land affordability is a problem in Australia, and especially in Sydney;
(3) Sydney is the most penalised city in the country, with affordability being worse than in London or New York;
(4) the main causes are State and local government planning restrictions and taxes; and
(5) State and local governments must play their part to reduce the cost of housing so the great Australian dream remains a reality, especially for future generations.

Over the last few days we have had three authorities speak about the affordability of housing in Australia: the Institute of Public Affairs, the Productivity Commission and the Governor of the Reserve Bank. Each authority has said that the affordability of housing is becoming less and that the house-and-land package is becoming more difficult to buy. The Housing Industry Association indicates that if some impediments to the affordability of housing were removed a further 50,000 homes could be built in Australia. Homeownership is important because it provides family and social stability. For people buying their own home, it is an investment in their future, which can be turned into a retirement program as they come to a time when they do not need the space of a large home. Every study supports the significance of homeownership and the value that it provides for the Australian community.

Any assumptions that make the reverse proposition need to be challenged. In New South Wales, the New South Wales government taxes homes. When the federal Labor Party were in government here they taxed superannuation. And so the two extremes of needs of the Australian community, whether it is the elderly or family formation, have been the target of attack by the Australian Labor Party, both federal and state.

According to a study initiated by the Institute of Public Affairs, 30 years ago one-third of the total land-house package went to the paying of the cost of land. Now the same body estimates that one half of the total house-land package goes to the cost of land. In Sydney it is said—that on figures that I have from the institute—that 80 per cent of the price of a house-land package is attributable to the land itself. It is more expensive and less affordable to live in Sydney than it is to live in New York or London. The figures of the Wendell Cox consultancy from St Louis indicate that the affordability of housing in New York and London is better than in Sydney, Australia.

And today we have the announcement from the New South Wales government that local government will be allowed to impose a levy of one per cent on all renovations; an additional cost to the cost of housing and provision of accommodation. Planning restrictions and taxes are the key. I think that the planning restrictions on the size of blocks in New South Wales have reduced the size of new outer suburb blocks to the size of inner city blocks. The prices, however, are North Shore prices. If you examine in detail the reason for that, you see that over 30 years the cost of the house and the house-land package has not increased. But if you look at the cost of the land, which has been changing in that period, you see that it has increased sevenfold over the same period of time—30 years—producing an environment for minimised exercise, minimised security and minimised quality of life for people living in the suburbs.
The anti-sprawl dogma, which seems to be believed by the Australian Labor Party, can best be illustrated by comparing the cost of land in Atlanta. There the cost of government charges is $6,500; in Sydney it is $150,000. The first home buyers are paying for the water pipes, the footpath, half the road, the curb and now the freeways. Out in the western suburbs of Sydney, they are going to pay for the railway line as well. The cost on the average home of a block of land in Rouse Hill is going up by 30 per cent to cover the railway line the New South Wales Labor Party says that it will build some time in the future. The government of New South Wales does nothing for the homeowner and charges them the lot. I think it is time that homeowners had the opportunity to live in the type of home—(Time expired)

The SPEAKER—Is the motion seconded?

Mr Bartlett—I second the motion and seek leave to continue my comments at a later time.

Mr MARTIN FERGUSON (Batman) (3.25 pm)—The first thing that strikes me as I rise to address this motion by the member for Mitchell is that, as usual, the Howard government wants to deal with this very important issue of housing affordability by yet again shifting blame to someone else: state and local governments. The problem was raised by the Productivity Commission back in 2004. When it correctly released a report on first home ownership, the government said exactly the same thing: ‘It’s someone else’s fault.’ It rejected pretty much all the recommendations that would have involved Commonwealth accountability, but called on the states to do everything the report recommended in their areas of responsibility. The issue is about the blame game; it is not a debate today about housing affordability, which is a national crisis from the Howard government’s point of view.

States and territories have unanimously supported the development of the Framework for National Action on Affordable Housing and are working cooperatively to actually try to implement it. By contrast—and this is what it is about—the Commonwealth had to be dragged to the altar to sign up to the framework and will have to be forced to commit to take any concrete action. It is true that states and territories hold some of the levers, but so does the Commonwealth. It is equally true that the state and territory governments are the ones who have actually taken steps to do something about housing affordability, such as introducing stamp duty concessions for first home buyers—

Mr Cadman—Oh, what?

Mr MARTIN FERGUSON—Tell us about the GST! There have also been additional first home owner grants, land banking and land use planning regulations to require a certain proportion of housing and new developments to be affordable. But what has the Howard government done? It will not take long to talk about this. It has reduced funding for housing programs and abandoned Australian cities, including abolishing Labor’s Better Cities program, which had a return of four to one in government dollars spent and provided infrastructure in the suburbs to assist first home buyers. It has also left state governments to carry the can for urban infrastructure which was not there 30 years ago when we had some of these packages. People now expect the infrastructure to be in place when they seek to build their first homes. The member for Mitchell ought to know something about this, because it was the Whitlam Labor government from 1972 to 1975 that in Western Sydney actually caught up with some of the infrastructure after 23
years of neglect by previous Liberal and Country Party governments. So this is not a debate about infrastructure and housing affordability.

In the middle of August, the Prime Minister and the Treasurer were complaining that the states were not spending enough on housing and transport infrastructure. By the end of August they were saying their spending was putting upward pressure on interest rates, wages and prices in the construction industry. Yet this is the same type of spending that the Reserve Bank governor, Ian Macfarlane, has said is needed to ease supply bottlenecks. What hypocrisy yet again from the masters of fiscal impropriety! Spending is now $20 billion by the Howard government in the last Commonwealth budget, compared to just $2 billion in savings, and not a cent on productive capacity or investment in Australia’s future. These big spenders want the states to subsidise property developers and scratch stamp duties. What would that do to the state budgets?

There has also been a lot of commentary over recent weeks suggesting that a choice has to be made between supporting the entry of low- and middle-income earners to homeownership and supporting the maintenance of asset values for existing homeowners. This is an interesting debate, but what absolute rubbish! Whilst the data analysis now suggests that policies for housing, planning, transport, land availability and service provision at all levels of government have contributed to today’s housing affordability crisis, it is ridiculous to suggest—as the member for Mitchell does—that a mature nation cannot take measured steps to get affordability back on track without pulling the rug out from under asset values.

It is the responsibility of the national government to lead, not to shift the blame. Instead of doing the hard yards to put downward pressure on interest rates and downward pressure on inflation, instead of investing in the productive capacity of the nation—skills and infrastructure—the Prime Minister is calling for wholesale land releases that could wipe $100,000 off house prices and undermine the assets of existing homeowners. He does not want to know about urban renewal, state-of-the-art public transport, suburban services, sustainable cities and all the assistance that the Commonwealth ought to be giving to the outer suburbs of our major capital cities.

The Howard government has to pull its weight in the urban debate rather than time and again saying it is the responsibility of state and territory and local government. This government is willing to do nothing in the suburbs of Brisbane, Sydney and Melbourne to provide the infrastructure and meet some of the costs that first home owners face. When people build their first home, there is a responsibility for government to meet some of the costs of providing the infrastructure that they expect in the suburbs, just like previous Labor governments did nationally. (Time expired)

Mr BARTLETT (Macquarie) (3.31 pm)—It is self-evident that housing affordability depends on three factors: firstly, the prices of the houses themselves; secondly, interest rates and the cost of servicing a mortgage; and, thirdly, people’s incomes. If we look a little more closely at these in the context of the current debate—that is, the rhetoric and hyperbole emanating from those opposite—we can see what the facts are in the situation. The recent publication by the Housing Industry Association and the Institute of Public Affairs entitled The tragedy of planning: losing the great Australian dream sheds significant light on these three factors. Firstly, on housing prices, the report says:

According to the Demographia 2006 International Housing Affordability Survey, Sydney
ranked seventh in the least affordable housing market from their study of 100 cities in North America, New Zealand, Australia and the United Kingdom.

The key cause of this disparity is planning constraints that have reduced the availability of land for housing, and house-tax measures often in the guise of development contributions.

The key factors in affordability are the restraints on planning and the house tax contributions forced on buyers by state governments. As a result of planning constraints and taxes and charges, land prices have risen dramatically in Sydney in the last 30 years—sevenfold, from an average of $59,000 a block to $461,000 a block—compared to a very modest increase in building costs of just four per cent in real terms over that time. As a result, the land component of a new house and land package in Western Sydney has risen from 33 per cent to 78 per cent in just 30 years, far higher than in other capital cities. The report says:

These trends—that is, land price costs, land release issues and taxes and charges—are at the heart of the blow-out of Australian housing affordability.

The report goes on to show, quoting Demographia again, that the direct and indirect tax charges and regulatory charges add up to $150,000 for a block of land in Sydney.

The second issue—and we have heard a lot about this from the other side—is that interest rates do affect the cost of servicing a mortgage. But the point made by this report is that they add only at the margins to the cost of housing. The report says:

The vast dispersion of prices and of price trends provides unassailable empirical evidence that price increases are not due to some general phenomenal-like shifts in interest rates.

The outgoing Governor of the Reserve Bank has reinforced the point that the fundamental issue is the cost of land and state government charges. But it is true that, around the edges, interest rates do make some difference. They are now at 7.8 per cent. Just imagine if interest rates were at the levels which prevailed during Labor’s 13 years in government. Just imagine what it would do to the affordability of land and houses if, instead of the current 7.8 per cent, interest rates were at the 12.75 per cent they averaged over those 13 years of ‘hard Labor’. That is an extra 4.95 per cent. On an average mortgage of around $200,000, it would mean a cost of an extra $825 a month if Labor’s interest rates prevailed rather than the low interest rate climate that we have at the moment.

The third factor in housing affordability is the level of people’s incomes and their ability to service mortgages. Again I make the point: compare the levels of incomes now to what they were under Labor. Real wages have risen in this country by 16.8 per cent over the last 10 years, compared to a miserable rise of 1.2 per cent in Labor’s 13 years and compared to a decline in minimum real wages under Labor. Housing affordability was far less under Labor because wages did not rise. At least under this government we have seen a rise in real wages.

The point is this: fundamental to housing affordability is the failure of state governments in their planning regimes and in their heavy imposts of taxes and charges on land. Second, if interest rates were at the level that prevailed during Labor’s 13 years it would be even more difficult to afford a home. Thirdly, if wages were not rising as fast as they are now then it would be even more difficult. This government is doing its part. The state governments are failing the homebuyers of this country.
Dr Emerson (Rankin) (3.36 pm)—
This motion is nothing more or less than an exercise in blame shifting—trying to shift the blame for rising interest rates. There have been three interest rate rises since the last election, making seven successive interest rate rises, and there will almost certainly be another interest rate rise in this calendar year—and who knows what the new year will bring, such is the fiscal environment, the high-spending environment, that this government has created through its extravagant spending commitments.

I remember when the housing boom was well underway and the Treasurer began warning of the consequences of a housing bubble. But I do not recall him saying that the problem was land availability. The Treasurer was not saying that at the time, when the housing bubble was well underway. The Prime Minister did even worse: he welcomed the housing bubble. The Prime Minister said that it was terrific that house prices were going through the roof, because it meant that those people who were in houses were enjoying higher wealth as a result of the increase in house prices. He had absolutely no consideration, no regard and no sympathy for those people who were shut out of first home ownership. I thought that he was someone who would be interested in first home ownership, but, no; he did not care a toss about first homeowners and people trying to get a home. Instead he said, ‘This is great: housing prices are going up, so people’s wealth is going up.’ Now he is seeking to shift the blame onto the states.

The Productivity Commission report that came out in March 2004 had a fair bit to say about this. It is like the elephant in the room about which no-one wishes to speak and which no-one wants to acknowledge. The report talks about the tax changes which were implemented by this government and about the impact of those changes on housing affordability. It says:
Interactions between negative gearing, ‘capital works’ deductions, post-1999 capital gains provisions and marginal income tax rates have lent impetus to investment demand during the housing boom.

The report recommends that:
The Australian Government should, as soon as practicable, establish a review of those aspects of the personal income tax regime that may have recently contributed to excessive investment in rental housing. The focus of the review should be on the Capital Gains Tax provisions.

I know that members opposite and the Prime Minister will say, ‘That means that the member for Rankin is in favour of changing the capital gains tax regime.’ I am not. I am not arguing that; but members opposite and the Prime Minister need to recognise and acknowledge the contribution of those tax changes to the housing affordability issue.

The same report talks about land release, and it is very interesting. It says:
Cheaper, more readily available housing finance in a booming economy, with some added policy stimulus, has resulted in a prolonged surge in demand.
It asks why supply has not responded quickly and then it says:
Even in a best-practice supply chain, it can take several years to bring new land on-stream, to provide the associated infrastructure and to construct new dwellings.
But even if this were not so, there would have been major price pressures in the recent cycle, because much of the surge in demand came from people seeking to upgrade their dwellings (mainly in established areas) in response to increased purchasing power.

The report says that there are some influences as a result of the inability of state governments to release land instantaneously. We know that, but the Prime Minister is trying to shift the blame by saying, ‘That is the whole
story or almost the whole story.’ The Productivity Commission report goes on to say:

Constraints on the supply of land at the urban fringe have contributed to housing price pressures, particularly in Sydney. However, because recent price increases have been due mainly to the surge in demand in established areas, improvements to land release policies or planning approval processes could not have greatly alleviated them.

Of course, the government wishes to deny the existence of this report. It shows that the government is seeking to simply shift the blame onto the states for its culpability and its extravagant spending commitments which have resulted in three interest rate rises since an election when the Prime Minister promised to keep interest rates at record lows. Another interest rate rise is in prospect and the new year could bring even further increases in interest rates.

This government stands condemned for its economic culpability and its extravagant spending commitments which are putting upward pressure on interest rates. It always took the credit when interest rates were low but, now that interest rates are rising, it is everyone else’s fault. It is the states’ fault, it is the world economy and it is everyone else. It is time the Howard government took responsibility for its economic culpability and the interest rate rises that have occurred—at a time when it promised to keep interest rates at record lows. It stands condemned for its economic culpability.

Mr RANDALL (Canning) (3.40 pm)—I stand here today in support of the member for Mitchell’s motion before this House that ‘the cost of housing in Australia is often more than double what it should be’ and that ‘the main causes are state and local government planning restrictions and taxes’. That is a statement of fact. It surprises me that the member opposite is trying to defend state governments. We have belled the cat on these out-of-control state governments, because they are the ones that are out of control. Members opposite have defended the indefensible—but they have to, because all of the state and territory governments are Labor governments. Of course they would rush in to support their mates.

One of the greatest hypocrisies that has happened in the House this afternoon is this: in question time, the member for Lilley asked several questions regarding information provided by Alan Moran in his book The Tragedy of Planning: Losing the Great Australian Dream. The member for Lilley was trying to use this information to say that the Prime Minister’s outing of state governments is wrong. I want to use Dr Moran’s own words to demonstrate that not only the Prime Minister but also all the experts in this area are correct. In the foreword of the book, Ron Silberberg says quite clearly:

Unfortunately, housing has become much less affordable in recent times.

Why has this occurred? Alan Moran’s analysis dismisses interest rates as a significant factor … Nor is it the cost of building which … has remained remarkably stable over time in real terms.

He continues:

The increased costs largely relate to the rising price of land on our city fringes. Government-imposed restrictions on land supplies, ‘development levies’ to fund infrastructure and increasing layers of regulation all contribute. Planning restrictions in particular, are choking our cities and increasingly pushing up the prices in what were once the most affordable places to purchase a home.

This is from someone who is an expert in this area—not from someone who has got a latter-day economics degree and has then twisted it. At the end of the day, here we have an expert in this area who knows what he is talking about.
In terms of restriction of land supplies, there are about 240 hectares in Perth called the Bushmead Rifle Range which we tried to give the state government. We said to them, ‘Would you take this and develop it, because you have a shortage of land.’ The state government back in 2001 would not even get involved, so we had to take it back. The state government were not interested in developing a vast amount of inner-urban land.

As a result, the federal government is now trying to dispose of this land for housing. But what has happened? Alannah MacTiernan, the state Minister for Planning and Infrastructure, and her department, have put a go-slow on this and are coming up with ideas such as ‘the bush forever’ and other restrictions. This information about some of the impediments has been available for more than five years. They overlay the restrictions to land rollout with not only taxes and charges but a huge layer of bureaucracy and red tape, which forces up prices. Mr Moran, in the *West Australian* last week, in an article titled ‘Waking up to the great Australian nightmare’—instead of the great Australian dream—pointed out that in Perth the ratio of median house prices to median income now stands at 8.7, which is higher than in Sydney. In fact, he says that within the next 12 months 30,000 new home buyers are predicted to come into the market but that there are only 4,000 lots available. How does having 30,000 buyers and 4,000 lots available work?

*Dr Emerson interjecting—*

**Mr RANDALL.**—If the great economist over there understands what he is talking about, he will know that there is a cost push on this and that will again force up the price of land. It is as plain as the nose on your face; you cannot get away from it. In Mr Moran’s comparisons, he is saying that if we had the more flexible laws that prevail, for example, in Texas we would halve the price. I support the motion. (Time expired)

**Mr HAYES (Werriwa)** (3.46 pm)—This is a timely motion to come before the House, as it is about time that we made some attempt to, quite frankly, blow apart this notion that the government is trying to put around about housing prices and their connection to land releases. The notion that state and local governments are the cause of the housing affordability problem is nothing but a pathetic attempt by the Howard government to run away from the interest rate promise that it made at the last election. It is trying to prop up its failing state Liberal Party mates.

Housing affordability and its impact on realising the great Australian dream of owning your own house are not issues that should be trivialised by members opposite with the pathetic partisan politics that are being played out here. It is not an issue that should be dismissed as being the fault of another level of government. The aspirations of hardworking Australians in electorates like mine to homeownership should not be, in a bid to run away from the interest rate promises made at the last election—dismissed by the member for Mitchell, the Prime Minister, the member for Canning and others opposite as being the problem of state or local governments.

The Prime Minister’s claims that he did not promise low interest rates at the last election are only being made in the hope that people will not think that this is another broken promise. That is wishful thinking. The Prime Minister knows that those who went to the ballot box and voted for him did so in the belief that they were voting for low interest rates. Even the Reserve Bank governor knows that the government deliberately misled people about interest rates at the last election. Now, in a desperate bid to distance himself from the promise, the Prime Minister
starts saying that housing affordability is a product of supply and demand and that more land should be released. With respect, the Prime Minister’s plan for improving housing affordability will lower housing prices by slashing the value of everybody else’s property. What is worse, outer metropolitan areas that already face declining values will carry a disproportionate burden.

The reason house prices have fallen is rising interest rates. The reason 2,189 repossessions have occurred in New South Wales since 2002 is rising interest rates. The reason why property prices in my electorate of Werriwa have fallen—according to the Sydney Morning Herald—by between one per cent and 18 per cent over the last 12 months is rising interest rates. The member for Mitchell would have done well to speak to the member for Macarthur, Pat Farmer, about the impact of rising interest rates. Pat Farmer has had some personal experience in this regard. He had plenty to say last week before he was ejected from the chamber on that very point but is silent today. Housing prices have fallen because of rising interest rates and interest rates have risen because of the policies of this government.

The government trots out the comparison of current interest rate levels with those of the Keating government. We all know that the headline mortgage rate is not the issue. Sure, the number might have been higher back in the Keating days, but an honest examination must also take into account the impact of mortgage repayments on the family budget—that is the bottom line. The real issue is how much of your take-home pay is needed to service your mortgage, and under this government that has hit record highs. Under this government, 9.1 per cent of the take-home pay of Australian households is required to service the mortgage. At the peak of interest rates under the Keating government, household commitment to servicing mortgages was 6.1 per cent of their income. That is the real situation and the government knows it and cannot avoid it.

Everyone knows that we are experiencing problems with housing affordability because of the incremental impact of interest rate rises overseen by this government. The front page of yesterday’s Sun Herald said, ‘Homes lost as interest rates bite.’ Low interest rates mean nothing if you are using a record proportion of your wage to pay off the mortgage.

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

**Organ Donation**

Ms LIVERMORE (Capricornia) (3.50 pm)—I move:

That the House:

1. notes with concern the low rate of organ donation in Australia;
2. acknowledges the plight of the more than 1,700 Australians currently on the organ transplant waiting list;
3. recognises the crucial role of public education in encouraging people to register as organ donors and discuss their choice with family members;
4. welcomes the announcement from the Australian Health Ministers’ Conference of the National Reform Agenda on organ and tissue donation; and
5. calls on the Federal Government to investigate the experience of other countries that have adopted an ‘opt-out’ system of organ donor registration.

This motion and my interest in the status of organ donation in Australia came about following a meeting with a family in my electorate whose life for the past six months or so has been one long, agonising wait for a phone call—the phone call that will bring the
news that a donor has been found for their daughter. Kate Backhouse is a young woman of 25 who has spent her life battling cystic fibrosis. At the time her family came to see me, she had been waiting for six months for a double lung transplant. Two months on and Kate, like almost 2,000 other Australians on transplant waiting lists, is still waiting for a suitable donor to be found so that she can have the transplant she needs and get on with her life. The family’s story was a wake-up call for me. Like many Australians, I have heard the stories in the media about successful transplants and had simply assumed that organ donation is a matter of course. But that is far from the case.

Here in Australia we have one of the highest rates of success for transplant procedures but one of the lowest rates of organ donation. The rate of donation in Australia, at 10 people per year per one million head of population, is half that of countries such as the US and Italy and only one-third of that in Spain, which has the highest rate of organ donation. To give an idea of what those figures mean for the almost 2,000 people on transplant waiting lists, consider this. In 2004 there were just 218 donors in Australia. By the end of July this year 101 people had donated their organs. To express it in even more stark terms, more than one Australian dies each week waiting for a transplant.

For those Australians waiting patiently for a transplant, life can be very difficult: the long wait, the suffering in silence, never knowing if your number will come up and you will receive that second chance at life. The answer, of course, is obvious: we need more donors. But in the past that goal has proved difficult to achieve. Figures released today by Australians Donate highlight the challenge we face. They show that while 94 per cent of Australians support organ and tissue donation only 30 per cent have registered their consent to be organ donors.

One part of the solution is to encourage Australians at every opportunity to register their consent to be an organ donor by adding their name to the Australian Organ Donor Register, either online or using the form available at all Medicare offices. Five million Australians have already taken that step; however, registration is not the end of the story. Everyone I talk to in this field stresses the importance of informing your family of your wish to be a donor. If your family is not aware of your wishes, then it is quite likely that they will, understandably, not be supportive of any request for organs at such a traumatic time.

No-one knows that better than people like Debbie Austen, who works as the Organ Donor Coordinator for the Rockhampton Health Service District. I spoke to Debbie about this a few weeks ago. Part of her job is to interview the parents and family of deceased patients to see whether or not they will agree to the donation of their loved one’s organs. Her experience is consistent with figures that were printed in the *Australian* in July this year. The article quoted the chief executive officer of Transplant Australia, Mark Cocks, as saying that their figures show that, if the potential donor has told their loved ones of their intent to be a donor, 80 per cent of the time the family will agree to organ donation but, if they did not tell their family, the refusal rate is around 50 per cent. My conversation with Deb also brought up the role of those specialist advisers in hospitals. There is far more focus now on the job that they do.

A classic example of what needs to be done in that area comes from the *Medical Journal of Australia*, which reports a study done in Victoria where, of 17,000 deaths, there were 280 potential organ donors. In 60 of those cases, organ donation was not requested from relatives at the time of the potential donor’s death. There is a feeling in Australian hospitals that many potential do-
nors are going unidentified, and the role that a specialist organ donation coordinator could play in the hospital is very important for making sure that families are approached about donation and converting potential donors to donors for those people requiring transplants. This is starting to get some attention, with $26 million in the budget this year going towards education measures and an expansion in the number of organ donor coordinators. (Time expired)

Ms Hall—I second the motion and reserve my right to speak.

Mr JOHNSON (Ryan) (3.56 pm)—I thank the member for Capricornia for this very fine motion. Indeed, in my five years in the national parliament, this is one of the finest that I have read, and I commend it very much. Today, like the member for Capricornia, I had the great pleasure of meeting Alisa Camplin. She is, of course, an Olympic gold and bronze medallist. She is a very fine Australian sportswoman, but she is also a great Australian because of the cause that she has taken up. She has taken up the worthy position of ambassador to promote greater organ donation in this country.

I want to thank her on behalf of the Ryan electorate, which I have the great honour of representing here in the parliament. She is a champion for this initiative and I thank her for that. Australians Donate, the community organisation and peak national body seeking to promote organ and tissue donation for transplantation, have put out a brochure that quotes Alisa Camplin saying:

“I am registered as an organ donor and also the lucky recipient of a tissue donation.

As a result of the wonderful generosity of a donor, I was able to have an operation that enabled me to compete at the Turin Winter Olympics and win a bronze medal.”

I know that many people in Australia are waiting for life saving transplants or for operations that improve their life and as a result of my good fortune I want to help others by encouraging Aussies to think about organ and tissue donation.

I am a donor, and I am sure that many of my colleagues in the parliament are also donors. I have been registered as a donor since I was able to indicate this on my drivers licence. Today in the parliament with the author of this motion, the member for Capricornia, I want to join in calling upon my fellow Australians to be generous of spirit and to register their name on the registry of Australians Donate to take up this cause. It is a very great gift one can give to one’s fellow Australians. Of course, you need to be 18 years of age to give your legal consent. You can do this through registering at a Medicare office. It is a pretty straightforward form. You just indicate your personal details and those will be held in confidence by the relevant authority.

In Spain 35 people per million are registered as donors; in the USA, 21 donors per million people; in the UK, 13 donors per million people; and, in our country, only 10 Australian donors are registered per million Australians. In 2005 there were some 1,600 people on the organ transplant waiting list. In 2006 1,700 Australians are on the waiting list. There are many more Australians waiting for the greatest gift one could give than there are organs available to them. Being an organ donor is all about giving someone the very special gift of life. It is about saving lives. So far in Australia there have been some 30,000 Australians who have benefited from the wonderful generosity of their fellow Australians.

I ask Australians who might be listening to imagine for a moment that they have a loved one—it might be their daughter, son, mum, dad, brother or sister—who needs a lung, a heart, a pancreas or a liver. In today’s wonderful world of medical technology, science and advancement, they can have the
opportunity to survive if they have an organ transplant. Those who are fortunate enough to experience the generosity of their fellow Australians are enormously grateful. They consider it a great privilege that they have been able to have their lives extended by the great gift of someone else.

In the parliament today, again I want to express my thanks to Australians Donate, the organisation that promotes organ donation, and to thank the chair, Marcia Coleman, and the national manager, Stephen Bendle, for their commitment to expanding awareness in the Australian community of organ donors.

There is great potential for many more Australians to have their lives extended if Australians strongly consider registering their name on the relevant form with Medicare. I want to encourage the Ryan community to consider this if they feel that they can do it. Of course, you have to be 18 or over, but it is something that I encourage families to discuss. It is very important, as the author of this motion, the member for Capricornia, said, for people to discuss this in their homes and with their families. If people have the intention of registering—(Time expired)

Ms HALL (Shortland) (4.01 pm)—I would like to congratulate the member for Capricornia on bringing this motion to the House. It is a very important motion and one that all Australians should be aware of. The key fact for everybody to remember is that organ donation saves lives. Without organ donation many people would have lost their lives.

If one person donates their organs and tissues after their death, they are in a position to donate a heart, liver, lungs, kidneys and pancreas as well as corneas, skin, bone and heart valves. This is an enormous contribution that can be made to people’s lives. In 2004, there were 218 organ donors. From those 218 organ donors, 782 people received transplants. In 2003, there were 179 organ donors and 619 people received transplants. It is quite obvious that if one person says that they are prepared to donate their organs and tissues after their death they can have an enormous impact.

It has already been mentioned that in Australia we have a fairly low rate of people who have indicated that they are prepared to be donors. The figure is 11 donors per million population, which is one of the lowest in the developed world. Compare that with Spain, where the figure is 34 donors per million population. Spain is the benchmark; it is the country that has the highest number of donors per million population. The figure is 21.5 donors per million population in the US and 12.9 in the UK. That was in 2002.

I call on Australians to join with many of us here in the parliament who have registered as organ donors. It is quite easy to do. The Australian Organ Donor Register is administered by Medicare. You can get a form similar to the one I have here in my hand—‘Sign on to save lives’—from your local Medicare office. Remember what I have said about the enormous impact that it can make on people’s lives.

I have a constituent, Keith Galdino, who has had a liver transplant. When I asked him what his transplant meant to him, he told me it had given him a new life. He received his liver in 1994. He would have had one week before his condition became terminal. He got a phone call at 7.40 on a Thursday night. The ambulance arrived shortly afterwards and he was taken to Royal Prince Alfred Hospital. He was on the operating table at 3 pm the next day and he had a 17½-hour operation. He was in Royal Prince Alfred Hospital for six weeks after the operation. Then he went to Queen Mary’s Hospital for another six weeks. He returned home after three months.
Since he has had the transplant Keith has been involved in the World Transplant Games. He has been very successful at that level. He has won eight international medals and many national medals. He is going to be competing in the games in Geelong later this year. He is the member protection information officer for Transplant Australia in New South Wales.

I asked Keith what message he would like to give to this parliament and the Australian people. His words were: ‘Don’t bury or burn your organs. Donate them.’ That is a very important message for all Australians. Don’t bury or burn your organs; donate them because you can save many lives by doing this. Mr Galdino is a man who has made a considerable contribution to his community since he has had his transplant. His contribution would be reflected time and again by other people who receive transplants. (Time expired)

Mrs ELSON (Forde) (4.06 pm)—I am very pleased to have the opportunity today to speak on the motion of the member for Capricornia. She has raised a very important issue that deserves as much debate as possible. I agree with much of her motion.

It has always seemed to me to be a strange anomaly that in Australia—a nation that is renowned for its generosity, with one of the highest per capita financial donation rates in the world and one of the highest per capita volunteer rates in the world, and a nation where the ideal of helping out someone in need is at the heart of our nation’s ethos—we have one of the lowest organ and tissue donation rates in the world. As has been stated here already, the number of donors in Australia is just 11 per million population. That is half the US level of 21 and less than a third that of Spain, which, at 34 donors per million population, has the highest donation rate in the world.

It is very true that, as the motion states, public education plays a crucial role in encouraging people to register as organ donors and to discuss the issue of organ donation with their families. In this respect, the Howard government has been proactive. Last year we strengthened the Australian Organ Donor Register to make it a national register and to make it legally valid consent. We have had several awareness and community education campaigns and have recently announced new funding of $28 million over the next four years to fund a variety of initiatives, all aimed at raising donor rates.

The more that we can encourage Australian families to think and talk about this issue, the more Australians’ lives we can save—and that is really the bottom line. We have around 1,700 Australians waiting for donor organs and, sadly, some of those people will die waiting. Last year, 204 deceased Australians were able to give the gift of life and improve the health of over 700 grateful recipients. We have a very effective health system and highly trained doctors, but we just do not have enough donors. That is really the bottom line. I personally have registered myself as a donor but, more importantly, I have discussed this with my family and they know my wishes. That is one very important aspect of registering to donate your organs. I encourage other Australians to do so immediately.

I see no harm in the member for Capricornia’s suggestion in her motion that the government investigate the possibility of an opt-out system, although personally I am not convinced that this would solve the problem. While it is true that the opt-out system is in place in Spain, which has the highest donor rate, it is also in operation in Greece, which has an even lower donor rate than us at just eight donors per million people. So implementing an opt-out system is not necessarily the answer to the problem. I also personally
think that automatic registration for what for many is a deeply personal and difficult issue has the potential to cause even more trauma for families at a difficult time.

Clearly the best way forward is to have people discuss their wishes and let their family know exactly what they want. We Australians are a pretty stoic bunch, and we tend not to discuss issues like death in any great detail with our families. But this is an issue which provides life and hope to many hundreds of Australians each year. Organ transplants enable people to get a second chance at life and to spend more years with their loved ones. We should always keep it uppermost in our minds that the recipient could be one of our loved ones or one of our friends and thus how important organ donation is for many of our fellow Australians and the difference it can make.

In closing, I pay tribute to the late Aussie cricket hero David Hookes for the remarkable role that he and his family have played in raising awareness of this issue. There is no doubt that his decision to donate his organs has directly saved the lives of many others. In an indirect way he has also raised awareness, and hopefully over time that will translate into many more lives being saved. The Howard government is very committed to working to raise the level of organ donation in Australia, and I thank the member for Capricornia for giving me the chance to speak on this issue in the House.

Mr GEORGANAS (Hindmarsh) (4.10 pm)—I too rise to speak in support of the member for Capricornia’s private member’s motion on organ donation. I also take this opportunity to congratulate the member for Capricornia on bringing such an important issue to be debated in the House. The advances the human race has made in both knowledge and ability over the last 100 years are mind-boggling, in no area more so, I suggest, than medicine. While flying to the moon and back was pure fantasy 100 years ago, so too was the thought of an organ being donated and the ability of science and doctors to transplant that organ into another body. In this debate I make mention of the advances that have been made in organ and tissue transplantation.

Transplantation accounts date back to at least the second century BC, however full or limited people’s understanding of the factors was at the time. A Chinese physician, Pien Ch’iao, notionally attempted to swap hearts between a man of strong spirit and weak will and another of weak spirit and strong will, thus making two balanced men. Saint Damian and Saint Cosmas of the third century reportedly replaced the gangrenous leg of the Roman deacon Justinian with the leg of a person recently deceased. However, the success of an operation and whether or not it was even attempted is questionable. The Italian surgeon Gaspare Tagliacozzi advanced the concept of transplant rejection in 1596, attributing the phenomenon to the ‘force and power of individuality’.

The 20th century saw the first successful corneal transplant, in 1905 in Austria. Alexis Carrel of France won the 1912 Nobel Prize for Medicine for advancing new suturing techniques, possibly developed from 1902 through successfully removing dogs’ kidneys, hearts and spleens. Joseph Murray of the United States of America performed the first successful kidney transplant in 1954. It was successful because the donor and recipient were identical twins with a consequent lack of rejection. So the advances go on.

The fact that we have thousands of transplants taking place around the world today is remarkable and is a blessing for the receiving patients, their families and their loved ones. Most importantly, while the knowledge and skills that have been recently developed are
mind-boggling, they will not be of much use without organ donors. Organ donation clinical practices are governed by state and territory human tissues acts, regulations and guidelines, which are generally developed and applied with reference to the National Health and Medical Research Council guidelines on ethical organ donation and transplantation practices.

In pursuit of donors, state departments for motor vehicle registrations have asked licensed drivers to nominate themselves as organ donors. This is only indicative, though, expressing intent but not consent. Consent is now established through registering with the Australian Organ Donor Register, provided that the donor is aged 18 or over. Sixteen- and 17-year-olds can only register their intent on the Australian Organ Donor Register. I encourage all Australians to consider registering. We know that organ donations save lives.

On the national reform agenda on organ and tissue donation, the Australian Health Ministers’ Conference announced on 27 July 2006 its intent to increase the rate of safe, effective and ethical organ and tissue donation for transplantation in Australia. The agenda will be advanced by the AHMAC Inter-governmental Committee on Organ and Tissue Donation, no doubt benefiting from the new national expert task force of clinicians and specialists chaired by Professor Jeremy Chapman OAM.

The agenda will no doubt also be advanced by Australians Donate community champions, the first of whom is Winter Olympics medallist Alisa Camplin. Alisa benefited enough from a tendon transplanted just 121 days before the 2006 Winter Olympics to go on and win a bronze medal in skiing. I am sure that we all wish Alisa well in her voluntary role as advocate for the benefits of organ and tissue transplantation, and that her work and that of others continues to build the Organ Donor Register well into the future. I echo the comment made by the member for Shortland in her speech when she said, ‘Don’t bury and burn but donate them.’

Mrs HULL (Riverina) (4.15 pm)—I rise to speak in favour of the motion moved by the member for Capricornia concerning the low rate of organ donation in Australia, and commend her for putting this motion before the House.

Today, I want to pay particular tribute to a special organ donor from my electorate of Riverina. In February, the life of a vivacious and greatly loved young woman by the name of Tina Elliott, who was just 20 years of age, was tragically cut short. Tina and her family are from Griffith, and Tina attended the Griffith North Public School and then went on to Griffith High School. Tina was a keen art student and she was always willing to help out in the community. She was involved in Meals on Wheels, and you could see Tina marching proudly at Anzac Day services. She was tragically killed in a car accident near Griffith.

Tina touched so many people in her life—so much so that in the 2004 Australia Day awards Tina was nominated for the Australia Day Young Citizen of the Year Award for her tireless work as an executive member of the Creative Riverina Youth Team. As I said, Tina’s life was tragically cut short by a car accident, and after she passed away she saved lives through her organ donation. Her parents, Ross and Cathie Elliott, and her brother Michael, decided to donate Tina’s organs, and five people’s lives were saved by receiving these organs.

After receiving a call advising the family that the successful transplants of Tina’s lungs, kidney, pancreas, liver and heart valves had been performed, Mr Elliott was...
quoted as saying, ‘She touched the lives of so many—it puts me at peace to know she is saving lives and still touching lives this way.’ It was so wonderful to know that Tina had been able to make a difference to so many people’s lives through this gift. It is also wonderful that Tina’s parents and her brother Michael were able to make the decision to donate Tina’s organs at such a tragic time. So I pay great tribute to Tina’s family and to Tina on the life that she led and the life that she has given other people by way of this very generous gift.

We also need to consider the option of our live organ donation scheme. I have the great honour of knowing a lovely young couple in my electorate who have just moved to Queensland. Alan has been struggling with kidney failure for many years and has daily dialysis. He was scheduled for a kidney transplant late last year, from a live organ donor from another state. He was actually scheduled to have his kidney transplant on Melbourne Cup Day last year. Just prior to that, he became very ill, and his transplant operation had to be put off. Alan and Kimberley would love to have children, and it may just be possible when Alan is well enough, because a warm-hearted person is prepared to donate a kidney to Alan so that he and Kimberley may have a life that is normal and, hopefully, a life that is going to be blessed with children in the future.

We sometimes find it difficult as families to prepare ourselves for and give consent to organ donations. That is why I ask that people consider making submissions regarding the two draft documents that are currently on display and that deal with organ and tissue donation by living donors. There is the opportunity to make submissions on Organ and tissue donation by living donors: ethical guidelines for health professionals, and on Making a decision about living organ and tissue donation. The closing date for these submissions is Monday, 2 October, and I urge all people to consider making a submission in order to understand how this process really works. Organ donation is something that the Australian people need to embrace in a more enthusiastic way, simply because there is so much that can be achieved for so many if we are able to donate these organs and give up the use of them in our day-to-day lives. It is very important that we consider living organ donations.

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

GRIEVANCE DEBATE

Dr LA WRENCE (Fremantle) (4.20 pm)—Today I want to draw attention to the needs of people with disabilities, particularly those with a developmental disability, and their families and carers. My observations suggest that these groups, people with a disability and their carers, are not benefiting as they should from our prosperity. There is a growing unmet need for services. It is now possible to reduce this unmet need, but left much longer it will become insurmountable and then will become an excuse for inaction. Such unmet need undermines the dignity and quality of life for a great many Australians. They are an often forgotten group, and many endure enormous strain silently and without complaint. To draw attention to this unmet need and to tell the stories of people with disabilities, I suggested to my parliamentary colleagues that we form a cross-party friendship group, the Parliamentary Friends of People with Disabilities, and it has been formed, I am pleased to say. It is
particularly important because between now and mid-2007 the new CSTDA—that is, the Commonwealth State/Territory Disability Agreement—will be negotiated. Unfortunately, previous agreements have been the cause of acrimonious division, buck passing and blame shifting. I believe that collectively we owe people with a disability a far better result than this.

The parliamentary friendship group has over 50 members and senators signed up. The co-convenors are Senator Rachel Siewert; Mr Kym Richardson, the member for Kingston; and me. We are very pleased that, without being invited, the Prime Minister and the Leader of the Opposition requested that they be co-patrons. We will make sure that as co-patrons they hear the stories of people with disabilities and their families.

The group endorsed the broad aim of raising awareness and support for people with disabilities, their families and carers, but we need to do more than that. To put us in the picture, a few statistics are in order. The ABS estimates there are about 687,700 Australians below 65 with a profound or severe core limitation on some of their functioning—mobility, intellectual functioning and sensory functioning. About one in 10 Australians provide care and support for a person with a disability. ABS surveys have shown that nearly 40 per cent of primary carers spend at least 40 hours a week meeting their caring responsibilities—more than the average working week. It is important to note that a significant proportion of these people are over 65, a time when most of us can imagine retiring.

The Developmental Disability Council of Western Australia, an admirable and very active group, surveyed people in Western Australia who are caring for people with a disability and found that more than half the respondents care for a person needing constant care—24 hours, seven days a week. I believe it is important in this parliament that we restate the principle that we all have a responsibility to ensure people who have a disability are provided with the help they need, when they need it. It is not just up to their families.

The members of the parliamentary friendship group and I share the vision of advocates in the sector that we need to develop and implement policies which eliminate the need for people to beg to have their basic needs met. They should not have to do that. In my view, how we respond to people who cannot by themselves fully meet their own needs and how well we embrace the core values of equal value, human worth and dignity of all people is a measure of our decency as a society. Conversely, when we fail to meet their needs, we are clearly demonstrating our lack of decency.

We all understand that families will always do their utmost out of love and a sense of responsibility for people with a disability, but they simply cannot and should not be asked to provide all the care. In any case, it is not possible. They cannot provide, for instance, for the specialist services in health, education and transport or for the social needs of all their family members. People with a disability should be able to enjoy the company of others as well. They should be able to integrate into the community and to take part in meaningful employment. These are not things that families and carers can provide. Nor can they provide the facilities that allow access to employment and those normal social experiences that I have talked about.

Importantly, they also need decent respite—not just an hour or two here and there. They need time to lead their own lives, to develop their own relationships and to parent
their other children. In my view, the system at the moment is out of balance. It is weighted too heavily on individual and family responsibility and not enough on the rest of us—the community and governments. We are not providing our share. The cost of this imbalance is taking its toll. Anyone who spends time with people with a disability and their families will know that there is a great deal of pressure placed on the individuals with the disability as well as their family.

There is a cost to those with a disability who are denied the possibility of reaching their full potential and taking part in community life. These are very important objectives for every human being. It is taking its toll too on the families and carers who are struggling to meet the needs of their loved ones. They feel their inadequacy—or at least that is the way they often describe it to themselves, when in reality they are being asked to do the impossible.

I listened a couple of weeks ago as a woman in her 40s, perhaps—one of my constituents—with an early adult son who needed a great deal of care, described in some detail what her daily life was like. I would not want to live that life. She was stressed and overwhelmed and she was asking for care. She should not, however, have to beg for that care. What she demonstrated to me is that sometimes the needs of a single family member, with all the love in the world, can actually dominate all aspects of normal family life. She did not have a life of her own to speak of.

I commend to the House the report of the Developmental Disability Council of Western Australia, which we have circulated to a few members, called When needs go begging. It gives an outline not only of the lives of people with a disability in Western Australia—it could be anywhere—but also of their families. There is a story in here which is typical, and I have a little time to read it into the Hansard. It is about Michael Tilbrook. In some ways Michael is typical of a person with a disability who is being cared for by his family, with some support from government services. Michael is 14 years old. He has a condition which results in the progressive deterioration of his physical abilities. His parents say that the biggest pressure for them is the loss of their freedom and lifestyle. They say that their social life is next to zero and a simple weekend away can take months to arrange. Most of the rest of us take something like that for granted.

Also, Michael does not go out as much as he could if they had help, and holidays are especially long and lonely for him. The lack of services means that Michael suffers as well. Since Michael was diagnosed at the age of four, his life has been gradually more affected as his condition has developed—from a young boy who could walk, talk and play to a young teenager who can hardly talk, cannot move without his wheelchair and has lost most of his self-reliance for the most basic needs. Of course, some children are born with disabilities of that kind. The parents say that it has been heartbreaking to watch his gradual decline, and it is not finished yet. They say, ‘God only knows how much more he may lose and the future is a big question mark.’ They go on to talk about their lives.

There are many such stories in here, including of elderly people trying to provide care for their now middle-aged children with intellectual disabilities and sometimes with multiple disabilities, which means 24 hours a day, seven days a week care is what is required. They are people who are suffering at the moment from the failure of governments at both state and federal levels to provide adequate respite and accommodation to allow them to plan for the future.
I know the members of the parliamentary friendship group join me in urging the state, territory and Commonwealth governments to properly negotiate the new CSTDA. It is an important agreement because it talks about the responsibilities that various levels of government should undertake. The first agreement was signed in 1991. It was intended to provide a national framework so there was not duplication and so there was streamlining of the administration of specialist disability services. It made some very important steps forward. Unfortunately, as I said, the last one seems to have been beset by vitriol and a lot of debate about who was responsible for what, rather than accepting that collectively we all have to ensure a better outcome. So we need another CSTDA, but this time those shortcomings that have been identified must be overcome. There must be a genuine commitment from the Commonwealth, state and territory governments to people with disabilities and their families to not fight with one another. There must be an approach to disability that is about people, not politics, and a commitment from the various governments to work in partnership with one another rather than sparring all the time. In particular, there must be a commitment to resolving unmet needs for support services and a proper plan to accomplish this so that people with disabilities and their families can lead dignified and full lives.

**National Security**

_Mrs MIRABELLA (Indi) (4.30 pm)—_ Today, as has been noted by many in this House and elsewhere, marks the fifth anniversary of the September 11 attacks on New York and Washington. It is almost four years since the 2002 Bali bombings that killed 88 Australians, and on Saturday we passed the second anniversary of the bombing of the Australian Embassy in Jakarta. It is almost one year since the 2005 Bali bombings that killed four Australians. There was an aborted threat against the Australian High Commission in Singapore, and similarly the Australian Embassy in Dili was temporarily closed some four years ago under the pall of the threat of terrorism.

These events highlight the ongoing threat of international terrorism and the nature of the battle ahead for Western countries like Australia in confronting this vile reality. Mainstream Australia knows the fight that we are fighting. It is not a conventional war and it is not a war that will be won tomorrow, next week, next year or perhaps even in the next decade. But it is a war that Australia, through its history, geography and values and through sheer necessity, must be involved in and must do its bit to succeed in. With terrorism we are not dealing with what we are used to, with conventional armies and tanks moving across territorial boundaries and claiming victory. Terrorism is a different type of war. To combat it we need to be as prepared as possible, and that does mean bolstering our intelligence agencies and beefing up our laws to strengthen the ability of our law enforcement agencies to more effectively combat the threat.

Therefore the comments by Melbourne’s civil libertarian clique that the control order slapped on Jack Thomas, which was variously described as ‘silly’, ‘disturbing’ and ‘retrospective punishment’, show little understanding of recent legislative changes and scant regard for the threat we face. It shows that these self-appointed spokespeople are not taking the threat of terrorism seriously at all. Whilst community sentiment is hardening on a whole raft of criminal activities, be it gang rape in Indigenous communities or domestic violence in our suburbs and towns, for some inexplicable reason the aiding and abetting of terrorist activities in Australia or abroad is not serious enough for these people to condemn.
The team at *The Chaser* on the ABC made light of the Jack Thomas case in their final episode last Friday night but really, jokes aside, it was and continues to be no laughing matter. Joseph Thomas, or Jihad Jack as he wanted to be known when he gave himself a Muslim name on conversion, invited the TV cameras into his house to see him play with his children and sprinkle Milo on their cereal. The details of his case, however, are no nursery rhyme or fairytale; they are a horror story. Thomas went from the humble beginnings of his family’s Californian bungalow home in Williamstown to become involved with the Australian disciples of Jemaah Islamiah. On his travels he met Abu Bakar Bashir, Jack Roche and even Osama bin Laden.

He undertook military training with terror groups, which he flippantly described on the ABC’s *Four Corners* as ‘paintballing games’, even though these so-called games involved practising military drills and firing live weapons. These camps are hardly an example of an innocent weekend of fishing with the boys. When asked what this jihad training was all about, Thomas replied:

> Well, I suppose everyone knows that jihad is a military, you know, it can be considered a military struggle. And part of jihad is fighting.

By 2001 this seemingly innocuous guy from the western suburbs was willing to fight for the Taliban in Afghanistan. There he met bin Laden, not only once but three times, whom he described as ‘very polite and humble and shy’. He trained for months at this al-Qaeda camp, Thomas himself perversely describing it as ‘like a diploma in the school of hard knocks’. He met a fellow Aussie traveller, none other than David Hicks, who he described as ‘a top, blue-singlet wearing Aussie’. I would hardly describe either of these individuals as top blokes or particularly Aussie—the sort of people who train to maim and kill those who do not agree with their medieval concept of a civil society.

Thomas watched videos of the al-Qaeda bombing of the USS *Cole* in Yemen, where 17 American sailors were slaughtered. The mastermind of that bombing was Khallad bin Atash, a stalwart of the al-Qaeda crew. He was told, in Thomas’s own words:

> Osama bin Laden would like an Australian white person to work for him in Australia.

When asked what bin Laden wanted this Australian to do, Thomas suggests that ‘it was definitely involved with terrorism’. On a further visit to Thomas, bin Atash plied the white Australian Muslim convert with $3,500 in cash and a plane ticket to Australia, with an email address, a telephone number and the instruction to make contact in six or 12 months time.

If we believe the civil libertarian groups, the path to Islamic terrorism for Thomas was an innocuous and harmless road and the Victorian Court of Appeal that freed Thomas had ‘righted a great injustice’, as Liberty Victoria’s president gleefully gushed at the news of the court’s overruling of Thomas’s convictions. Interestingly and unsurprisingly, a former president of Liberty Victoria was one of the three judges of the Victorian Court of Appeal that freed Thomas on the basis that it was ‘contrary to public policy’ that he be convicted. Perhaps that says something about the appointment policies of the current Labor government in Victoria.

Never mind that Thomas was a fellow who went to Afghanistan, trained with al-Qaeda, participated in terrorism training both here and abroad, accepted a wad of cash from a leading al-Qaeda operative and a plane ticket thrown in for good measure, along with an email and telephone contact with the plea to get back in contact within a year. Never mind the fact that Thomas was travelling on a falsified passport that the
Australian police learned was to cover up his association with al-Qaeda. Thomas’s tale is no fairytale, nor a story that makes a homely tale. These are the actions of a dangerous and menacing figure who clearly had the capacity and the contacts to do immense harm to Australia and her citizens.

We can laugh at The Chaser’s skits; we can be seduced by the politico-legal speak of the civil rights brigade, who must live in an alternative reality; we can pretend that the terrorist threat is not real; and we can hope that it goes away. But unless we get serious about the threat of terrorism in our own suburbs and abroad we will continue to live in a fool’s paradise and will eventually live in the sort of very threatening society that we see in some parts of Europe today. As President Bush said in this very chamber in 2003:

No country could live peacefully in the world that the terrorists would make for us. No people are immune from the sudden violence that can come to an office building or an aeroplane or a nightclub or a city bus. Your nation and mine have known the shock and felt the sorrow and laid the dead to rest, and we refuse to live our lives at the mercy of murderers.

On the occasion of that address to the Australian parliament, he was howled down by Senator Nettle, who is from the other chamber—the same person who backed Jihad Jack and claimed last month:

‘Control orders’ are instruments of totalitarian regimes and have no place in a liberal democracy like Australia.

This parliament did vote for those laws, and I am glad that the coalition parties and not the lunatic Greens have the balance of power in the Senate at the moment. Only the Australian Greens and the tiresome civil libertarians would put their distorted view of human rights ahead of justice for the victims of terrorists. Only they would try to turn into victims people who willingly and ably volunteered to maim and kill innocent civilians.

On this day, we should reflect on our good fortune to live in this great, free and prosperous nation. We should never be ashamed to stand up for who we are and, in doing so, roundly condemn those who accept our generosity and come to our shores only to fight against the very freedoms on which our nation was founded and has flourished. To do otherwise is to squander the heritage of freedom, democracy and a civil society that we fought for and enjoy. To do otherwise is to appease and to give in to deadly totalitarianism. Today we remember the events of September 11, 2001, indelibly etched into world history, and steel ourselves with a steady resolve to fight terrorism in the years ahead.

The DEPUTY SPEAKER (Hon. IR Causley)—I believe the member for Indi referred to the Greens as ‘lunatic Greens’. I would ask her to withdraw the word ‘lunatic’.

Mrs MIRABELLA—On indulgence, is that an offensive word?

The DEPUTY SPEAKER—You cannot argue with the chair. If the chair considers that the word is unparliamentary, the chair can ask you to withdraw.

Mrs MIRABELLA—Let the outside world use ‘lunatic’ to describe the Greens and let me withdraw it from my use in the chamber.

The DEPUTY SPEAKER—I do not believe that is a withdrawal, Member for Indi; I ask you to—

Mrs MIRABELLA—I withdraw.

Interest Rates

Mr RIPOLL (Oxley) (4.40 pm)—Today I want to put on the record my thoughts about the current debate surrounding housing affordability and interest rates. As I travel around the country with the Labor Party’s Family Watch Task Force, I find that one of the key issues uppermost in people’s minds
is housing affordability. This of course relates to the financial pressures they are under because of rising interest rates and also, for young people, trying to get into the housing market and set up a family home for the first time.

As I have talked to local families around the electorate of Oxley and all around the country on the Family Watch Task Force, it has become glaringly clear to me that families face a new interest rate reality. The latest rise in interest rates is hurting families because mortgages are so much larger than they used to be. It is also clear that interest rate rises for many families in Oxley and around the country are now about more than just the repayments; they are having an impact on the whole household budget.

For a lot of different reasons many households in my electorate have taken on a lot more debt in recent years. This is a trend that has been repeated across the country. People may not be surprised that this trend may be in part due to this government’s exuberant promotion of rising values in equity in homes and people borrowing perhaps a bit too much on the back of their new-found wealth.

The average new mortgage in Australia is $222,000, and it is much higher in major capital cities. Since the election, repayments on an average new mortgage have increased by some $108 a month. Australian households are now paying out a bigger share of their income on interest payments than at any other time in Australian history. Australian homebuyers are now paying amongst the highest interest rates in the whole world. This is not a good record for this government. This is not something this government ought to be proud of.

Household debt has doubled in the last 10 years under the Howard government. The Reserve Bank of Australia recently found that the ratio of household debt to income is at a record 153 per cent. This is more than twice the level of 10 years ago. The increased cost of houses, rising petrol prices and the ever-growing cost of school fees are just some of the reasons why debt levels are climbing fast for so many households, to the point where some households are using debt to finance grocery bills. This rising level of debt also means that many households are much more sensitive to interest rate rises than they ever were in the past. Interest rates of six per cent, which is a low number, represent the highest figure that Australian families can possibly bear.

This is the heart of the new interest rate reality under the Howard government. In Oxley there is no longer such a thing as a small interest rate rise, because for families in Oxley there is no such a thing as a small mortgage, nor is there such a thing as a cheap home. Young people who used to come to my electorate trying to buy their first home because it was one of the few places where they could afford it and get into the market at the bottom, find this no longer possible. They have lost their dream of owning a home. This explosion in the level of household debt means that households are now spending a higher percentage of their income on interest repayments than ever before in Australian history.

There have been three interest rate increases since the last election, when the Prime Minister, John Howard, pledged to keep interest rates at record lows, and seven interest rate increases in a row. This is not a good record and not something this government should be proud of.

More and more young families today are being forced out of homeownership, possibly for the rest of their lives. Figures out recently confirm bleak prospects for young families
locked out of homeownership. The proportion of first home buyers in the market has hit a 12-month low, with just 16.7 per cent of all loans being for first homes. Hardworking families are simply unable to afford loan repayments, as interest rates continue to rise. As we heard from the chief of the Reserve Bank, interest rates are likely to increase again this year. Rates have gone up three times since the Howard government promised voters that it would keep them at record lows, and they are now probably the most expensive rates in the world.

As a result of the Howard government’s neglect of the housing affordability crisis, the proportion of first home buyers has been below the long-running average of 20.2 per cent over the past four years. These figures show that high interest rates are hurting everybody, from those who have taken on a mortgage because they just could not wait any longer to those who want to buy their own home but now cannot afford it. As you would expect, the Prime Minister has been trying to divert attention from this government’s ongoing failure to address the housing affordability crisis. Its only response is to blame the states.

The Prime Minister has finally realised this is a critical issue for young Australian families, because he has been doing research and polling on this, but he is not prepared to make a commitment to them. But now the Prime Minister’s own expert, Dr Alan Moran, has confirmed that the only solution the Prime Minister has put forward, which is massive land releases, would slash $100,000 from current home values. This will leave a struggling family in financial crisis and owning more than their house is worth.

Under this Prime Minister, the proportion of homeowners in Australia has fallen(231,862),(757,997). Under this government, the potential now is that, for those people who have bought and have borrowed heavily, the proportionate value of their home will be less than what they owe the bank. It is time the Prime Minister took responsibility for this crisis, appointed a minister for housing and started working cooperatively with the states and territories to deal with this problem. It is no good just blaming everybody else.

The government’s self-serving campaign to dodge responsibility for the nation’s housing affordability crisis cranked up a notch further today. A government motion in the House is yet another disgraceful blame-shifting attempt by the Howard government to dump all the responsibility on the states. The truth is that the Howard government first abandoned first home buyers when it crowed about house prices going up and kept driving the prices up with its policies and encouraging people, through its actions and policies, to borrow on their new-found wealth and equity. Now that affordability has reached crisis point, this government is deserting homeowners and encouraging massive land releases that will erode property values.

This government has always been about grabbing the glory in the good economic times and then blaming everybody else when things go bad. The Howard government was happy to bask in the economic sunshine of past Labor economic reforms but, as prices now rise beyond the reach of ordinary people and we see gloomier economic times in the future, the government cannot run away fast enough and is just blaming anybody it can find. Already we have seen evidence of homeowners who are unable to keep up repayments being forced to sell their homes for less than they are worth and, even more frighteningly, less than what they actually paid for them. This is leaving families with large debts and no home. This is debt that will be passed down to the next generation.
The Prime Minister is simply trying to distract attention from the pressure families already face from rising interest rates and petrol prices, but he is providing and putting forward no solutions. He is trying to draw attention away from the major threat to families—the Howard government’s plan to reduce overtime payments and job security through its extreme industrial relations laws. The Howard government ignored five years worth of warnings from the Reserve Bank about housing affordability and about the need to invest in skills and infrastructure to put downward pressure on inflation and downward pressure on interest rates.

In the House during question time today, we saw the Prime Minister furiously trying to back away from his massive land release campaign, as the implications for property values become clearer to ordinary families that have staked their whole futures on buying very expensive properties, particularly in the Sydney market. The Howard government is desperately out of touch on housing affordability issues and has completely ignored this for a decade. In contrast, Labor will invest in future productivity to put downward pressure on interest rates. Labor will have a minister for housing who can focus on the housing market and ensure that homeownership stays within reach for hard-working families.

Finally, if those two pressures were not enough, it gets worse. Consider this fact: Australian families are being slugged with a record Commonwealth government tax take and record high mortgage repayments. The Treasurer does not want to face up to this double punch on family budgets. The Australian Bureau of Statistics and budget papers confirm that the Howard government is the highest taxing government in Australian history. In 2005-06, the Commonwealth government’s taxation revenues were equal to 25.3 per cent of GDP. The second, third and fourth biggest annual tax takes as a percentage of GDP were also under the Howard government. Reserve Bank data also confirms this and that households are now spending record high proportions of their income to pay interest on their mortgage. Australian households under the Prime Minister and the Treasurer are now spending 8.7 per cent of their disposable income to pay off their mortgages—more pressure than they have ever felt before. (Time expired)

Water

Mr BARRESI (Deakin) (4.50 pm)—

Often in this place we debate matters of urgency—things that affect our constituency here and now. Then there are times when we have an eye to the long-term future of this country. That is why I rise this afternoon to speak about an issue which impacts directly on the lives of all Australians today and tomorrow—water. Water has become such an important issue that in the last two state elections—Western Australia and Queensland—water policies, or the lack of them, have taken prominence. The recent drought is a reminder that Australia is one of the driest continents on earth. It is a condition that affects not only our rural and regional communities but also the suburbs of our big cities, like those from Blackburn to Croydon in my electorate of Deakin.

The Minister for Trade made this clear earlier this afternoon when he told the House during question time that at the moment 98 per cent of New South Wales is either in drought or getting close to it. Irrigators along the Goulburn River in Victoria have been allocated only 17 per cent of their water rights, and more than 60 per cent of Queensland has been drought-declared. Grain crops this year are expected to be half those from last year.

Mr Deputy Speaker Causley, as a member representing a rural constituency you know
all too well that many of our fellow Australians in country areas are suffering and will continue to do so. The federal government has provided over $1.1 billion directly for welfare and business support to farmers through the exceptional circumstances program. While this is to be welcomed and it is needed, we must also acknowledge that those of us living in big cities or major regional centres also need to play our part in water management.

Melbourne is expected to grow by approximately one million people by 2030. It is vital that we carefully manage our scarce water resources when faced with such immense growth in our population in such a concentrated area. The importance of water to the residents of Deakin is not measured solely in the compassion they feel for their country cousins in Bendigo or in Shepparton, and I note the presence in the chamber of the Minister for Workforce Participation, who represents the area of Shepparton. These country cousins have been living for too long with water shortages. We all need to comprehend the scale of the problem and be willing to make adjustments to our lifestyles to protect and preserve this national resource.

Many of us have responded well to the permanent water-saving regulations that have been in place in Victoria since March last year. For example, Melburnians no longer hose down driveways, paths or concrete paved areas, and all hand-held hoses are fitted with trigger nozzles for garden and lawn watering. It begs the question whether this is long overdue and should have happened many years earlier. It is a curious situation that water was wasted in such a frivolous manner. As much as city based residents may feel it is an inconvenience and imposition, it is a necessary reflection of where we are today. Our dams around Melbourne are, as of today, at 46.6 per cent capacity, with one dam, the Thompson reservoir, as low as 34 per cent. Over the last year Melburnians have saved 3.5 billion litres of water, the equivalent of 1,400 Olympic swimming pools. This is an outstanding achievement and a great response by a city community to a situation which is affecting the greater part of Australia. But more does need to be done.

On the first of this month, Melbourne was placed on stage 1 water restrictions. This means that, in addition to the permanent restrictions, manual watering systems can only be used at certain hours of the day, depending on your house number. Additionally, automatic watering systems have certain restrictions. Cleaning a car for us suburbanites has also meant a change of habit which is fast becoming the norm, with the trusty bucket and watering can becoming very popular tools. Stage 2 restrictions mean an even further tightening of our belts. Under the next stage of restrictions, households would be prohibited from watering their lawns. Water features and ponds could not be topped up, and using a hose to wash a car would be banned. If stage 2 restrictions are to be implemented, let us accept those restrictions with good grace in the knowledge that our rural brethren could only dream of those types of restrictions in their communities.

Effective management of our water resources is a top priority of the federal government, which has committed $200 million to the Community Water Grants program as part of its $2 billion Australian government water fund. This water grant program, as you would know, Mr Deputy Speaker Causley, recognises and supports the efforts of individuals and communities which are essential to help us all have a better understanding of and to better manage our scarce water resources. It is a grant allocation which has been widely accepted and enthusiastically subscribed to by so many, in electorates right across Australia. It is a good program be-
cause at the bare minimum it creates a high level of awareness and education among people in our community—none more so than those in school environments who have made their schools available to receive this grant.

I have visited schools in my electorate, including Mitcham Primary School and Rangeview Primary School, where the water conservation message is getting through. At Rangeview, for example, close to $50,000 in federal funding has been received to help them save 400,000 litres of water each year through the installation of rainwater tanks for toilet flushing and watering the garden. Another $50,000 has gone to Mitcham Primary School to go towards placing bladder tanks under the school hall that can store up to 200,000 litres to be used for school gardens and bathrooms. This is a program which is very popular, and I anticipate more and more schools and community centres in my area will put their hands up to receive money from this program.

It is becoming almost second nature to this generation of students to preserve the water they have. They are particularly conscious of the importance of saving water. I commend those students and those schools for doing so. School by school, community by community, these grants will encourage organisations to find practical ways to develop local solutions to ensure a sustainable future. They are an example of the shift taking place in our community, and they show that everyone is doing their part. I am sure that water will also feature in the upcoming Victorian state election in November, as it has elsewhere. Perhaps it will not be as prominent as it was in Queensland, where there was some talk that the Queensland election was called this year in anticipation of further restrictions being introduced in the next few months. In recent weeks the Victorian Liberal Party—the opposition—presented its water policy. That policy includes requiring the installation of water tanks when new homes are built and encouraging existing homeowners to install tanks. This approach to water saving is to be encouraged, and I look forward to the state Labor Premier, Steve Bracks, also announcing further water management and preservation initiatives.

However, these actions at a local level cannot be entirely effective without an organised and structured national vision and plan. We need a comprehensive strategy to improve our water management across the country. We need to continue to improve the productivity and efficiency of our water use while maintaining healthy rivers and groundwater systems. We need the National Water Initiative. The National Water Initiative addresses the vital importance of such questions to Australia. It encompasses a wide range of water management issues and encourages the adoption of best practice approaches to the management of water throughout this country.

For too long we have had a piecemeal approach to the issue of water management and conservation. Historically, we have had the states and territories making decisions about the use and management of water but only paying attention to the issues as they affect their state. This is quite simply unacceptable. For example, water policies developed by the Queensland government have a direct impact on the water policies of New South Wales which in turn impact on the farmers of the Murray-Darling Basin, impacting in turn on the towns and communities around them, eventually making their way down to the large cities, even as far as Melbourne and suburbs such as Blackburn.

The science of water treatment and recycling grey water and effluent has progressed substantially, yet the negative mindset is a
difficult thing to break, which is a pity. We saw recently how the City of Toowoomba became clearly divided when a referendum was held on the possibility of recycling treated effluent back into the water supply. The fact that the recycled water was treated and would be diluted into the general water supply was not enough for some, and that was enough to defeat the proposition. A fear campaign destroyed the opportunity for that city to have a consumable water recycling solution.

In the short time left to me, I would like to say that the states do need to take a long-term, collaborative approach to this issue. They must place the infrastructure needed to ensure water security and availability at the centre of their infrastructure planning.

Opinion Polls

Mr McMULLAN (Fraser) (5.01 pm)—The issue I wish to raise in today’s grievance debate is the manner in which the media in Australia cover opinion polls on voting intentions and related issues. I raise it not for its short-term significance to the Labor Party at a federal level—it may or may not have some; that is not clear and it is not something on which there would be unanimous views—but for the long-term perspective, as one of a number of issues raising concerns for me and others about the nature and health of our democratic processes. We find ourselves in September 2006 in a position where objective evidence and public perception are miles apart. On a sustained basis, this cannot be a healthy thing.

Many Australians, probably most, would be surprised to know that the unequivocal evidence from the published opinion polls is that the Labor Party has been clearly and consistently ahead in federal voting intention surveys for the last six months, and not just a little bit—between two and four per cent ahead on either trend or average analysis of both Newspoll and the Nielsen Sydney Morning Herald or Age polls. Over the last six months—which is in reality the short term, although for much political analysis it can pass for the long term—there have been 15 polls by those two major reputable polling organisations in this country, published by the Australian, the Sydney Morning Herald and the Age. Of those 15 polls, the ALP has been ahead in 12: six out of six by ACNielsen, nine out of 12 by Newspoll. The trend line analysis suggests the normal statistical variation around a pretty stable trend, which has the ALP on between 51 and 52 per cent two-party preferred. Yet this is a million miles away from public perception. Why is that?

It clearly has something to do with the way the polls are reported. It is not the polls themselves; I believe Australia is well served by competent and ethical major polling organisations in this country, although I do think—and I will try to find time to make a comment—that some could make the statistical validity and circumstances of their polling a little clearer on their websites. But I do think they are first-class organisations. I think there are three possible explanations for the distance between the reporting of the polls and the polls themselves: biased reporting, incompetent reporting or a mindset which influences perceptions and flows through to the coverage of the polls. It is always very easy to complain about media bias—that is not what I am doing, and I do not think the individuals who write the stories are incompetent. In my view, the principal problem is in the third category. Commentators believe that the incumbent government is likely to win and therefore they interpret the material which comes before them in that light.

Let me give you an example. On 15 August, when the coalition had one of its few
reported leads of the previous six months, the commentary in the *Australian* of that day was:

**THE Howard Government has opened an election-winning lead**…

In fact, the poll showed a 51 per cent to 49 per cent lead to the coalition. Yet on 29 August when the result was reversed, with a 51 per cent to 49 per cent lead to the opposition, there was no similar report. There are other aspects of the 29 August coverage of the poll result which I will come back to later. The point I am trying to make here is that we had mirror-image polls but significantly different reporting of them by the same newspaper. The polling organisation accurately reported the change, but the representation of it was dramatically different.

My point is not that I believe that the ALP should have been reported as having ‘opened an election-winning lead’. I do not think we do have such an election-winning lead; I do not think anybody does. Properly reported, we would have a consensus that no-one is significantly ahead. The opposition is, and has been for at least six months, seriously competitive, and at this stage the election is too close to call. I am not here trying to make a partisan Labor Party point—it may well not be in the Labor Party’s interests to have such a perception abroad—but that is the accurate situation. My real concern is a long-term one: the credibility and quality of public discourse around our major democratic institutions is an important aspect of any attempt to lift the standing of and respect for our political processes and governance in Australia. There are many other aspects of this issue which need to be addressed as we endeavour to review, reform and rehabilitate our political processes. This is one which should be addressed.

Too often, the Australian media reports on opinion polls as if the mathematical laws of probability had been abolished and the inevitable margin of error in sample based polling did not exist or did not matter. I must acknowledge, particularly today, that there was this morning a noteworthy and laudable exception to this unsatisfactory approach, from Phillip Coorey in the *Sydney Morning Herald*. He accurately reported that a mere one-point movement over the past month in the Nielsen poll on which he was commenting falls into the margin of error of the best conducted polls. I congratulate Mr Coorey on that; it is a welcome exception to the pattern of coverage.

This is in stark contrast to the report of 29 August in the *Australian* to which I referred before, which breathlessly said, ‘T3 row has ALP in front again,’ and purported to analyse the fact that the poll had gone from 49-51 to 51-49. Everybody knows that is a statistically meaningless situation and had they been reporting properly they would have said that the stability around the trend of a small lead for the Labor Party was sustained. I might also say that that poll breathlessly reported, as if it were a fact, that the polls suggested that there had been a five per cent increase in the primary vote for the Labor Party. That would mean that 600,000 people in Australia had changed their minds in a fortnight outside the election period. Nobody seriously thinks that that has ever happened. I certainly do not think that happened in that fortnight. It would have been nice because it would have been 600,000 changing in my direction had it been true. But I regret to say I am sure it is not true.

Let me make a contrast to the way in which the polls are reported elsewhere. The example that I am going to use just happens to be the one that was most readily available to me on the web today. It is a CNN *USA Today* gallup poll which was taken during the American election. At the foot of that web poll there was a note which said:
One can say with 95 percent confidence that the margin of error is plus or minus 4 percent. That is an absolutely proper point to put and, to be fair, if you go the Sydney Morning Herald website you will find in the fine print—not exactly the same because the poll is slightly different—a proper reference to the margin of error. You do not tend to find it in the news coverage but it is properly reported there, so I do not wish to mislead with regard to that.

This is not something that the parliament should attempt to fix by changing the law. Laws about how things should be reported are dangerous. If you do it once, even for the best of purposes, it can lead to somebody doing it for not such good purposes next time, even if the High Court were to allow such a law following its heroic interpretation of implied freedom of speech in the Constitution. I think that we need some sort of code between the major polling organisations and their publishers to treat the public with more respect and publish and report opinion polls within a framework which reflects the reality of sample based polling on a very frequent basis.

That is my essential thesis today. We have a dangerous disconnect between public perception and the reality. It is being fed by distorted reporting—I do not claim bias—in our major media by otherwise very reputable journalists in reputable newspapers. I hope that they will take this in the manner in which it is intended as the start of a process of a better debate about politics, governance and our democracy, because in this area and in many others over the months ahead I intend in parliament and outside to raise a number of issues about the state of our political system, our governance and our democracy. This has been just the first instance.

Narranga Primary School

Mr HARTSUYKER (Cowper) (5.10 pm)—Mr Speaker, I grieve for the children of Narranga Primary School in Coffs Harbour in my electorate who are the victims of the bizarre priorities and financial management—or, more properly, mismanagement—of the New South Wales state government. I had occasion to speak in this House recently on the situation in Lowanna, also in my electorate. The small rural school is threatened with the loss of two demountable classrooms, which will leave the school without a library and without the classroom space it requires for a range of educational and community activities. The parents there are still fighting to change the attitude of the state government which, in my view, when you consider the amount of money to be saved by the removal of these classrooms, I described as mean-spirited, small-minded and the illogical.

The situation we find in the urban setting of Coffs Harbour is rather different but equally hard to understand. Here we have a school of more than 600 pupils, the largest public primary school in Coffs Harbour, and yet it does not have a hall. We have a state government which has refused to provide a hall. At the risk of stating the obvious, though the facts are clearly not obvious to the state government, let me outline why the school needs a hall. Coffs Harbour has a semi-tropical climate and the area experiences hot sun in the summer with the attendant risk of skin cancer. There can also be extended periods of heavy rain. The area served by the school will soon see major housing development, which will cause the population in the area to rise. However, the school cannot currently accommodate the drama and music performances, or especially its own presentation day or the formal weekly assemblies. I do not think it is a lot to
ask that a school should be able to hold its own presentation day on its own premises.

A hall would also accommodate sports such as gymnastics, volleyball, basketball and netball and allow out-of-hours activities such as school plays and musicals. The school has seven competent musicians on the staff, several teachers with outstanding expertise in drama, and some very enthusiastic organisers who are keen to give the pupils more access to the performing arts. However, they need a suitable setting. For many years Narranga has organised the Coffs Harbour Public Schools Performing Arts Festival. This involves up to 1,500 students. Of course it cannot be staged at Narranga itself and has to be held at another school.

I should add that the school and the P&C have also given much thought to how a hall could be used as a community asset to gain the maximum use from the facility. I am told that when the P&C raised the matter, state officials replied by pointing out that some money had been spent on the school in recent years. This included the modification of toilets to allow three pupils with disabilities to be present at the school and also the provision of air conditioning for demountables. You might think, Mr Deputy Speaker, that such projects were pretty well essential rather than generous, as the state government was trying to make out. It should also be pointed out that the air conditioning of demountables was part of a statewide program and not specific to Narranga. The P&C also informed me that a reply suggested that the state government had contributed to the establishment of a reading room, whereas in fact it had been fully funded by the P&C itself.

For good measure, the committee also provided me with the total they had raised and spent on school projects over the last 10 years. That was quite a sizeable total: $161,508. They also advised that for the same period the comparable total from the state government was some $51,358. The P&C have spent more than three times the amount contributed by the New South Wales state government. Furthermore, they have spent money on projects such as drainage, paving and paths, which, again, one might think would be merely essential works in a well-run school. The P&C say that the school is in the state’s playground seating program, but they decided to buy the seats themselves rather than waiting forever for the state government to provide them. Is the state government hoping that the P&C will decide to finance a hall as well?

But it gets worse. The school urgently needs more toilet facilities to cope with the increase in pupil numbers that has already taken place. Is the state government hoping that the P&C will spare it the responsibility of replacing school toilets which are no longer able to cope? If so, it is displaying a shocking cynicism and dereliction of public duty.

I will turn now to the funding of schools in general. There are, of course, those who try to lay the blame for the problems with financing schools at the door of the federal government. Let us take a look at just what the federal government is doing for Narranga and other public schools. Let me remind the House that state schools are owned, managed and principally financed, at least in theory, by the state governments, with the federal government providing supplementary funding. The federal government is also a substantial funding source for Catholic and independent schools, whose funding is also supplemented by fees levied on students.

Under this government, federal funding for all schools—I repeat, all schools—has increased substantially. Federal funding for state schools has increased in every budget
since 1996, by an estimated 104.9 per cent. In the 2005-08 funding period, the federal government will provide an estimated $33 billion for Australian schools—an increase of $12.1 billion over the previous four years. Of that $33 billion, $10.7 billion will go to state schools—an increase of $2.8 billion or 35 per cent over the previous funding period. In 2005-06 alone, the federal government spent some $3.2 billion on state schools—a 22.1 per cent increase on the previous year. Is that a mark of a government that has abandoned state schools? No, it is not. It is quite the reverse. It is also a fact that if the New South Wales state government had increased its funding to the same extent as the federal government has done then public schools in NSW, including Narranga and Lowanna, would have been better off to the tune of some $241 million. That would provide a few school halls indeed. It would also provide for new toilets. It would allow Lowanna to keep its library and pay for scores of other projects around the state.

So, while the state government sits back and watches its schools scratch around for funds for essential facilities to make up for its own failings, the federal government has been pumping in money. And where is it going? It does not seem to be going to students in many cases.

And it is not just in the overall funding that the federal government is making a contribution. Last week in the House, the Minister for Education, Science and Training mentioned a school in Queensland that had discovered asbestos in a damaged wall. Was it able to turn to the state government for help? No, it was not. Instead, it was turning to the federal government’s $1 billion Investing in Our Schools program. Are there many other schools turning there because they know that the state governments, which are supposed to be managing schools, cannot be relied upon to meet their basic obligations?

I am proud to say that in my electorate of Cowper, in the last round under this program, 30 New South Wales state schools received a total of $1.3 million; and, yes, the federal government did give money to the Narranga school. The government provided $50,000 for air conditioning and the improvement of various outdoor facilities. Whether we are talking about our highways, our health service or our schools, the New South Wales state government is failing to deliver. In the case of Narranga Primary School, we have a successful, well-run school with active and committed teachers and parents, which is being let down by the state government. It is high time that the New South Wales state government learned that being in power entails responsibility. It is time that those responsibilities were met.

Narranga is a school which strives to achieve excellence. I would like to commend the great work of Principal Graham Doust and his staff, and the support of the P&C and the wider school community, in achieving great educational outcomes. However, if this school is to achieve its maximum potential it needs a hall. It needs a hall to put on drama productions, it needs a hall to put on music performances and it needs a hall to bring the school together under one roof to build on the strong school spirit that currently exists.

Narranga school is not on the radar screen as far as the New South Wales government is concerned; it is high time that it was. Bussing children across town at the cost of thousands of dollars to access facilities which should be available on-site is just not acceptable in the 21st century. The message to the New South Wales government is simple: Narranga needs a hall. It needs it now. It is about time the New South Wales state government fulfilled its funding responsibilities and provided that hall.
Port Kembla Steelworks

Ms GEORGE (Throsby) (5.20 pm)—I grieve today about the state of manufacturing in Australia. On 29 June BlueScope Steel in my electorate announced that it would be closing its Port Kembla tin mill and ceasing production of tin plate in Australia.

This decision involves the loss of around 250 direct jobs at the Port Kembla operations. It is a major blow for the workers, their families and our region. BlueScope is the region’s largest employer, with 5,000 staff and as many as 2,000 contractors employed at any one time. The steelworks has an employment multiplier effect of 2.73, so many indirect job losses will follow, bringing the total losses to an estimated 600 jobs.

Steelmaking is central to the Illawarra’s regional economy. In 2004, BlueScope was responsible for about 16 per cent of the entire economic activity of the Illawarra. BlueScope is facing the prospect of a dwindling Australian manufacturing customer base, as companies choose to move their operations offshore or are forced to close because of cheap imports. The experience at Port Kembla steelworks is a case study of the general decline of manufacturing in Australia. We are experiencing a massive decline in employment since the election of the Howard government in 1996. A total of 145,000 manufacturing jobs have gone—that is a rate of 320 jobs per week.

Regrettably, the decline in job losses is accelerating. A recent study by the National Institute of Economic and Industry Research, released in July 2006, had this to say: The trends identified in this report pose a gloomy future for manufacturing. If current trends continue, our economic modeling predicts stagnation of manufacturing output and job losses of up to 200,000.

That is, by 2020. It goes on to say: Up to half of these losses would be directly attributable to increased import penetration and offshoring of local production. In other words, Australia is in danger of having its manufacturing sector hollowed out.

The impact of these factors contributed significantly to BlueScope’s decision to close the last remaining Australian tin plate mill. You only need to check the tinned foods on your supermarket shelf—the vast majority use offshore produced cans, contain food farmed overseas or were produced offshore. Cheaper packaged food from overseas is displacing local growers and processors and threatening the country’s industrial base.

A range of agricultural and industrial subsidies have made it possible for large supermarket chains in this country to flood their shelves with imported canned foods labelled as home-brand products replacing Australian produced and packaged foods. Empty cans have also been imported into Australia from subsidised producers mainly in the Middle East, and a number of Australian food companies which traditionally filled cans in Australia have moved those operations offshore.

It is true to say that Australian manufacturers are losing the battle against imports. In 1979-80 manufacturing value-added in GDP was just under 20 per cent; in 2004-05, that share was around 12 per cent. We know that manufacturing exports are falling as a proportion of GDP while imports are rising, reversing the positive trends of the eighties and early nineties. We also know that Australia’s manufacturing industry performance is declining relative to OECD best practice with Australia having one of the smallest manufacturing sectors relative to total economies in the OECD.

The strategic error of policy under this government has been the failure to implement policies designed to offset the negative impacts of globalisation. In that regard, I am critical of Australia’s approach in relation to
trade policy. I agree with the comments made by Kirby Adams, the CEO of BlueScope Steel, in a recent speech where he said:

Let’s be realistic—we are a nation of only 20 million people.

Yet we are caught up in ideology ... in the fantasy that we can lead the world to a free trade ‘nirvana’ by unilaterally dropping our tariffs.

He went on to warn:

While some people claim there are overriding benefits for those countries that unilaterally liberalise trade, there are massive costs for Australia’s manufacturers and for the millions of men and women employed by them.

He then talked about the impact of the current imbalance in tariffs between China and Australia and its potential impact on the Australian steel industry were we to sign up to a free trade agreement with China.

As we know, the Australian steel industry has very low levels of tariff protection and negligible government support. Most flat steel products are able to enter Australia from China tariff free. In contrast Australian steel companies face tariffs of up to eight per cent if they export flat steel products to China. He went on to say:

This may not sound like a large barrier, but in a highly competitive global market, it is enough to make Australian steel products uncompetitive in China, the world’s biggest market.

Any trade agreement with China in his view had to address these imbalances either by lowering its tariff—that is, China’s—or increasing Australia’s. He went on to say—and I found these comments quite interesting:

In Canberra, I might be labelled a ‘protectionist’ for expressing these views.

OK, I do want to protect Australian shareholders, Australian jobs and future jobs, and Australian exports. Isn’t that why we employ our governments? To protect us?’

In my view, Mr Adams is absolutely right and his comments are right on the mark.

Recent polling conducted by the AMWU in 12 marginal federal seats confirmed the attitudes expressed by Mr Adams and dissatisfaction with the government’s handling of the manufacturing sector in Australia: 68 per cent of voters in this survey did not think the Howard government has done enough to support industry and keep jobs in Australia; 84 per cent agreed that if Australia loses its manufacturing base it would start a long-term decline in our economy; and 93 per cent agree that it is essential to maintain manufacturing in Australia even if it needs some government support.

Manufacturing has a strategic role in the Australian economy. Despite its small size by world standards, manufacturing in Australia today is still the largest employer and the largest investor in R&D. It accounts for the largest share of merchandise exports by industry sector and represents some of the best paying and highest skilled jobs. It is vital that the loss of the manufacturing industry from Australia is halted and that we do not accept its decline as a fait accompli.

The current mining resources boom will not ensure the long-term sustainability of our economy. As the mining boom fades as our terms of trade fall from their historic high point and the economy slows, Australia will be in a very vulnerable position if we do not heed the wake-up calls about our declining manufacturing base. The report by the National Institute of Economic and Industry Research paints a bleak picture for manufacturing communities around Australia and the future economic health of our nation if current policies persist. The report analyses the importance of manufacturing for the future and why, with government support, local industries can grow. It points out that industry assistance policies need to focus on creat-
ing a sustainable competitive manufacturing industry through sustained innovation, research and development, investment strategies and export market schemes, and through training highly skilled labour for advanced technologies.

The report also highlights that without an effective industry policy the Australian economy faces enormous challenges in the future, not least of which is the impact of the loss of 200,000 jobs by 2020. I am pleased to say that the public does not believe that the flood of jobs and industries overseas are an inevitable part of living in a globalised economy; they believe that the government can and should play a role in ensuring the survival of our manufacturing industries. It is time the Howard government made a stand and backed Australian manufacturing.

Bass Electorate: Employment

Mr MICHAEL FERGUSON (Bass) (5.30 pm)—I rise to bring to the attention of the House and all members the need for a number of economic and community development initiatives in my community of Northern Tasmania. There has been a great deal of activity in my electorate of Bass, especially in recent years, thanks to the strong economy that is manifest in all parts of our nation under the management of the Howard government. I would go so far as to say that Bass, in fact, is not the same place that it once was. While there are still challenges that lie before us that need to be tackled, I think it is worth reflecting on the positive changes that have occurred. I think we dwell on the bad things too much in this country. The standard of living that our community enjoys today is far and away better than it was as recently as 1996 when John Howard took the reins.

Perhaps one of the most reliable indicators as to how a community is faring is the unemployment rate. After all, this is the place of economic activity and wealth creation for people and directly reflects the strength or otherwise of the local economy. In February of 1989, in fact back when I was in high school, 12.5 per cent of the workforce in the northern region of Tasmania was unemployed—by workforce, of course, I refer to those people participating in the labour market. In August of 1993, the figure was 12.7 per cent. By March of 1996, in the dying days of the Keating government, while lower, the figure was still an unacceptably high 11.5 per cent. The latest data demonstrate that that figure is now as low as a flat six per cent. Those figures are regional, from Northern Tasmania. The figures by electorate are similarly striking and demonstrate a reduction in the unemployment rate in Bass from 9.9 per cent in March of 1996 to just 5½ per cent in June this year—which is the latest figure available to me.

I will close my remarks on unemployment on this point. The almost complete demolition of unemployment in this country must be seen as remarkable for an additional reason. It represents an obvious drop in the number of unemployed, but amazingly it has occurred in the same period during which participation—that is, the number of people in the job market—has increased markedly. Across the nation, the Howard government can now quite correctly take credit for having created 1.8 million new jobs—a record, I suspect, which has never been matched before. The results of good government are there, but we do have more work to do and this includes in my electorate of Bass.

Gunns Ltd has proposed a bleached kraft pulp mill on the East Tamar industrial estate at Bell Bay, south of George Town. At face value, I believe this proposal holds enormous value for the Tasmanian community and indeed the Australian community. At a cost of $1.4 billion to develop, the mill will be elemental chlorine free, will value-add timber
resources currently being exported to overseas pulp makers and will not use old growth logs at all. The proposed mill will initially produce 820,000 air dried tonnes of pulp and will have capacity in the future to produce up to 1.1 million tonnes. If this development were to not go ahead then the same value-adding would continue to take place in other countries, employing non-Australians. This is just the sort of development that we need in Australia—a value-adding project that benefits Australians. This will contribute to the sustainability of Tasmania’s forest and forest products industry and put beyond doubt our community’s ability to create jobs by taking hold of economic development opportunities for the benefit of our regional communities and our nation as a whole.

It has been estimated that, beyond the construction period of the mill, the operational employment effect for Tasmania will be more than 1,600 jobs, taking in direct and indirect employment outcomes. Formal approvals are still needed from both the Tasmanian and the Australian governments. The local George Town Council has already enthusiastically endorsed the project. If approved, construction should begin next year and be fully operational by 2009.

Having regard to the sensitivities of some people who are concerned about what they might have been told by the political opponents of the pulp mill, I would like to simply say that, as a federal representative, I have no interest in blindly supporting any proposal. I have no interest in turning a blind eye, so to speak, to environmental considerations in the blind pursuit of industry. However, the fact is that Tasmania’s Resource Planning and Development Commission has already devised a best practice set of guidelines to which any proponent must adhere. If developers cannot make it viable in meeting their environmental obligations then they cannot build it in Tasmania.

The second point that I would like to make in this regard is that I have seen the integrated impact statement produced by the proponent and I regard it as a very sophisticated and comprehensive document. It details the proposal and its impacts are taken from many social, financial and environmental perspectives. As a statutory authority, the RPDC is pro development but fiercely independent of government and is charged with the responsibility to ensure that the planning scheme is firm and fair. It can be relied upon to assess the IIS and to make a fair judgement as to the development proposal.

If Mark Latham and Labor had been successful at the last election, their forestry policy would have spelled the end for many working families and businesses in Northern Tasmania and would have rendered any thoughts of a world-class pulp mill just pure fantasy. It simply would not have been possible. We all know that, and we also know that there are many in the federal Labor Party today who are politically green before they are pro worker. That is certainly the case, even for some federal Labor members and senators from Tasmania. These are the ones who either vocally supported Mr Latham’s foolish forest policy or simply went quiet on the issue—it was one or the other. Mr Deputy Speaker Adams, I do not wish to reflect on you; I had in my speech that I discount the member for Lyons from that group, but him alone. All others are culpable on this issue along with Mr Latham, who continues to carry the stigma of cynically wanting to shut down jobs as an election platform to win Greens preferences in mainland states—a platform which apparently did not work. It was bad policy and bad politics.

My colleague Senator John Watson last week raised a motion in the other place which condemned green sabotage of legiti-
mate business interests, such as green
groups’ continual harassment of customers of
Gunns and other timber companies in Tas-
mania. It also noted the vital role in the Tas-
manian economy played by the forestry in-
dustry and the need to support this industry
and, indeed, the building of a pulp mill in
Tasmania. Interestingly, the Labor Party in
the Senate sided with the Greens in opposing
this motion and still resist calls to give a
proper explanation for themselves other than
to say that ‘the motion moved by Senator
Watson did not go far enough’. They sound
like weasel words to me.

I nonetheless welcome the recent motion,
which saw bipartisan support—something
which I would like to see more of—rather
than petty one-upmanship from a desperate
and embarrassed opposition in the Senate. I
say to Labor: stop petty pointscoring de-
signed to send secret messages to the Greens
that you are one of them, while at the same
time trying to claim support for job-creating
industry. It is impossible to walk on both
sides of the street. Flip-flopping is wrong
and annoying. Sometimes you just have to
say what you believe, develop your policies
and live by them. To the Northern Tasmanian
community, I publicly pledge in good faith
my continuing support of our timber indus-
ty—accepting that, like any industry, it can
be continuously improved—and a stronger
economy that will benefit the people to
whom I answer.

There are many economic opportunities
which are becoming apparent in Northern
Tasmania and I am an enthusiastic supporter
of them. Time does not permit me to go into
them in detail. However, I wish to mention
the Musselroe resort, which is proposed for
the north-east of Tasmania, the Norfolk pro-
éct and the East Tamar Highway upgrade. I
remind the House that, importantly, in order
to be able to support these valuable commu-
nity projects which enhance economic de-
velopment, you need good government—a
government that is prepared to take difficult
decisions. Strong economic management at
the government level will allow us, as gov-
ernments and representatives of the commu-
nity, to support projects with the proceeds of
a better and stronger budget. I thank the
House.

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

That grievances be noted.

Question agreed to.

PERSONAL EXPLANATIONS

Ms HOARE (Charlton) (5.40 pm)—Mr
Deputy Speaker, I wish to make a personal
explanation.

The DEPUTY SPEAKER (Hon. DGH
Adams)—Does the honourable member
claim to have been misrepresented?

Ms HOARE—Yes.

The DEPUTY SPEAKER—Please pro-
cceed.

Ms HOARE—I have previously ad-
dressed this issue and I do so again. I was
misrepresented in question time today by the
member for Groom when he said that I was
opposed to the coal industry. This is not true.
I strongly support the coal industry in Aus-
tralia, particularly in my electorate and the
surrounding region. The letter referred to
represented my constituent’s views and not
mine.

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

Report from Main Committee

Bill returned from Main Committee with-
out amendment; certified copy of the bill
presented.

CHAMBER
Ordered that the bill be considered immediately.

Bill agreed to.

Third Reading

FRAN BAILEY (McEwen—Minister for Small Business and Tourism) (5.41 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

INTERNATIONAL TAX AGREEMENTS AMENDMENT BILL (NO. 1) 2006

TAX LAWS AMENDMENT (REPEAL OF INOPERATIVE PROVISIONS) BILL 2006

PRIVACY LEGISLATION AMENDMENT BILL 2006

Returned from the Senate

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

INDEPENDENT CONTRACTORS BILL 2006

Cognate bill:

WORKPLACE RELATIONS LEGISLATION AMENDMENT (INDEPENDENT CONTRACTORS) BILL 2006

Second Reading

Debate resumed from 17 August, on motion by Mr Andrews:

That this bill be now read a second time.

upon which Mr Stephen Smith 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 notes that this bill:

(1) follows on from the Government’s extreme industrial relations changes which are a massive attack on living standards and living conditions, by removing rights, entitlements and conditions of Australian employees;

(2) also removes rights, entitlements, conditions and protections afforded to Australians in the workplace, whether employees or independent contractors;

(3) does this by allowing employees to be treated as “independent contractors”, thereby removing employee protections and entitlements and placing superannuation, tax, and workers’ compensation burdens on them;

(4) does this by removing protections from independent contractors who are in a dependent contract position and as a consequence in an unequal bargaining position;

(5) effects this by:

(a) continuing to use the common law definition of independent contractor as the basis of law without the guidance of statutory criteria;

(b) allowing employees to be treated as independent contractors in a sham way by ineffective anti-sham provisions;

(c) overriding State laws with employee deeming provisions;

(d) overriding State unfair contracts provisions which provide protection to employees, contractors and small business;

(e) overriding any future State and Territory owner-driver transport laws and putting existing State owner-driver transport laws at risk; and

(f) failing to provide any genuine protections for outworkers through ineffective outworker provisions, significantly weakening outworker entitlements; and

(6) introduces even more complexity and confusion into Australia’s workplace laws;

(7) treats the Senate Employment and Workplace Relations Committee reporting on these matters with contempt by dealing with the legislation prior to consideration of its report”.

Ms GRIERSON (Newcastle) (5.42 pm)—I rise today in continuation on the Independent Contractors Bill 2006. Prior to the interruption of debate, I was discussing how
much money the government had been wasting on advertising its industrial relations changes, and I will come back to that. Since the debate was interrupted, the Senate committee looking at the Independent Contractors Bill has tabled its report. It does not make comfortable reading for government MPs, I would imagine.

The committee unanimously recommended that the whole of part 4 of the bill be removed. This is the part which you will recall sought to remove protections such as annual leave, public holidays, overtime, superannuation, workers compensation and redundancy pay from outworkers in the clothing industry. The government’s own senators have rejected these unfair provisions, which the committee found ‘serve no useful purpose’. I think they could have gone further and rejected the bill in its entirety, because the rest of the bill also serves no useful purpose. This bill, just like Work Choices, is about as far as you could get from the fairer, simpler, national system that the government spent over 50 million taxpayer dollars advertising.

The Australian people know that the Howard government’s extreme industrial relations laws are not fairer. I have had massive amounts of feedback into my office from people who are concerned for themselves, their children and their grandchildren. The changes are certainly not national. Work Choices gutted the state systems but still left them with some jurisdiction. This bill overrides some state laws for some independent contractors and leaves others alone. And the laws are not simple. The common-law criteria that will be used by courts to decide who is and who is not an independent contractor under this bill are more difficult and complex than the state deeming rules. This bill overrides the deeming provisions of state industrial laws but leaves other state legislation—such as occupational health and safety and workers compensation—alone.

So it is not a simpler system. The only simplistic thing about it is the Howard government’s simplistic argument that individuals are in a better position when they are stripped of their rights and they are negotiating on their own against their employer. This is more of the same ‘every man for himself’ stuff that we are now used to from this government. It is estimated that around 40 per cent of independent contractors only deal with one employer. In effect, they are wholly and solely ‘dependent contractors’. These people are employees in all but name, yet this bill is going to let their employer avoid their obligations to their workers.

This bill is going to encourage sham arrangements, where genuine employees are shifted into contracting arrangements so that employers can avoid paying workers’ entitlements. The protections for workers against such actions are simply not strong enough, and the encouragement to employers to engage in sham arrangements are simply too great. It is always worth reminding people that many employers will do those sorts of things just because they can. Just as Work Choices encourages the spread of AWAs to undercut wages and conditions, starting a race to the bottom, this legislation encourages the shifting of workers into contracting arrangements with lower wages and fewer conditions.

So the incentives for bad employers are strong, just as the protections for workers are weak. Under this bill, the onus of proof is reversed so that the worker has to convince the Magistrates Court that the contracting arrangement was or would be an employment arrangement. After that, the worker would have to rebut any claims by the boss that they acted in good faith, genuinely believing that contract was for services, and
could not have been expected to know that it was a contract of employment. These claims of good faith will in all probability be very difficult to refute.

So, once again, the Howard government is stacking the odds against the ordinary worker. It is a move to further centralise power in the hands of the government and its Minister for Employment and Workplace Relations, who, by the way, has his own ‘independent contractor’ now—his new assistant, Mr Hockey, the Minister Assisting the Minister for Workplace Relations. On the surface, it looks like this appointment is a bit of a ‘good cop, bad cop’ routine—Minister Andrews, the hard, cold, uncaring face of Work Choices, is now joined by the jovial Mr Hockey, the Minister for Human Services, who presides over a supposedly kinder, gentler Centrelink, which he said last year would ‘put the “service” back in service delivery’. It looks like a good match, but I am not sure. Let us not forget that Minister Hockey retains the responsibility, through Centrelink, of implementing Welfare to Work—not so jolly and jovial there—the policy that sees 16-year-old kids with leukaemia forced to get a job. And now he is the assistant for Work Choices—the policy that forces down wages and conditions so that people are forced to accept anything they are offered, otherwise they will have their benefits cut.

I have always said that these two policies—Work Choices and Welfare to Work—when taken together would wreak havoc on young people, the unskilled and people with sickness and disabilities. And now, by giving Minister Hockey responsibility in both, the Howard government has confirmed just how closely these two policies are linked. Under the new welfare system, a person on Newstart must accept an offer of a job or run the risk of being breached and losing their benefit. Under the new industrial relations system, that person can be made a ‘take it or leave it’ offer of an individual contract containing the minimum wage and four other minimum basic conditions. Remember that under the new Fair Pay Commission—another great product of the Howard government spin factory—there is every chance that the real value of the minimum wage will be eroded over time.

So let us look at the choice this person faces: take the job on the boss’s terms or risk not only not having a job but also losing the Newstart allowance. It is not much of a choice. But these two pieces of legislation—Work Choices and Welfare to Work—were always intended to go hand in hand to slash wages. Now we have the ministerial cross-over—the two ministers going hand in hand to enforce this crackdown on the low paid and the disadvantaged.

At the same time, the government has also launched a backbench industrial relations task force which is designed to, and I quote the Prime Minister’s announcement:

… better inform the Australian public how these changes—

Work Choices—

will strengthen the Australian economy.

As far as we can tell from the Prime Minister’s announcement, that is the task force’s only role—just more spin.

Families all around Australia are feeling the pinch as these extreme industrial relations laws hit home, and all this out-of-touch government can do is keep trying to convince them they are actually better off as their incomes and their conditions slide ever lower. The government will not actually listen to the Australian people about how these laws are affecting them. This task force will not be out there listening. It will not actually try to quantify the impact of these laws on our economy or the wages and conditions of Australian workers. By contrast, the Austra-
lian Labor Party have been listening to the Australian people. The Labor Party established their own industrial relations task force in December last year. Since then we have been listening to communities all around this nation. We have been out there hearing what is actually happening in places like Launceston, Townsville, Blacktown, Tumbi Umbi, Darwin and Lismore.

The Labor Party has an acute understanding of the impact of Work Choices, and that is why it is opposing the further extreme changes contained in this Independent Contractors Bill. I must say that recent attacks by the minister in the House on people who presented to Labor’s IR task force are just so typical of the bullying attempts to muzzle people in our communities. Apparently, according to the minister’s comments, if you are a member of a union you do not count as a real Australian. What rubbish! Like Work Choices, this bill removes rights, entitlements, conditions and protections that should be afforded to all Australians in the workplace, whether they be employees or independent contractors.

I noted an earlier government member speaking of ‘setting the workers free’. Well, the only things this legislation is setting the workers free from are their protections, their rights, their conditions and their dignity. The government is not setting the workers free; it is actually cutting them loose. This is another bill that is all about the Howard government’s utter contempt for the working people of this nation. It is the government saying to independent contractors, as it is saying to all Australian workers: ‘You’re on your own. Look after yourself.’ It is survival of the fittest, but those who are less fit and less powerful in the workplace will certainly miss out. We are sick of the government saying ‘Good luck’ and leaving these people desperately hanging out. They do need support, as everyone does. This country is strengthened by a strong labour movement based on equity and fairness. The Independent Contractors Bill 2006 is not about a labour movement that is committed to delivering economic prosperity to this nation. In fact, it undermines its citizens’ commitment and willingness to do so.

Mr JOHNSON (Ryan) (5.52 pm)—As always, it is a great pleasure to speak in the House of Representatives chamber of the Australian parliament, where I represent the wonderful people of the western suburbs of Brisbane in the electorate of Ryan. I am delighted to speak in the parliament today on a very important bill, the Independent Contractors Bill 2006, and a related bill. While I am in the chamber, I would like to bid a very good afternoon to any of my Ryan constituents who might be listening. I think there are a couple; they emailed and phoned earlier to say that they would be listening to my speech because they have a very great interest in this legislation, which is all about jobs, economic prosperity and economic opportunity. So I want to say ‘good afternoon’ to all my constituents who might be listening—in particular a friend of mine, Mr Novak Petrovic. He has, with great regret, been taken out of the Ryan electorate because of the recent redistribution. In any event, a very strong Liberal supporter is Novak Petrovic.

This legislation is about jobs and about maximising economic opportunities for Australians right across the country, particularly those who are practitioners of small business. I am delighted that the Minister for Small Business and Tourism is in the chamber, because she not only is doing an outstanding job in her portfolio; she also has a very strong interest in meeting Ryan businesspeople. I had the great pleasure of hosting her in Brisbane recently and she met many of my constituents. They were very impressed by her stewardship of her portfolio.
Small business is often described as the engine room of the Australian economy. It accounts for some 95 per cent of all business and employs 3.3 million Australians. Since 1996, some 110,000 new businesses and 1.9 million new jobs have been created. This has fostered an increase in the culture of enterprise and innovation, which is one of the hallmarks of our country and which we must continue to promote here in the parliament. Why is this relevant to the Independent Contractors Bill 2006? It is relevant because many independent contractors are small businesspeople. They are the innovators, the entrepreneurs and the builders of business in this country. They are running their own small businesses and they want to be treated as businesspeople. They do not want to be treated as employees. That is why this legislation is important, and that is why I referred to small business at the outset of my speech.

Before I come to some of the details of this legislation, I want to paint the picture of the Australian economic landscape as it really stands, not as the desperate Labor opposition seeks to paint it. The Labor member who spoke before me talked about minimum wages being a problem in this country. I ought to remind her and others opposite that, in fact, Australia has the second highest minimum wage of any developed country. That is something that this government is very keen to ensure is secured. We are in the business of looking after the workers of Australia. I know that this really does irk the opposition, but I am afraid that the people of Australia have spoken at successive elections and they have voted with absolute confidence in the Howard government and its representation of their interests as workers of Australia. The government is reaching out not only to the traditional supporters of the Liberal Party and the Prime Minister but also to Australians right across the democratic spectrum of this country.

We all know that oppositions try to paint a picture of doom and gloom and claim that the landscape is very poor. They claim that people are facing mass sackings and that employers are all out to get the workers, but of course we all know that the reality is very different. The Australian economy is worth almost one trillion dollars. In every year of the Howard government, we have had positive economic growth and record levels of employment and participation. In August, the Australian Bureau of Statistics released its latest labour force figures, which gave an indication of the latest unemployment figures; and they are 4.8 per cent—the lowest in 30 years. I think that is something that we should all be very proud of. I know that it is very difficult for those in the opposition to fly this flag, but I do encourage them to do so, because it means that people in their electorates are also getting jobs. They are getting into the workforce and are able to provide for their families and their local communities. It is community-minded constituents who are doing a good deal to add to the economic prosperity of this country.

Work Choices was introduced in late March. Now, almost six months later, do we have the doom and gloom scenario that the Labor Party portrays? Of course we do not. Since 27 March, some 175,800 new jobs have been created. That is more than 1,000 new jobs a day since the Work Choices legislation was introduced into the parliament. In August alone, 23,400 jobs were created, of which 22,600 are full time. There are more jobs in the community, and they need to be filled. So I would say to anyone who is seeking to reconnect with the workforce: the jobs are out there, and I would encourage you to get a job, because the employers of Australia are desperate for your services.

Jobs are being created all over the country. Since the Prime Minister took office in 1996, 1.9 million new jobs have been created and
wages have risen by some 16.4 per cent. It should be noted that the only time wages have gone down was when Labor was in government. Between 1983 and 1996, wages actually fell by 0.2 per cent. So let us have none of this doom and gloom from the Labor Party. Let us have none of this portrayal of the economic landscape as being desert-like. This is an employees’ market.

The challenges that the Australian economy faces now are the challenges of prosperity. The challenges we face are happy challenges. Rather than the million unemployed under Keating and Hawke, we now have a situation in which companies, businesses and employers are desperate for people with skills and qualifications to enhance their businesses. The Howard haters are going to continue to preach doom and gloom; they will be negative; they will be pessimistic. But the Australian people are very much aware of what is really happening in the Australian community. They are not influenced by those who run the Labor Party—which of course is the unions. The Labor Party is dominated by the unions. The Australian people should keep in mind that reference from a very senior union figure about union control of the country. I know that in the Ryan electorate they will very much keep that in mind.

I am delighted to speak on the bill. This is all about economic choice and freedom. It is all about economic justice. We quite often hear the Labor Party talking about social justice. What about economic justice? What about jobs? What about the economic injustice of a million people out of work when Labor was last in government? What about the economic injustice of 11 per cent of the nation unable to get work under the stewardship of the current Leader of the Opposition? What about the economic injustice of high interest rates under Labor? What about the economic injustice of mortgage repossessions? It is very disappointing that those opposite do not talk about this. The Australian people know what the right thing to do is and which government has the policies and the ideas to ensure that the Australian economy continues its prosperity.

Independent contractors have traditionally been the forgotten people of the industrial relations sector, and yet they are very much the rising stars of our workforce. They consist of some 800,000 to two million Australians, and they are a growing force of entrepreneurs and innovators which is revolutionising the nature of business in this country, and particularly small business. They permeate virtually every sector of the workforce. They are the Australians who install your hot water system, fix your computer, do your landscaping and lay the foundations of your new home. The benefit that these independent contractors provide to business in Australia is immeasurable in dollar terms. In sectors such as the building industry, in which almost 25 per cent of the nation’s independent contractors are employed, they provide the flexibility needed to sustain such a highly fluctuating industry. For small businesses, they provide an avenue to outsource non core or temporary services, allowing the small business operators to better concentrate on the business’s essential operations.

The benefits that independent contractors provide are not just for business. Operating as an independent contractor also gives workers tremendous flexibility—the flexibility to choose how they work, when they work and what they work on, enhancing family life and work satisfaction. In particular, it gives workers the chance to operate as microbusinesses, to be their own boss and to gain the expertise needed to become the employers and small businesses of tomorrow.

I want to take the House to a very interesting speech that a former hero of the Labor
Party, the former federal Labor leader Mr Mark Latham, gave to the Tasmanian state conference following the defeat of the Labor Party at the last election, in 2004. Deputy Speaker Adams, it is quite timely that a Tasmanian is in the chair, because I am sure that you will be very interested in the words that I am about to deliver to the House. On 30 October 2004, following the defeat of the Labor Party under Mark Latham’s leadership, Mr Latham made these remarks to the Tasmanian Labor conference, and they bear quite interesting reading:

We urgently need to establish a new basis for the economic purpose and legitimacy of the Labor movement. We need to be realistic about the changes happening around us right around the country.

The conventional working class—in steady, semi-skilled and low-paid jobs—has declined. Just look at the affluence of the traditional trades in the mining, construction and service industries. In many cases, they make enough money to be investors, not just workers—this is the nature of the new economy.

The new middle class is here to stay, with its army of contractors, consultants, franchises and small businesspeople. This reflects the decentralised nature of the modern economy, where flexible niche production has replaced the organising principles of mass production.

The implications for the Labor movement are quite obvious. Workers are more independent and self-reliant. Large, centralised institutions and policies are less relevant. Our economic policies need to be based on the principles of flexibility, enterprise and upward mobility.

They are very interesting words, and they could easily have been delivered by someone from the coalition ranks. The Labor leader—who has our good wishes for his post-political life—delivered a very important message to the Labor Party.

It is a shame that here we are in 2006 and the Labor Party still cannot accept those words: ‘the principles of flexibility, enterprise and upward mobility’. I refer again to Mr Latham’s words: he talked about the ‘army of contractors, consultants, franchises and small businesspeople’. These are here to stay. These are people in the modern Australian economy who are doing their bit to make this country prosperous, to give opportunities to their fellow Australians and to create a greater and more flexible economy so that others in their circumstances might be able to join the modern Australian economy.

That is what this bill is all about. This independent contractors bill is all about trying to give flexibility, opportunity and scope to people who are not employees but businesspeople; they want to be treated as businesspeople. They want the flexibility to choose how they work, when they work and what they work on so as to enhance their own family lives and their work satisfaction.

Despite the benefits that independent contractors bring to the economy and to themselves, this sector of the workforce has been stifled by Labor state governments—Labor governments which, in order to appease unions with declining membership rates, have dragged independent contractors back into the realm of employees. I want to remind the Australian community, and those who live in the western suburbs of Brisbane in the Ryan electorate, of something that they might find interesting if they do not already know: 17 per cent of the workforce is unionised, and I suspect that this is quite an inflated and unauthentic figure. I am sure that many of those ranked or classified as part of the union workforce would not really want to have that tag on them. They are probably small business people in their own right and want to be employees without the heavy hand of the union movement on them.

Anyway, 17 per cent of the workforce—less than one-fifth—is officially part of the union movement.
Rather than embracing and nurturing these entrepreneurs, the state governments have stifled the individual and flexible contracts of these workers and have arbitrarily drawn them back under the guise of industrial law. In Queensland, for example, the Industrial Relations Act 1999 deemed outworkers, apprentices and trainees, and workers in the security industry, to name a few, as employees, despite the presence of contracts which specifically state they are independent contractors. In addition, the Queensland Industrial Relations Commission has the power to declare a class of contractors to be employees based on such criteria as the relative bargaining power and economic dependency of a class of persons and whether the contract is designed to, or does, avoid the provisions of the industrial instrument.

We have the ludicrous situation in Queensland where two parties can enter into a commercial contract for service with one party operating as an independent contractor and taking advantage of the freedom to negotiate the contract according to their terms and conditions. However, under current state legislation, that contract is assessed by the Industrial Relations Commission according to standards required for an employment contract, including minimum award conditions, rather than as a commercial contract. So, despite a clear intention on behalf of the two parties to the contrary, the contract falls back within the scope of the state industrial relations legislation. This is absolutely absurd. It is high time it was changed, and this legislation will address that.

The absurd situation was succinctly highlighted in another example, the case of Mr Simon David, who made some interesting comments in the Australian on 27 July 2006. Mr David, who is a computer programmer in Melbourne and an independent contractor, says he pays WorkCover and limited insurance liability, like any other small business, but was disadvantaged by being treated as an employee under industrial law. He said:

I treat myself as a small business, and I expect that everybody that deals with me also treat me as a small business...

But, in reality, he is not because of the way the Victorian legislation embraces him. Well, Simon, the good news is that the Howard government has heard your pleas, along with the hundreds of thousands of other independent contractors in the workforce throughout Australia, and we will legislate here in the parliament of Australia to correct this injustice.

The independent contractors bill will remove the uncertainty and confusion of state regulations to bring all independent contractors under the certainty and security of a federal system. It will ensure that agreements entered into by independent contractors are correctly classified as commercial contracts and not contracts of employment, thereby allowing independent contractors more flexibility in negotiating the terms of such contracts rather than being forced to have them satisfy stiff award conditions. Deeming provisions in state legislation will be overridden. A three-year transitional period will apply, during which workers previously deemed by state legislation will have the opportunity to clarify their position within contracts as either an independent contractor or an employee.

In the time I have left, I want to read a couple of comments from key stakeholders. I think it is important that those who are right at the heart of this area have their words reflected in the parliament. Mr Norman Lacey, who is the director of the Information Technology Contract and Recruitment Association, said:

The bill is a great step forward for us as an industry and for independent contractors ... It's not going to change their lives tomorrow, but it creates an environment in which independent con-
tractors will flourish and enjoy a measure of protection and recognition that they would not otherwise have had ... It legitimises their place in the workforce.

To that I say: hear, hear! Thank you, Mr Norman Lacey, for your remarks supporting this important legislation. With one in four in the building and construction industry operating as independent contractors, Chief Executive of the Master Builders Association of Australia, Wilhelm Harnisch, said of the bill:

The Government’s legislation means that contractors will be able to operate without the workplace relations system dampening their entrepreneurial spirit ...

This is a very good bill. It is a very important bill. I am delighted to be part of the Howard government and, of course, to support this bill very strongly. Today’s reforms the Howard government is putting in place in the parliament will set up tomorrow’s prosperity. I know that people find change difficult, but strong and confident government is in the business of important reform that will set this nation up for prosperity in the times ahead. Independent contractors deserve our thanks and congratulations for being very committed Australians in terms of their contribution to our national economy, prosperity and record low levels of unemployment that we are enjoying in this country today. I thank all the independent contractors who live in the Ryan electorate. I know that they will be working very hard. I salute them and the prosperity that they bring to the western suburbs of Brisbane. I hope that they will be delighted to continue to support me. I will ensure I continue to work hard for them. (Time expired)

Ms BIRD (Cunningham) (6.12 pm)—I rise to oppose the Independent Contractors Bill 2006 and the Workplace Relations Legislation Amendment (Independent Contractors) Bill 2006 and to support the amendments moved by the shadow minister for industry, infrastructure and industrial relations. I will take a minute or two to make comment on the member for Ryan’s contribution. It will only take me a minute or two because most of it was about what this side of the House thinks rather than addressing the bill, so there is not a great deal to deal with in terms of the content. However, the member did make the point that there is a new breed of contractors and franchisees out there and that, somehow, on this side of the House we have a problem with that. Indeed we do not. What we have a problem with is the abuse of that system and the potential for there to be massive abuse of that system under these bills and amendments.

I say to the member for Ryan that there is a hell of a big difference between, for example, an IT person who sets themselves up as a small business and works as an independent contractor and a group of 18-year-old kids I know who deliver pizzas. They have been put onto individual contracts and made to pay their own workers compensation and provide their own uniforms. From what they tell me, they have to do a minimum of 20 deliveries in a night before they even have covered the cost of their petrol and start to make any money—despite the fact that they are on regular shifts and, in any other way, would be considered employees. What the member for Ryan fails to acknowledge is that there are too many instances where this mechanism is used to abuse particularly young people in the workforce in a way that makes it very discouraging for most of them to continue seeking work.

Most of them are at university, and they are doing this to support themselves through the massive costs of university that they now undertake. The member for Ryan well knows that there are examples where young people are forced onto this individual contract form, providing their own uniforms, paying their own workers comp and, indeed, having to do
a significant amount of work before they even make a bit of profit for themselves. I accept the member for Ryan’s argument that there are people who legitimately work as independent contractors. That is not our problem with this legislation. Our problem with the legislation is that its structure enables an abuse of that system.

In particular, the shadow minister outlined in the first point of his amendment that our concern goes to the fact that, as the example of the young pizza delivery people indicates, this government has an obsession with mechanisms that allow the cutting of wages and the slashing of the conditions and entitlements of workers. This is particularly sad when it applies to young workers in our communities. The bills and the amendment are another instalment in the government campaign. It was interesting in question time today that the Prime Minister for once was pretty clear that the reason they have pursued this agenda is that it is about giving power and flexibility to the bosses. In answer to several questions, he made it quite clear that this was about providing strength to the arm of the boss in the workplace, not the worker.

The government has in its collective head the idea that times are so good. Indeed, the member for Ryan outlined how wonderful they have been over 10 years. Their logic goes that, having achieved such—according to them—wonderful wages growth and unemployment decline, that makes it crucial to put in place mechanisms that allow you to attack wages, remove conditions of work and remove entitlements. They want to make it more difficult for workers to sustain their families and communities and to participate in a way that gives not only economic fairness—which the member for Ryan spoke about—in terms of fair pay for a fair day’s work but also some social fairness in their capacity to meet their family and community obligations.

Australians are generally disposed to giving new ideas the benefit of the doubt. If they consider there is a national interest in it, most are prepared to give something a try. But most hardworking Australians struggling to keep the family budget in order at the moment, weighed down by an increase in commitments, are now realising that the government’s agenda is indeed not for the national interest. It is, in fact, reflecting an ideological obsession, which means that, in reality, for hardworking Australians, unless you are at the high end of high-demand wages in areas like the mining industry, you will actually end up working for less, getting cut wages for increased hours and having reduced protections in the workplace.

The Prime Minister likes to quote average income and wage increases but he ignores the fact that that average is achieved by an explosion in wages at the top end, in high-demand areas—in fact, to the extent that it is actually endangering the viability of major projects in the energy and construction industries, in particular in mining—whereas, on the other side of it, that average is achieved by a whole lot of people in communities like mine, working in hospitality and in retail, who actually see themselves going backwards. So averages are all very good, but if the reality is that you have vast numbers of people suffering a cut in order to provide that increase to the smaller number at the other end of the scale there is not a lot of community joy in that.

This bill and the amendment to the workplace relations legislation before us plan to implement a two-tier system of independent contractors, on which I have made some comment and which the previous member failed to address. The bill contains minor protections for outworkers and owner-drivers in New South Wales and Victoria, but these protections are only short term. Indeed, they are quite political in nature in that they were
intended to get this issue over the line before the election, and they will certainly be revisited. If the government is re-elected next year, those carve-out clauses for outworkers and New South Wales and Victorian owner-drivers will clearly disappear.

Last week’s report by the Senate Employment, Workplace Relations and Education Legislation Committee highlighted the systemic flaws in this bill by recommending that part 4 be scrapped. The government’s majority sends a clear message that this bill is flawed, by including a guarantee that outworkers would be protected, but that inserting part 4 in effect does the opposite. So the government’s own majority recommends its abolition from the bill. To add insult to injury, the committee, in perhaps a quite unprecedented intervention, actually sets up negotiations for outworkers and their representatives with the minister’s department to ensure that outworkers have the promised protection.

I want to spend a little bit of time drawing to the attention of this place the views of owner-drivers in New South Wales, especially those hardworking owner-drivers who live in my electorate who have regularly met with me to outline their concerns. This bill offers these workers some slight protections until there is a review next year. Owner-drivers in New South Wales, and I suspect in Victoria, are not one bit fooled by the minister’s assurance in the second reading speech. Kennith Simpson, 52, married with children, with four years service in general transport and a $145,000 investment, lives in my electorate. He tells how this bill would affect him:

These changes just mean my rates are going to go backwards ... politicians keeping getting pay rises and we go backwards. I will be working harder and longer for the same or even less.

Ian Jack, 56, with 23 years service in transport and a $200,000 investment in his business, lives in my electorate. He says:

Howard likes to say he’s for small business. But he’s turned around and kicked us in the gut. I’m only worried about my family.

Mukesh Ram, 38, has five years in transport and lives in my electorate. He says:

It’s already so hard to make ends meet. If I lose my rates, I can’t see how I’m going to meet rising fuels costs and insurance payments. At the moment I can’t afford to take a single day off. We need someone to stick beside us.

Genady Bendersky, a courier in my electorate, says:

I’ll find it impossible to hire a lawyer to help me. The expense will be too much.

It is clear that owner-drivers of New South Wales and Victoria did wage a successful campaign to convince the government to place a clause in this bill. Indeed, I am sure that if the many other people affected by the bill had the capacity to drive large rigs around Parliament House and draw such visual attention to their concerns they might have got fairer treatment too. It was not done for any other reason than to placate a group of hardworking Australians living in coalition electorates who lobbied very successfully, to their credit. The owner-drivers in New South Wales and Victoria could have taken the clauses in this bill and let the matter rest in order to look after themselves for a short time. But they are aware that what is protecting them in the short term is denied to owner-drivers in other Australian states and territories. Therefore, this bill will only unnecessarily add greater complexity to the legal regime regulating contracting employment.

One of the reasons for implementing the Work Choices legislation, we were all told, was the perceived complexity of the Commonwealth, state and territory legislative
framework. Work Choices has not made the industrial relations system any easier to navigate. You only have to look at the surveys of businesses conducted by their own business representative organisations to see that they are still confused about and unfamiliar with what this new regime actually is. This bill does nothing to simplify the legislative framework for determining contracting employment. Indeed, it actually adds unnecessary complexity.

In late May, the Productivity Commission released a major report entitled *The role of non-traditional work in the Australian labour market*. The *Sydney Morning Herald* gave the commission’s report some coverage on 30 May. The *Sydney Morning Herald* article indicated that, based on the commission’s findings, the proportion of contractors as a proportion of the workforce fell from 10.1 per cent to 8.1 per cent. From 2001 to 2004—the article says—contractors grew in number but not as a proportion of the workforce. The *Sydney Morning Herald* article went on to state:

Bureau of Statistics figures show the proportion of employers has also shrunk under the Howard Government. The proportion of employees has therefore risen and business owners shrunk since Mr Howard was elected.

I believe we all have a right to know precisely why the Howard government has allowed this to take place. The Productivity Commission should be instructed by the Treasurer to inquire into this. After all, the government parades around in this place as the friend of small business. The facts, however, tell a very different story.

Everyone recognises that Australia’s labour market has changed in significant ways over the last quarter of a century. Literature on the labour market confirms that Australia’s 10 million strong workforce is now split between up to eight different methods of earnings. We still—for the moment—have awards, collective agreements and individual agreements covering workers in the contract of service. Within these groupings there are further sub-splits on earnings, which include over-award wages, safety net adjustments, certified agreements, executive-professional contracts and minimalist individual contracts. In contract for service, we generally find a two-way split between independent contractors and dependent contractors.

Employment in Australia is clearly increasingly fragmented and diverse. Within individual workplaces there is even further fragmentation, as the industrial literature points out. Direct employees are either permanent, fixed term trainees or casuals. Indirect sources of employment are also fragmented into permanent or fixed term and casual or dependent contractors. Some are sourced through a temporary employment agency or labour hire. The government and big business lobby groups like to suggest that the labour market should be treated no differently from the general product market. They argue the labour market should be subject to the economic principles of supply and demand only. Workers, labour market economists and even the Productivity Commission know it to be very different.

The Productivity Commission report highlighted that employment demand and supply factors are:

... seldom separate from institutional factors, which include the regulatory and workplace relations environment of firms.

The report went on to state:

The institutional framework shapes the minimum conditions and entitlements that firms provide to workers under different forms of employment, which then leads to demand and supply—factors—being affected.

The commission’s report dismisses the rhetoric of the government and the self-serving
big business lobby that the employment relationship is simply that of a worker and an employer. This deregulation mindset is a play on words and language—no more so than in the case of employment and industrial relations.

The institutional framework equally applies to employment agreements—what will be in them, how they will be reached and implemented and from them what types of work will emerge and will not be allowed to emerge. Work Choices, for example, is highly prescriptive, giving minute detail on how the employment relationship will work between workers, their employer and third party involvement. Work Choices is about destroying the award system which has historically set the concrete foundation of minimum earnings and conditions.

The government’s other intention is clearly to root out collective bargaining from the labour market. Also involved in this bill is the concept of shifting private costs to the taxpayer, which has been compellingly argued in the Senate Employment, Workplace Relations and Education Legislation Committee report by retiring Australian Democrat Senator Andrew Murray. The Productivity Commission also highlighted this fact, suggesting that non-traditional methods of work had crucial impacts on a range of public policy areas, including taxation and revenue, health and occupational health and safety, superannuation and retirement savings and skills and training. The government’s own report, Rethinking regulation, recommended:

- The Australian Government should align the definitions of ‘employee’ and ‘contractor’ used for superannuation guarantee and PAYG withholding purposes.
- However, the government, in its response to the report recommendation, indicated it would not agree with its adoption.

I should also note that the Dawson report, which recommended changes to the Trade Practices Act, has encouraged the use of collective bargaining for small businesses. The National Farmers Federation has been granted the right to collectively bargain—at the same time, interestingly, that it opposes the same right for workers. Those are all very interesting developments in the commercial law jurisdiction which, I can assure the other side, have not been lost on us. This bill does nothing to solve the central question of what is an independent contractor. The bill does not attempt a definition. It leaves the resolution of the question to the common law.

The next development in the industrial relations debate will focus on the bargaining power of all parties that increasingly make up the global supply chain. The most important aspect in both commercial and employment law will be the strengths and weaknesses of each of the parties involved in these chains. As the government and the big business lobby, which has never had any time for small business, remain wedded to the ideological obsession with smashing unions, wiping away awards and undermining and sterilising industrial tribunals, other statutory authorities are fleshing out a response to the weakest soft spot in commercial relations—the relative strength of bargaining by each of the parties involved in commercial relationships.

Although this bill overrides state and territory legislation on dependent contractors, the government has conceded that state and territory legislation is actually addressing a problem and recognising the limits of bargaining power. That is why it has given short-term protection to outworkers and owner-drivers in New South Wales and Victoria.

I notice that the ACCI and the Independent Contractors of Australia recently issued
media releases on the importance of an ILO recommendation, clause 8. The clause says:
National policy for protection of workers in an employment relationship should not interfere with true civil and commercial relationships, while at the same time ensuring individuals in an employment relationship have the protection they are due.

The ILO recommendations in subsequent clauses are framing the ongoing debate on what are ‘true civil and commercial relationships’ while at the same time ensuring that workers have the ‘protection they are due’. The ICA has condemned this bill for ‘political deal making’ and ‘corrupted policy’.

In preparing for this debate I had a chance to read the House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation report Making it work. The Labor dissenting report offers a way forward in its key substantive alternative recommendation No. 2. The government should have adopted the recommendation, as it offers more certainty and removes the complexities of ambiguity that are causing major concern.

We all accept that the method of employment is wide ranging, fragmented and constantly changing in Australia. There is no valid reason for the government to continue its obsession with cutting wages, conditions and entitlements of workers. There is no valid reason why the government intends to push through this bill, which establishes in effect a two-tier system of contractors: those with minor protection in the short-term and those left on their own. This bill further complicates the legislative framework. The minister has conceded, in comments— (Time expired)

Mr BARRESI (Deakin) (6.33 pm)—I am very pleased to make a contribution to this long anticipated bill, the Independent Contractors Bill 2006. One of the government’s 2004 election commitments was to introduce separate legislation governing independent contractors and on-hire arrangements. It is a commitment which has been highly anticipated by the sector. I am pleased that we are coming close to the time when legislation will go through this House and then be presented in the Senate.

This legislation and the issues that it covers have been widely canvassed throughout this country. Any member of the opposition who claims that this bill has for one reason or another been thrust through the parliament with little consideration does not know what they are talking about. This was an election commitment back in 2004; we have had a departmental discussion paper on the issue; we have had an inquiry by the House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation, which I am pleased to say I chaired, which brought down a great report, if I may say so, called Making it work. It was an inquiry into independent contractors.

Mr Fitzgibbon—But the government didn’t adopt it all.

Mr BARRESI—Member for Hunter, I am pleased to see that quite a few of the recommendations were in fact adopted by the government. It was very pleasing to see that that inquiry report received very serious consideration. On top of that, we had the recent Senate inquiry, which was chaired by the Victorian senator Judith Troeth. So there has been considerable discussion on this issue.

Why has this been the case? We are finding that in this country over the last 20 years there has been a substantial growth in the number and proportion of people in the Australian workplace who consider themselves to be independent contractors. Certainly the committee that I chaired found that in excess of 10 per cent of the Australian workforce
can be classified this way. The Australian workforce is changing. We know that there is one group that does not like that change. We know that the labour movement, made up of both the unions and the Australian Labor Party, does not like the changes that we are seeing taking place out there in the Australian workplace.

There are now more independent contractors than there are trade union members in the Australian workforce. Australians are voting with their feet and choosing to work entirely outside the traditional employment structures. Why is this happening? Because all too often it meets people’s own family-work balance requirements and they have greater independence. It can often also be seen as a foothold in starting up your own small business. That is the case, and the result is that more and more people are turning to becoming independent contractors.

Unions are struggling for workplace relevance. They are faced with declining membership. They have failed to see the advantages that many workers have accepted—flexible working arrangements, which are offered through independent contracting and also through on-hire labour arrangements. There are now 1.9 million Australians who have made that decision, that choice, to manage their own affairs as independent contractors.

An efficient, modern economy should have a dynamic mix of working arrangements, with the flexibility to respond to the changing demands of clients, consumers and competitors. Independent contractors are an important part of that mix. Removing the barriers imposed by state legislation, reducing inconsistencies between states and reducing compliance costs for all businesses will encourage these businesses to grow and, of course, in growing their businesses they are, importantly, growing their workforces and further reducing Australia’s current record unemployment level. This bill seeks to protect the freedom to operate as a genuine independent contractor and to work through on-hire arrangements.

In launching this policy initiative the Prime Minister stated back in September 2004:

A new Independent Contractors Act would ensure that freedom of contract for independent contractors is enshrined and preserved, that they have a firewall built around them to protect them from the deprivation of unions and unfriendly Labor governments who would seek to impose limits and constraints on their freedom to contract.

That is at the heart of why those on the other side are opposed to this legislation and why the union movement is telling members on the other side to oppose this legislation at all costs. In moving in this direction to protect the rights of workers to make their own choices, we are opposed at every turn by those on the other side and by state Labor governments, which are, no doubt, controlled by their trade union members. They are opposed to this. I say to them: see the writing on the wall; recognise that people are looking for flexibility, alternative arrangements and choice, and this is exactly what this legislation is doing. Do not continue to take this paternalistic approach to independent contracting or labour hire arrangements, and recognise that we are seeing a major shift in workplace arrangements, which people out there are demanding. The sooner the unions and the Labor Party are able to understand that independent contractors require these protections, the better it will be for them.

Independent contractors have moved beyond the ‘us’ and ‘them’, boss and worker, class distinction of the 18th and 19th century, and so too has this government. The member for Brand, the Leader of the Opposition, is the only one wanting to take us back to the days of the accord, union strong-arm tactics
and little individual freedom. In fact, in his own contribution he spoke about the woes of introducing these laws and the effect it would have on owner-drivers in his electorate. I am not sure whether he has read the legislation because this legislation does not in fact cover owner-drivers in New South Wales and Victoria. I will have a bit more to say on that a little later on. The reality is that the federal Labor Party is opposed to independent contractors because the union movement is opposed to them. The unions have been alarmed at how quickly independent contracting has flourished in this country, thereby reducing their role in the workforce.

I turn to some aspects of the legislation. The existing regulation of independent contracting across many of the states is a regulation of entrepreneurship. The sooner we remove this regulation, the sooner we are taking the shackles off entrepreneurship and the ability of people to move into their own employment arrangements. Independent contractors have taken the initiative to establish themselves as businesspeople. They are not employees, and they should not be considered by industrial relations laws to be employees. The current competing and complex state and federal systems allow too much interference by third parties in situations where people are essentially running their own business, and this is not appropriate. The government’s Work Choices reforms, which came into operation on 27 March this year, already prevent federal awards and agreements from containing clauses which restrict the use of independent contractors or labour hire workers or which seek to put conditions on their engagement, for example, by prescribing that they have the same conditions as employees.

This bill aims to do a number of things. Firstly, it protects independent contracting arrangements as commercial arrangements, not employment arrangements, under the law. Secondly, it addresses inappropriate state and territory legislation which deems independent contractors to be employees for the purpose of industrial relations regulation, including by overriding that legislation where appropriate. Thirdly, and I thought this would have been supported by those on the other side, it ensures that sham arrangements are not legitimised and prevents state and territory legislation from impacting negatively on labour hire and contracting arrangements.

There are a number of problems surrounding independent contractors which this bill aims to address. Some states have in place industrial relations laws which deem certain independent contractors to be employees. They are trying to drag genuine contracting relationships into the sphere of industrial relations law. Over the last couple of years various states have either enacted or considered such deeming provisions and deeming legislation. Contracting arrangements are commercial arrangements and it is inappropriate that they be regulated by workplace relations laws. Deeming provisions have the effect of invalidating the flexibility and choice of an individual in choosing work arrangements, and interfere with the original intention of the parties to the contract. Deeming provisions can result in completely arbitrary distinctions. For example, the New South Wales legislation deems 13 different categories of worker to be employees, including milk deliverers, bread deliverers, carpenters and plasterers, to mention a few. In other states, these workers could exercise their valid choice to be genuine independent contractors under the law. In one state they are deemed to be employees; in another state they can be seen as independent contractors. By overriding state deeming provisions, certain groups of workers will no longer be covered by state employment law but will be
free to contract in a manner that best suits them with the business they are working for.

This approach is consistent with the approach taken in the overall Work Choices legislation. Under the independent contracting legislation a transitional period of three years will be established in relation to those workers previously deemed to be employees under state law. These workers will continue to be deemed employees unless they elect to become independent contractors during that time by agreement with the employer. Once again, it is a choice by that individual as to whether they want to be an employee or an independent contractor. It is all about choice.

One of the issues that has received some attention by members on the other side—obviously they have not read the legislation—and I know it has also received some attention in the Senate inquiry, is to do with protection for TCF workers. This group of workers is protected by this legislation, and it is pretty clear in the legislation that they do receive protection. The Australian Fair Pay and Conditions Standard will apply to contracted TCF outworkers in states and territories where they are not covered by laws providing for some form of remuneration guarantee. Most of the states currently deem contract outworkers to be employees. These special arrangements are in place because TCF outworkers are considered to be a particularly vulnerable category of worker. They often have low levels of English language proficiency and limited formal education. They tend to have limited negotiating power over their pay and work conditions.

Mr Fitzgibbon—They are the only example, are they?

The DEPUTY SPEAKER (Mr Haase)—Order! The member for Hunter will listen to the debate in silence.

Mr BARRESI—The member for Hunter has his chance to speak later on.

Mr Fitzgibbon—What about a cleaner with bad skills?

The DEPUTY SPEAKER—The member for Hunter will control himself.

Mr BARRESI—In recognition of the particular difficulties faced by contract outworkers, Member for Hunter, this bill will not override state laws that deem outworkers to be employees.

Mr Fitzgibbon—What about the cleaners?

The DEPUTY SPEAKER—I warn the member for Hunter!

Mr BARRESI—It will also leave untouched specific state laws that provide additional protections for TCF outworkers. There it is, Mr Deputy Speaker. There is protection in this legislation, and of course we recognise that TCF workers are particularly vulnerable. Just as Work Choices did not override protections for employee outworkers, so too the independent contractors legislation will not override protections for contract outworkers. Any changes that are made to protections under this act will be to reinforce protections already in place, so what we are doing is providing a double guarantee.

Mr Fitzgibbon—What about the cleaner?

Mr BARRESI—The member for Hunter, I do not know how many times you need it written, but there is a guarantee that TCF outworkers are protected. Further to this, this bill does not seek to override protections for owner-drivers in New South Wales and Victoria, the only two states with such legislation. I know that this is a fairly contentious aspect of the legislation and I also know that when I held the House of Representatives parliamentary inquiry into independent contractors we did receive major representation from owner-drivers in New South Wales. They all turned up and they all gave their
case. So what we have here is a bill which does not seek to override these protections.

From my own philosophical point of view, if we were starting off with a clean slate I would much prefer that every owner-driver is roped into this legislation. But we are not starting with a clean slate. There is significant legislation at both the New South Wales and the Victorian government levels which does provide a certain amount of protection and restrictions on what the federal government can do. It is simply a recognition of the facts of the situation. But I know that everybody, certainly on this side of the House, would acknowledge that if we were starting with a clean slate we would prefer a situation where all owner-drivers were treated the same way right across this country. The government does believe that special protections need to be put into place for these two states. However, we will also establish a review of the state owner-driver protections. This will be done as a way of trying to rationalise and achieve nationwide consistency in these types of laws. There will be a public consultation process involving a discussion paper from the department in 2007. Like contract outworkers, owner-drivers have a particular vulnerability, which this legislation has recognised. Many owner-drivers we know work for only one principal and they often operate within very tight business margins.

The Independent Contractors Bill will provide a more balanced approach to the regulation of unfair contracts. The bill retains access to a fair and reasonable federal remedy for genuine cases where unfair or harsh conditions have been imposed on a contract. This will be achieved by overriding state unfair contracts legislation using the corporations power. Provisions in the bill replace the existing federal unfair contracts legislation. More accessible remedies may be sought in the Federal Magistrates Court. State unfair contracts regimes will be overridden by a federal remedy for genuine cases where contracts are harsh or unfair. What we will be seeking through these specific provisions is to create one single, national, unfair contracts system which will eliminate existing duplication and confusion with the overlapping state systems that are currently in place in New South Wales and Queensland. The existing federal unfair contracts provisions will be removed from the Workplace Relations Act and instead be covered by this bill.

This further illustrates the government’s firm view that contracting relationships should be dealt with outside the scope of workplace relations legislation. The Federal Magistrates Court will have the power to determine unfair contracts cases and will provide a cheaper, more accessible remedy for independent contractors with unfair contracts claims. The federal system will also allow incorporated independent contractors to access the jurisdiction. Currently, the federal jurisdiction is limited to independent contractors who are natural persons. Furthermore, the law will provide for a financial cap for the jurisdiction to be set by regulation.

In the limited time I have left I want to turn my mind to the protections against sham arrangements, which also received quite considerable coverage through our inquiries. I know there are varying views out there on what is and what is not a sham arrangement. The bill will protect genuine employees from sham arrangements. This is where an employee is disguised as an independent contractor so that an employer can avoid payment of legitimate employee entitlements. Penalties will apply to employers who deliberately try to avoid their responsibilities through the use of sham arrangements. The Office of Workplace Services will investigate such cases and enforce the provisions as required.
The bill will also address the issue of sham labour hire arrangements by allowing a voluntary code of practice to be made, with an ability for mandatory application if necessary. I know that there are some industry groups out there, particularly in the on-hire labour sector, that have excellent codes of practice, which they put in place for their own industry representatives. Some of these models need to be looked at very carefully with a view to introducing them on a wider level. I will pay credit this time to the Recruitment and Consulting Services Association for the work that they have done in this area. The legislation will also introduce penalties for unscrupulous employers who seek to use sham contracting arrangements to avoid their obligations to their employees.

There are well over one million independent contractors in the Australian workforce. The government respects the right of genuine independent contractors to manage their own affairs and enter their own agreements with their clients if that is their preference, just as it respects the right of employees to be accorded the relevant legal protections. Independent contractors are a crucial component of the modern economy and a modern, flexible labour force. This legislation seeks to protect and encourage their activities. It is legislation that should be supported by this House as a recognition of what a growing number of Australians have clearly shown is an occupational preference. (Time expired)

Mr FITZGIBBON (Hunter) (6.53 pm)—Mr Deputy Speaker Haase, I should begin by apologising to you for being a little rowdy throughout the contribution of the member for Deakin. Of course, I was provoked by the member for Deakin’s language.

Mr McArthur interjecting—

Mr FITZGIBBON—I will deal with the member for Corangamite in just a moment.

The DEPUTY SPEAKER (Mr Haase)—Order! Quid pro quo.

Mr FITZGIBBON—I was very pleased that my contribution to this debate coincided with my obligation to be on House duty for an hour or so. That provided me with the opportunity—I hope the member for Deakin is not leaving the chamber, because I am not finished with him yet—to listen to some of the contributions of those on the other side, including the member for Deakin, whose tone was very interesting. He proudly reminded the House that he chaired the House of Representatives committee on workplace relations and other things in its inquiry into the matters before the House tonight. But I could not help but notice the low tone he was using throughout his contribution. That reflects, of course, the inconsistency between the recommendations of the member for Deakin’s committee and the Independent Contractors Bill 2006, which we have before the House tonight.

What is clear to me is that the member for Deakin has been told: ‘Forget about the recommendations of your committee; just toe the line. Get in there, tone it down and follow the government line on this issue.’ That is exactly what he did this evening. He should have come in here and defended all of his committee’s recommendations. If he really believed in them he should have come in here and defended them, and of course he was not prepared to do so, because he has been told to toe the line.

This is a fascinating bill for me. I have an intense interest in matters of small business, being the opposition spokesman on small business matters in this place. Any bill that goes in any way to small business matters of course always attracts my attention. This is a very strange bill in that it in a sense pits small business person against small business person. It pits some independent contractors
against other independent contractors. It will have some benefits for some independent contractors and disadvantages for others.

It is interesting to listen to the debate and hear the various numbers that are attributed to the independent contractor pool in this country. We heard the minister in his second reading debate talk about there being 700,000. I think the member for Deakin talked about there being in excess of a million just a moment ago in his contribution. We see various figures thrown up. We are supposed to have, according to the ABS, 1.2 million small businesses in this country, and yet we get claims in this place that we have more than a million independent contractors. This demonstrates the paucity of research and information we have in this country on small business. You cannot make good small business policy if you do not in the first instance know how many of them you have. It takes me back to the government’s decision in 1996 to cut funding on the small business longitudinal study and all the good work it was doing, which would have provided answers to many of the unanswered questions we have when delving into small business policy in this country.

We know there are three types of independent contractor. There are the genuine independent contractors—people who go into independent contracting for all the right reasons. Many of those reasons are entrepreneurial, and this is a good thing. We are in the post-Fortis era. We have a much different, more open and competitive economy than we used to have. We have many former schoolteachers, Telstra workers et cetera buying themselves jobs—going out there and working for themselves as genuine independent contractors. This is good thing for the Australian economy.

Then we have the shams. The shams are split into two. There are the shams forced by the employer who wants to avoid his or her obligations to an employee—whether they be award wages, sick pay, holiday pay, superannuation and even OH&S in some circumstances. They do not want the burden of all that. They just want to put them on a commercial basis and rid themselves of all those obligations as an employer. In many instances that might be legitimate thing to do and it might be done in a way which provides additional reward for the former or prospective employee. But in many cases they are sham arrangements.

The other class of sham arrangement is when the employee seeks to become an independent contractor rather than employee, for tax advantage in the first instance. That is probably the prime reason they seek to do so. The government many years ago, when we were doing the Ralph business tax reform, acknowledged these arrangements existed and addressed them by introducing the rules on the alienation of personal services income. So the government has recognised these arrangements exist. The drive towards independent contracting and part of the reason for the proliferation of independent contracting arrangements comes from all sorts of forces.

I did not hear the minister do this when he made his introductory contribution—and I invite him to do so when he summarises on this debate—but, talking about numbers again, I have seen no attempt by anyone on the other side to determine how many winners and how many losers are involved in this. I have listened intently to members opposite and I have not heard them nominate one loser in all of this. Surely they do not believe that! I am prepared to say there could be some winners in this; why aren’t they prepared to say there could be some losers in all of this? Of course there are independent contractors out there somewhere who do not want state deeming provisions and do not
want legislatures interfering in their commercial arrangements. I am sure they are out there, but I can assure you that there are even more independent contractors out there who look to the protections of both the state based deeming provisions and the state based unfair contracts provisions.

You need only to go to the very good submission of the Transport Workers Union. I will not go into detail, but suffice to say it reminds us that they represent literally thousands of owner-drivers in this country who want those deeming provisions to remain in place. What does the government do? It backflips and acknowledges the need to continue, at least for the time being, the application of the deeming provisions or their equivalent to transport workers and TCF outworkers. If that is the principle, why not apply it to everyone who is in need of protection? The member for Deakin said that amongst TCF outworkers you would have people with language difficulties, for example. The member for Deakin is telling me that there is a TCF outworker out there with limited English, if any English at all, who is exposed to exploitation, but isn’t there a cleaner out there in the same circumstances? I think it is absolutely feasible that there could be a newly arrived Australian with poor English skills working in a cleaning arrangement on an independent contract basis, so where is the differentiation? Why is the government applying the principle to some people but not to others? Could it be that they have more political weight and greater opportunity to cause pain for the government, given that there are many TCF outworkers and owner-drivers but not enough cleaners to have the same sort of political impact? That is the only explanation. Anyone who really wants to understand this bill and the potential impacts on independent contractors in this country who are currently protected by the deeming provisions should go to the very good TWU submission to the inquiry and they will get a very good understanding.

I go back to the member for Deakin and the point I was making about the failure of this legislation to pick up his own recommendations. The big standout is the failure of the government to go all the way to adopting a statutory definition of ‘independent contractor’ by invoking the rules set down under the alienation of personal services income rules under the tax act. The big outstanding question is the lack of definition of ‘independent contractor’. We have heard throughout the debate how difficult it is to determine and how difficult the courts have found it over various years to determine such a definition. We know that they have laid down some not so vague rules about control of the employer over the employee and whether the employee uses his own tools, and they have all been stated before. But the lack of definition is what forces state governments to move in with deeming provisions and unfair contract provisions so that people who do not really fit under the common law definition are protected. The big standout of this bill is the government’s failure to accept that recommendation.

I think the government had an opportunity to deal with what is no doubt an issue in the community on both sides—for people who are being deemed but do not want to be deemed and vice versa—but there are very strong cases for protecting the welfare of people who have been forced into independent contractor arrangements. Again, the government has acknowledged that by taking some specific clauses on TCF outworkers and owner-drivers. You will not find a more competitive sector than the transport sector. Both sides of the transport sector are happy. The owner-drivers are happy. Because they are carrying high risk, working long hours and carrying debts, they want some certainty
in the arrangements. And the employer organisations are happy, so where is the push? Where was the great need to undermine so many protections for so many people?

Unfair contracts are another example where small business people are going to be disadvantaged by this bill. If you have a commercial arrangement with another player who has greater market power then you and the thing goes pear-shaped for you, you do have recourse under various state based unfair contracts legislation. But that has just been taken away by this bill. People from the other side should not come in here and tell us that this is all about small business. Again I challenge the minister to come into the House and give us the numbers. Tell us how many people are going to be disadvantaged by this bill compared to how many people are going to find some benefit in this bill.

There has been lots of talk throughout the course of the debate about the state of the economy. The economy is in pretty good shape. There are some pressures emerging on the horizon, and there are some pressures that the Reserve Bank governor has been talking about for some years now. I was delighted to hear on ABC radio last night the Reserve Bank governor, before his departure, defending the legacy of the Keating government and making the point that the real thing that sustained 15 years of economic growth was the work of Paul Keating back in the early 1990s.

I know the phrase ‘the recession we had to have’ was not seen to be all that clever at the time; it might have sent the wrong message. But the point was well made, and that is that it was that slowdown that broke the back of inflation in this country. It did not have the hallmarks of the earlier recessions; it was a recession that broke the back of inflation in this country. That is a legacy we are all still benefiting from today, and that all these people who are in the right entrepreneurial spirit are looking towards when they go out there, back themselves, take the risks and put themselves in self-employment situations. They have the choice; many do not have the choice.

There is also another inconsistency here. For some time the government has been laying aside in the Senate a bill that is generally known as the Dawson bill. Amongst other things, the Dawson bill seeks to streamline the opportunity for small businesses to band together and bargain collectively with larger businesses. They might be agriculturally based, selling apples to Coles and Woolies; they might be a group of truck drivers trying to bargain with one of the big transport or construction companies. They might be chicken growers, who might be bargaining with one of the big chicken processors. So in the Senate we have a bill in which the government says we have got to strive harder to make sure small business can collectively bargain, recognising that the parties to the bargain are not equal; in other words, recognising that there is big opportunity for the Coles and Woolies of the world, one of the big transport companies or one of the big chicken processors to misuse their power to the disadvantage of the person they are in negotiation with.

Unfortunately that bill is stuck in the Senate, and here is the other irony. It is stuck in the Senate for a couple of reasons. One is that there is also a mergers provision in there that the opposition and the minor parties are not totally satisfied with. We have put forward some very responsible amendments that would allow the ACCC back into the game as a gatekeeper on authorisations on merger applications—authorisations based on the public interest test. That is holding the bill up. But the other interesting thing about this bill is the government’s belated decision to put in that bill a provision that bars trade
unions or their representatives from acting as bargaining agents in a collective bargaining arrangement. To make this even more nonsensical, we already have collective bargaining for small businesses in this country, but at the moment they go under what they call an authorisation process. The authorisation process can be slow, costly and cumbersome, and the government has sought, after the Dawson recommendations, to streamline that and go from an authorisation process to a notification process so that when small firms enter into a collective bargaining arrangement they simply notify the ACCC and the ACCC has 30 or 40 days to raise objection. If it does not object, the arrangement—which on the face of it would be contrary to the Trade Practices Act—is allowed to continue, and immunity is granted. So there is immunity to continue if the ACCC does not object. That is a much better system than the authorisation system.

Under the authorisation system, trade unions or their representatives can be the bargaining agents, and it is worth pointing out that those authorisation provisions will remain in place. But, while it was not in the original bill—there were two bills here; one lapsed because the parliament was prorogued—the government decided that they would ban trade union representatives or their agents from the notification process. There is no consistency here at all. I would be less critical if they retrospectively took the rights of unionists to act under the authorisation provisions; at least it would be consistent. But there is no consistency, and the fact is that under the authorisation scheme trade unions have been acting as bargaining agents for years. I deliberately used transport and chicken because they are very good examples. The AWU represents chicken growers when entering into collective bargaining arrangements with the processors, and it has been commonplace in the transport industry as well.

So this is just full of inconsistencies. Up there in the Senate Ivan Milat could negotiate a collective bargaining arrangement for some transport workers, but Tony Sheldon of the TWU cannot. That is the law they are seeking to put in place in the Senate. But the key point is that it is inconsistent to say that there cannot be some collective protection for independent contractors in the broader community but at the same time, up in the Senate and in this place, they are trying to put in place more streamlined collective bargaining arrangements for small business. In its approach this bill is full of inconsistencies, and that is why I am rising to support the amendment put forward by the member for Perth. If the government really want to do something about growing independent contracting in this country for all the right reasons, I suggest they go back, redraft it and have another go, and we will have a look at their new attempt.

**Mr McARTHUR** (Corangamite) (7.13 pm)—I have listened very carefully to the member for Hunter. He is the shadow spokesman for small business, and he understands contracting. In fact I have been to his electorate, where I have seen him in action, and he has talked to those contractors in the coal industry. I am having a bit of difficulty understanding what he has been saying. I think he supports the legislation intrinsically. He talks about competition between contractors being unfair; that is a strange comment. He supports some contractors and not others. So I think the member for Hunter, surprisingly enough, after all the rhetoric, supports the government’s bill and I am very pleased that the member for Hunter showed such erudition.

I am delighted to support the Independent Contractors Bill 2006 and the workplace re-
lations legislation on this occasion. The government is proud to encourage an entrepreneurial culture across Australia where people are encouraged and able to go about their work and to get a job done productively and efficiently. The entrepreneurial culture will put emphasis on people getting the job done, with the key focus being on payment on outcomes, as opposed to time spent on the job.

There has been a dramatic shift across society towards contracting out jobs and tasks to those who are in a better position to deliver, thereby generating increased efficiency and reducing cost. We see this in our industries, where large manufacturers have moved away from start-to-finish construction. In Geelong, in the electorate of Corangamite, the Ford Motor Company do not build a car and all its components; instead, Ford pay a number of small component firms on contract terms to produce parts and deliver them on a just-in-time basis to the factory, where they put them together to produce a fully assembled motor vehicle.

We see a shift in our own households, as the member for Hunter would understand. We call in Jim's Mowing to mow our lawns quickly and cost-effectively. This saves hundreds of families in Grovedale, Belmont and Highton, in the electorate of Corangamite, from the need to service and start their own motor mowers, which often do not start when you want to mow the lawn. And we see this shift in the workforce, where increasingly workers are opting out of structured employment and choosing to work for themselves as contractors, to be their own boss and do a job for a client: walk in, get the job done and leave to do the next job.

This legislation recognises the massive change in the workforce towards what is called 'latent entrepreneurship' by University of Zurich economists who have studied self-employment. This bill will provide important protection for up to 1.9 million Australians who are independent contractors. There are many self-employed contractors working in my electorate of Corangamite and in the rural industries across country Australia. Farmers hire contractors to do fencing; cut, bale and cart hay; sow and harvest crops; and transport grain to the silos or livestock to the market. Agricultural contracting has developed at the same time as farming has evolved. Former farmers who have been forced out of farming have been able to use their skills to provide private contracting services to other farmers, in a win-win arrangement.

In my own experience, I have contracted a typical rugged rural Australian called 'Nabby' McNabb for fencing on my family property. As a contractor, Nabby was his own boss. He would turn up at 7 am, rain, hail or sunshine, put in a full day's work—digging holes, putting up fence posts, stringing wires—and then Nabby would be at the head office, the local hotel, by 3.30 pm, having a few cold beers. It was here that he conducted and arranged the business with the local farmers. Nabby would not have wanted to be an employee and work for hours at the direction of a boss. He was fiercely independent; he wanted to get the job done. It is for hard-working, enterprising, free-willed Australians such as my old friend Nabby that the government is introducing this legislation.

The labour movement and the Labor Party want to drag self-employed workers into the regulated employment system to allow unions to exert more influence over people's lives. The government is introducing this legislation to protect Australians from another example of union overreach. The Australian self-employed contractor workforce can take much credit for their contribution to the nation's economic growth over recent years. The contractor workforce have helped to deliver increased productivity and effi-
ciency that has not been delivered by the more heavily regulated awards based and union dominated sectors of the workforce.

By way of example, I can compare the highly unionised construction industry with the home-building industry, which operates with contractors and subcontractors. The construction industry has serious problems, as was demonstrated by the Cole Royal Commission into the Building and Construction Industry. In this industry, the union movement, represented by the Construction, Forestry, Mining and Energy Union, the CFMEU, is notorious for its strikes, bullying tactics and enforcing a ‘no ticket, no start’ regime. The construction workers have no incentive to get the job done quickly or even on time because they get paid for the time they are on the site. There are countless examples of construction sites in Victoria that have suffered delays and cost blow-outs so that workers can get more money.

The National Executive Director of the Housing Industry Association, Dr Ron Silberberg, reflected on these matters during a speech to the HR Nicholls Society conference in September 1991. Dr Silberberg is somebody who knows a thing or two about house construction and the views of the people who work in the industry. He said:

Subcontractors are highly self-motivated, which is reflected in their high productivity levels … It is not unusual to see subbies working on housing sites at weekends. They don’t receive penalty rates for working at weekends … Their future earnings depend on establishing a reputation for quality and reliability.

Dr Silberberg compared the housing and construction industries:

The housing industry is characterised by harmonious industrial relations. Subbies don’t get paid for delays so there is a strong incentive to get on with the job. According to the CSIRO, the level of unproductive time on housing sites is about 4 percent; for the unionised commercial building industry, the amount of unproductive time is 23 percent.

Those two figures reflect the thesis and background of this legislation. Every new homeowner, every young family of first home buyers and everyone else with an appreciation of the nation’s buoyant property market will understand that there are new houses going up across Australia’s suburbs. The houses seem to be constructed almost overnight, and this remarkable development has only occurred because of the use of self-employed building contractors and subcontractors who have an incentive to get on with the job.

In the free economy, people should have a choice to go into business for themselves if they want to. People should be able to have a choice to be their own boss and to contribute their skills, abilities, assets and hard work towards the growth of the nation—and to take the risk of bankruptcy if they are not
successful. That is the key issue for a contractor: not only do they apply their skills but they run the risk of going broke—and the bank is very tough on these independent contractors if they do not pay the bills. The Labor Party and the trade union movement, on the other hand, want to crush the spirit of individual endeavour and free enterprise by clawing Australia’s independent contractors into the regulated employment system and deeming independent contractors as employees. The member for Hunter ably demonstrated that in his previous remarks.

The decision as to whether a person can go out on their own and establish their own business should be up to the individual. It should not be a decision for the government or for the trade union movement. It would be better if the government did not have to legislate for independent contractors; it would be better if these decisions could be left to individuals. But, because of the Labor Party’s position across the states, there is a need to protect—at both federal and state level—the rights of independent contractors. The Australian economy and workforce are changing, and that is why it is important for the government to take this action to protect the legal rights of independent contractors—and I emphasise ‘legal rights of independent contractors.’

Australia is no longer a highly unionised, nine to five, Monday to Friday economy. Australians are leaving the trade unions in droves because the unions no longer seem to be relevant to the majority of our nation’s workers. Rigid and inflexible award conditions do not suit the needs of individual employees and businesses. Union membership has been declining for the past 30 years. In 1976, 51 per cent of the workforce were union members—and we well remember those days. Union membership had fallen to 40.5 per cent by 1990 and, by August 2004, 22.7 per cent of workers were in a union. Despite a massive union campaign against the government’s proposed industrial relations reforms last year, the proportion of the workforce who choose to be members of a union fell again to 22.4 per cent in August 2005.

In the private sector, the rate at which Australian workers have abandoned the union movement has been even more severe, with only 16.8 per cent of private sector employees in unions by August 2005. In contrast to the steady decline in union membership, there has been an increase in the number of Australians who choose to work for themselves as independent contractors. It is estimated that there are up to 1.9 million independent contractors in Australia—equivalent to the number of union members.

This legislation delivers on an important commitment given to independent contractors at the 2004 federal election, when the Howard government said that it would legislate to not only protect but support the endeavours of independent contractors in the Australian economy. This commitment came as a direct result of the calls from independent contractors to be protected from the deeming laws of state Labor governments, which have sought to classify independent contractors as employees. The Labor Party’s national policy at the time of the last election included expanding the definition of ‘employee’ to include ‘those in employment type relationships’. The rights of individual contractors were under serious threat from the Labor Party’s proposals. So we can see that the Labor Party were very keen to make their own definition of ‘contractors’. The government, with this legislation, will make it quite clear.

On this basis, members of the Labor Party at both state and federal levels have demonstrated that they are out of touch with the aspirations of those Australians who genuinely want to operate as independent contrac-
tors and to enter into service contracts with companies, clients and private individuals. The important factor for the Labor Party and the unions to understand is that contractors are different from employees, and they do not want to be treated as employees. Bob Day, the former President of the Housing Industry Association, outlined the union mindset on contractors and employees in a speech to the HR Nicholls Society in 2000. He said:

Contractors are paid for performance—not for time. Any non-standard arrangement like this is a threat to the union mindset … Unions have always wanted to conscript subbies into their dwindling ranks and along with tax officialdom and the IR Club have, at every opportunity, tried to turn independent contractors into employees. Unions already have secured footholds in just about every area of the commercial construction industry and have significant influence in areas such as superannuation, health funds, training, occupational health and safety rehabilitation, insurance and even labour hire firms. Their campaign to control the supply of labour never ends.

But contractors are not employees—they are running businesses with all the associated risks and expenses.

Until the Labor Party unshackle themselves from the trade union movement and, instead, support the desires of Australia’s independent contractor workforce to be their own boss, the Labor Party will not be a credible choice to win government.

I can report that there has been a lot of interest in this legislation from small business men and women across my electorate. Many self-employed people are looking for the certainty that this new legislation will provide. Indicative of the feedback I have received from local business, Fred Runia, from a successful Geelong region transport company, Josie’s Transport Group, has written to my office regarding the government’s Independent Contractors Bill 2006. Fred is well known to me. He is a classic independent contractor who employs a lot of people. He is a very genuine small businessperson and runs a wonderful transport company. He wrote to say this:

We are aware of the Independent Contractor Act and fully support the introduction of this Act. Our company has always had responsible commercial dealings with our contractors without interference … that have been beneficial to both parties. We are therefore looking forward to the clarity that the IC Act will give to owner drivers and principal contractors to negotiate and operate without third party interference.

This is a statement from Josie’s Transport, which has been a very successful business in Geelong for the past 32 years. The firm has a relationship with approximately 35 owner-driver contractors who are operating to enhance their fleet and their service. Like many others, this company is successful because it has managed an ongoing relationship with self-employed owner-drivers who have formed a contractual service agreement with Josie’s on a commercial basis. I can confirm that because I have talked to Fred Runia at some length about these arrangements, and I know from my personal observation that they are successful. As with many other private transactions, Josie’s Transport and the drivers who provide transport services to them under private contract do not want third party interference, whether it be from government or from the trade union movement. These owner-drivers are confident that they can negotiate their own arrangements without government intervention.

In drafting this legislation, there have been some concerns amongst owner-drivers regarding the provisions that will allow for the continued recognition of New South Wales and Victorian legislative protections for owner-drivers. The government is looking closely at this issue and the protections
for owner-drivers that have been supported on a bipartisan basis in these states. The minister has advised that the government does not intend to disturb these arrangements at this stage. However, the government will establish a review of the state based owner-driver protections in 2007 with a view to achieving national consistency for these types of laws.

There are particular arrangements in place for owner-drivers under the existing New South Wales state laws, including goodwill on delivery contracts, and the government’s proposed review of these state provisions will ensure that there are no unintended consequences for these owner-drivers. I have taken a close interest in this debate and have met with representatives of the Independent Contractors of Australia and Owner Drivers Australia. I have discussed these issues with owner-drivers, represented by Mr Ken Phillips, who is a forceful advocate for independent contractors and more flexible labour arrangements. It is clear to me that this bill implements our election commitment to deliver certainty to independent contractors and that there is a clear commitment to review the specific protections provided to owner-drivers in New South Wales and Victoria.

This is very important legislation, both in philosophical terms and in terms of the government’s commitment to that section of the Australian workforce. Ken Phillips suggests that the Independent Contractors Bill is:

...arguably more significant and far reaching in its implications than the labour regulation reforms under WorkChoices. Whereas WorkChoices is a rejigging of the employer-employee relationship, the Independent Contractors Act cuts entirely away from that paradigm. It walks away from the idea contained within employment law that economic activity involving labour is one of systematic and inevitable conflict. The Independent Contractors Act will prove important because it contains the idea that every Australian has the right to be their own boss to set their own economic direction and to control their own destiny.

It would be a struggle to more clearly explain the importance and meaning of this bill. I am delighted with Mr Ken Phillips and his very strong support for the contractors bill and the background information that he has provided to the government, which has assisted in the drafting of this particular legislation.

I support the bill wholeheartedly. I support the philosophical thrust of it. When this bill is passed—with the opposition voting against it—it will become a key part of the government’s reforms of the industrial relations system. It will give, as I have said, a sense of independence. It will give legal protection to independent contractors. Contrary to the propositions put up by those opposite, this legislation is in the interests of those hardworking contractors who work day and night for their own good, their family’s good and the good of the client.

I note that the amendment put forward by the opposition put up the usual arguments that people will be exploited and that employees will not be looked after. Australia is an independent country. Those contractors have shown their spirit since the Eureka Stockade. They want to work hard; they want to get the job done. We totally reject the amendment put up by the opposition. That reflects a bygone era. This government is moving into 2006 and beyond. This will be a most important part of the legislative program that looks after hardworking Australians.

Mr BOWEN (Prospect) (7.32 pm)—The Independent Contractors Bill 2006 is very important legislation with very serious ramifications, and it is legislation that we will be opposing. There are various estimates regarding the number of independent contractors in Australia. Estimates vary from
800,000 to 1.9 million, the first being the estimate of the Australian Bureau of Statistics and the second being the estimate of the Independent Contractors of Australia. Regardless of which figure is correct—and I suspect that it is the estimate made by the Australian Bureau of Statistics—it is a very significant number. These estimates range from between eight per cent and 20 per cent of the Australian workforce. You only need to look around, as I do in my electorate, to see that there are a large number of independent contractors.

The minister, in his second reading speech, talked a lot about choice—it is the government’s mantra. We heard it again in question time today. The minister said: These Australians have already chosen to work for themselves to gain the benefits of the choice and flexibility that self-employment provides. Their choice must be respected.

The member for Corangamite talked about that in his contribution. He even referred to independent contractors as being the instigators of the Eureka Stockade, which I thought was an extraordinary contribution for him to make. On the face of it, I cannot disagree. If somebody chooses to work for themselves and have that flexibility, they should be supported in that choice. But the House needs to examine the employment relationship of many independent contractors in some detail to test the minister’s claim.

The University of Melbourne estimates that 40 per cent of contractors work for one principal only and are in fact dependent—not independent—contractors. How independent are contractors who must in terms of their contract work exclusively for one company; who are instructed by one company; who wear that company’s uniform; who, if they have a truck, must paint the company’s logo on that truck; and who are forbidden under the terms of their contract to work for another company? Is it really the case that all people choose this arrangement to give themselves more flexibility?

I was attracted to the dissenting Senate committee report by Senator Murray, somebody who is not from my party but who has a wide degree of respect across the political spectrum and in the community. He said this: For an increasing number of contractors the notion of independence is a myth, and any choice and flexibility in their arrangements have been constructed for the benefit of those who hire them, not their own.

The current bill, Senator Murray says: ... does not prevent business from exploiting loopholes in the common law that allow workers to be classified as contractors, when for all practical purposes they are employees. I agree with Senator Murray.

The minister says that the choice of independent contractors must be respected, but this government is removing the option for independent contractors to have unions represent them or have a union negotiate on their behalf. It is okay for independent contractors to have a lawyer, it is fine for them to have a guild or some other sort of association to represent them, but it will be illegal for them to have a trade union represent them. This is ideological zeal. This is the government’s extremist approach to industrial relations, and it is being driven by anti-union fervour; it is not being driven by a rational and calm assessment of the facts. I agree that people who choose to be independent contractors should have their choice protected and respected, and if they do not want a union representing them they should not be forced. But if they do want a union to represent them, they should not be forced not to have a union.

In the Age on 23 June this year I read comments by Steve Graham, who is a Foxtel
contractor. He described this legislation as ‘draconian’. He said:
I haven’t had a (pay) rate increase in over six years.
He went on to say:
This legislation is going to make it so that I will walk into the office of the company that I work for and they’re going to put down a piece of paper that says ‘this is your rate, these are your hours of work, this is what you have to do. If you don’t like it go somewhere else’.
He is right. In 2003 Foxtel actually tried to reduce the rate of pay for independent contractors. The contractors asked their union to negotiate for them. It was only the intervention of the union which stopped their rate from being reduced. They had not had an increase for six years and Foxtel tried to cut their hourly rate. Why did it not get cut? Because the union intervened and represented them—something that will not be allowed once this legislation passes this parliament. Why should the choice of Foxtel contractors to have their union represent them not be respected? Why should their choice not be respected? The government should come in here and justify why they are removing choice for those people.
I read in the Australian on 27 June this year comments from Tony Healy, an IT contractor. He said:
This bill is anti-contractor ... It supports the contracting industry and, like recruitment companies ... seeks to screw independent contractors ...
Why should Tony Healy’s choice not be respected? Just the week before last I had an independent contractor from the IT industry come into my electorate office to see me about his contract. His contract had been terminated by a large multinational corporation, to whom he was contracted, only a few weeks into the contract, with no reasons given. There was only a short period of notice given—two weeks instead of the four nominated in the contract—and when he went to the company to ask why he was given no reasons.

It was made very clear to him that he could pursue his legal options if he wished but that the company had many more legal resources than this individual and they were happy to tough it out in a court of law. I will not name the individual, out of respect for his privacy, but he has been to see me. I had a long meeting with him and referred him to solicitors. I wonder whether he feels that his choice should be respected. I know he does feel that way, that he should have the choice to have somebody negotiate for him.
We have had government members coming in to speak on this bill—not many, I must say; it has been a very short speaking list, which perhaps indicates that government members are not too proud of this legislation—who have talked about independent contractors and thanked the independent contractors association for their help in drafting the bill. I thought that was an extraordinary thing for the member for Corangamite to say. He actually thanked the independent contractors association for their help in drafting the bill. I am really not sure the minister would be too happy with the member for Corangamite to say. He actually thanked the independent contractors association for their help in drafting the bill. I am really not sure the minister would be too happy with the member for Corangamite’s contribution, coming in here and thanking the independent contractors association for their help in writing this legislation.

But there are some independent contractors who will have their rights protected—their right to appoint a trade union to negotiate on their behalf is protected under this legislation—and they are the owner-drivers in New South Wales and Victoria. The member for Corangamite was at pains to stress that this was only a temporary protection, that the government was only putting this to one side for a short period of time and it would be reviewed in 2007. The government
has not indicated when in 2007, but I suspect it will be very late in 2007, for obvious reasons. Owner-drivers like those at Tooheys, together with the Transport Workers Union, have resisted new contracts which involve reductions in pay rates of up to 43 per cent. That is because owner-drivers in New South Wales and Victoria have had their protections under state law carved out.

In New South Wales the Industrial Relations Act 1996 provides for the regulation of engagement in certain sectors. In Victoria the Owner Drivers and Forestry Contractors Act 2005 provides similar protection. I congratulate the Transport Workers Union for negotiating this concession. I attended a briefing which they put on in this place last year, I think. Members from both sides came to the briefing. It was a very moving presentation in which owner-drivers begged to be allowed to have their union continue to represent them because they were on such thin profit margins. The government has wilted under the pressure from the Transport Workers Union and the independent owner-drivers, and that is a good thing. But why has the government singled out these people for protection?

The minister says that they are on very tight margins and some have gone into considerable debt to pay for their trucks and so should not be subject to the same provisions as other independent contractors. There are two points to make here. The first one is that that is an admission by the minister that this will drive down the conditions of contractors. He said, ‘These people are on tight margins and have high debts. They should be protected.’ That is an admission that there is something to protect them from. That is an admission that their conditions would be driven down if they were not carved out of this legislation. I think that is a very interesting admission from the minister.

The second point is: does he not think that there are other independent contractors who are doing it tough? Does he not think that the Foxtel contractors who have had no increase in their rate for six years are doing it tough? Does he not think they are on tight margins? Does he not think that some of them are highly geared? Why would owner-drivers in New South Wales and Victoria be exempt and others not? Does he not think that contractors in the electrical and plumbing industry are doing it tough? Does he not think they are heavily in debt? Does he not think that, with petrol prices at record highs and interest rates going up, there are other highly geared contractors who are feeling the squeeze? By making this welcome concession, the minister has underlined the essential illogicality of his argument, and the arguments in favour of his bill have collapsed.

This bill creates a new national unfair contracts regime. However, the new regime is inferior to the state based regime it replaces. For example, the New South Wales Industrial Relations Commission can review a contract which has become unfair subsequent to the contract being entered into. This unfair contracts regime treats all contractors the same, whether they be purely independent, dependent, deemed employees or outworkers.

This new regime will encourage employers to make the shift towards independent contracting arrangements, away from employment arrangements. The government claims that this will be prevented by the anti-sham contracting arrangements in the bill. At first blush, the anti-sham contracting arrangements look reasonable enough, but on further investigation they are revealed to be a sham in and of themselves. I note the comments of Professor Andrew Stewart in relation to the definition of an independent contractor applied in the bill. He said:
The fact is that any competent employment lawyer can take almost any form of employment relationship and reconstruct it as something that the common law would treat as a relationship between principal and contractor ... thereby avoiding the effect of a wide range of regulation which is typically applicable only to employees, such as industrial awards, registered agreements, leave and superannuation legislation and unfair dismissal laws.

I was drawn to the comments of Senator Murray, who, again I say, is a respected person in this building. He is not from my party but he is one whose views are widely respected and who always brings an independent approach to these matters, and a very detailed and thorough approach. He said:

... we share widely-held views that the common law is manifestly inadequate for resolving a definition of employment, and jurisprudence in this area is badly in need of buttressing through statute. This too is the position adopted by state governments.

He went on to say:

... relying on the common law definition of employment is fraught with problems.

He continued:

... there are differences between common law definitions of ‘independent’ contractor and for tax purposes which could potentially disadvantage workers forced on to contracts.

Again, I find myself in agreement with Senator Murray.

The consequential bill amends the Workplace Relations Act by prohibiting sham arrangements. This makes it an offence to misrepresent or attempt to misrepresent an employment relationship and make false statements to an employee to influence them to become an independent contractor. It is also an offence to dismiss or to threaten the dismissal of a employee with the sole or dominant purpose of re-engaging them as an employee. However, it is firstly necessary to look at the potential defences under this bill.

It is a defence if an employer reasonably believes the employee to be an independent contractor. So in order to mount a successful application, a worker would have to (a) convince the court that the contract was, or was intended to be, an employment arrangement rather than an independent contracting arrangement; and (b) rebut any claim by the employer that they could not have been reasonably aware that the contract was actually a contract of employment.

So it is a very hard defence to overcome for a worker attempting to take an action under these anti-sham provisions. I would be very surprised if any successful actions were brought as a result of these anti-sham provisions. If a case were successful in an enterprise with under 100 employees, of course the individual would have no right to reinstatement, because the government has abolished the right to action for unfair dismissal in businesses with under 100 employees.

In the time left remaining to me, I would like to turn to a very important issue, particularly in my electorate and the electorates of my colleagues the member for Fowler and the member for Blaxland, and that is the impact of this bill on outworkers. I do recognise that textile, clothing and footwear outworkers are treated differently in this legislation and there is some extra protection for them. However, I believe there is a strong case for treating outworkers completely separately from independent contractors. I do not believe it is appropriate to include outworkers in the independent contractors legislation.

I do believe there is a case for a completely different set of employment relations for clothing outworkers. I believed that before I read the report of the Senate committee on this matter. I note that the Senate committee has unanimously recommended completely excluding schedule 4 from this bill,
which is the schedule which relates to clothing outworkers. I call on the government to listen to their own senators. Their own senators say that that schedule of the bill serves no purpose. We would go further and say that not only does it serve no purpose but it disadvantages clothing outworkers.

I invite the minister or any interested member opposite to come out to my electorate, or indeed the electorate of the member for Watson, who has joined us in the chamber. I know he has many clothing outworkers in his electorate as well. I invite them to come out to the garages in the backstreets of Cabramatta or Fairfield or Lakemba and see the outworkers in action and see if they are really independent contractors; see whether it is appropriate to take their working conditions away from them, as this bill does; see whether somebody who is working in a garage in Cabramatta and producing hundreds of pieces of clothing every day is exercising their choice and flexibility in this employment relationship nirvana that the minister talks about and that the member for Corangamite talked about before; and see if it is appropriate to treat these people the same way as other independent contractors.

I think this bill increases the level of confusion in relation to outworkers, and the level of protection in place is substantially less than under existing state based arrangements. You can have a policy debate about how others should be treated, but clothing outworkers are an open and shut case. This government clearly just does not understand what these people are dealing with. It is being driven by ideology and by a desire to reduce working conditions in a race to the bottom. They should be opposed, and they will be continued to be opposed on this side of the House.

Mr BRENDAN O'CONNOR (Gorton) (7.51 pm)—I rise to support many of the comments made by the member for Prospect and others on this side of the House in relation to the Independent Contractors Bill 2006. Before I make some comment upon the substantive provisions of the bill, I would like to note that again we find ourselves in a situation where the government speakers have already stopped speaking on this bill. I look at the list of members to contribute to this debate today. There are three government members and 23 opposition members. It is quite extraordinary to see the government fail to articulate their support for a piece of legislation that has far-reaching consequences. We say that most of those consequences will be adverse for those the legislation affects. However, the government, I understand, have a contrary view. But they are not in this place to convince the Australian people, via this chamber, why we should support this bill. This is not the first time. Indeed, the failure of the government to attend to a debate in the parliament seems to be happening on a daily basis when we engage in very important matters affecting the nation. So it is a disappointment that I have to rise immediately after the member for Prospect rather than after hearing a government member attempt to convince me and
others why there are merits to this bill—and I have to say that I find very few merits indeed.

I indicate to the House that the member for Prospect was quite correct when he said that there should be no schedule 4 to the bill, going to outworkers. There is no doubt in my mind that outworkers are not independent contractors. It is fair to say that there have been some protections afforded to outworkers but, seriously, if anyone understood the situation which most outworkers find themselves in, they would rather this government afford them proper protection than lump them into the independent contractors bill. Let there be no mistake: Labor does not oppose independent contractors per se. There are genuine independent contractors in this country—those people who freely choose to enter into arrangements with their clients or with a principal contractor and go about their business seeking to gain work through the contractual laws of this land.

The problem is that there are too many people deemed to be contractors who are in fact clearly under sham arrangements which are not a relationship between a principal and a contractor but a relationship between an employer and an employee. One would have to go behind the provisions of the bill to seek answers to why a person would want to call themself an independent contractor if they were entirely dependent upon the other party to an employment relationship. My answer to that, in the main, is that many so-called independent contractors do not have a choice. They do not have a choice as to whether they will be deemed an independent contractor or not. Unfortunately, there are growing examples of employers forcing employees to take ABNs—that is, they will be employees on Friday but will be provided with an ABN so that they can be contractors on Monday. We have employees who have no control over their work other than that they are working for one employer and in this country they are deemed to be independent contractors.

This bill, if enacted, will remove the right of unions in the main to defend those employees who have been forced into sham arrangements. This bill proscribes the right of most unions in this country to defend or challenge the assertion that somebody is in a contractual relationship. As the member for Prospect said, as a lawyer you can represent many of these so-called contractors. You can as an association. You can as almost any person or organisation, provided you are not a union. Provided you are not a registered employee organisation, you are in a position to represent the interests of persons who argue that they are not independent contractors, that they are in a sham arrangement. That clearly shows the enmity that this government have towards unions. Rather than say that there would be one type of agent who would represent a person in a legal matter or an industrial matter, they are proscribing the right of most unions to do so.

I acknowledge that there are two exemptions that provide for some level of representation for workers who find themselves in a contractual relationship. For owner-drivers in New South Wales and Victoria, under two particular state acts, unions are still able to represent the interests of their members. Having spoken with the TWU about that particular matter, I understand that they worked very hard to seek to distinguish themselves, claiming, quite rightfully, that they have been representing these workers—these owner-drivers who drive large rigs, who quite often have very large debts and who have to work very hard to pay them off—for more than 80 years and it would be ludicrous that a Commonwealth law could proscribe their right to represent them in the future, subsequent to the enactment of this bill. Clearly the government has decided to concede that particular point.
The question then is: why are they so different from so many others who might be deemed to be or are called contractors? Why is it the case that only owner-drivers are provided the right to be represented by a union when others who are in almost identical situations to those drivers are not afforded that same right? How can the government explain away the fact that they will discriminate against every other employee or contractor in their right to be represented by a union and not cogently argue why that will take place? I have to say that clearly one of the reasons for that is that the government were fearful of the successful campaign of the Transport Workers Union. They were fearful of this parliament having thousands of Transport Workers Union members attending a rally that would have occurred in the event that the government chose to exclude them also.

I do not think that this was necessarily undertaken graciously. I do not think it was an act of generosity on the part of the government. Clearly the government has chosen not to get into a fight with what is a very effective union in relation to this type of occupation. It has chosen instead to pick on the weakest, most vulnerable contractors in the land, who, once this legislation is enacted, will no longer have a right to be represented by a union in particular tribunals. We would argue that that is clearly and utterly discriminatory. We do not in any way support the motives of the government in relation to that exclusion.

This matter has been under consideration for some time. The matter was referred to the House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation in late 2004 or early 2005. A report of the committee was tabled in this place on 15 September last year. That report, amongst other things, dealt with the independent contracting arrangements. In the report there were a number of unanimous recommendations which the government failed to incorporate into the provisions of this bill.

The government has chosen to resist accepting the reasoning of opposition and government members of the committee that inquired into independent contractors. I was not for a moment surprised that it failed to take up any of the recommendations in the dissenting report, but I would have thought some of the recommendations that were unanimously made would have been acceptable to the executive government. That was not the case.

There is still a blur between what would make up an independent contractor and what would make up an employee. There was some effort by the committee to delineate the differences between those two creatures, those two legal personalities. Whilst we did not agree on all matters, there was some effort made by all 10 members to consider the matter properly and faithfully, to seek some solutions and to propose them to the executive government. They were met with a lack of generosity on the part of the government and a lack of concern that the matters we raised had some bearing on independent contractors—so much so that the minister put out his own paper during the course of our inquiry. He put out his own survey, with loaded questions, and then started to form his own views concurrently with our inquiry.

We had a situation where the minister had referred a particular matter to the committee and then, whilst that matter was being considered, started to undertake his own process behind closed doors. No witnesses were called. The minister was engaging in what I think was contemptible behaviour—failing to allow the committee to properly report, failing to allow for those matters to be considered by executive government and pre-
empting all of that by starting to draw his own conclusions on this matter as we met and held public hearings throughout the country.

I should not be too surprised that that would be the case with this government. The government has shown little regard for parliamentary committees in this place. Therefore I was again not surprised about some of the unanimous recommendations of the Senate inquiry, which was held only last month—for only two days, but that is two days more than not having an inquiry. Even in respect of that Senate inquiry, the unanimous recommendation to remove part 4 from the bill was completely and utterly ignored by this government.

We now have a government that is contemptible with respect to the way in which it fails to debate bills in this chamber and that shows utter contempt for inquiries that it has itself referred to committees. And then it shows complete contempt not only of opposition members but also of government members who are seeking to find solutions to some of the complexities in relation to independent contractors and their relationship with the definition of employee.

If the government was interested in seeking some answers—if it was seeking to delineate these two definitions—it should have listened to the evidence provided by Professor Andrew Stewart. Professor Andrew Stewart is an eminent academic who not only is an expert in the field of employment and contract law but has more employer clients than union or employee clients. He makes that admission himself. In relation to the evidence he gave to the House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation's own inquiry into the independent contractors and also in relation to the submission he made to the Senate inquiry in August this year, he said that it is clearly important that we first seek to define the term 'employee' and then from that determine what is an independent contractor—not allow the reasoning that we should first define independent contracting and conclude that therefore what is left is an employee.

The suggestion he made should have been properly considered by the government. There is a whole host of problems as a result of us not being able to clearly delineate the two legal creatures of independent contractor and employee. Those problems range from taxation issues about what particular level of taxation a person must pay to whether a person should be paying his own workers compensation and superannuation. These issues have taxation, workers compensation and insurance implications, and implications for the way the government defines superannuation and who is obligated to provide the employer contribution. So it is not just about the exploitation that can arise if people are forced into what are clearly dependent relationships which are being called otherwise. It is also about the good governance of this country and whether the tax office can clearly understand whether a person is an employee for tax purposes. Indeed, it is also critical for the government at this level and at the state level to understand who the employer is for other tax purposes.

These failings by the government to properly embrace the complexities and find solutions so we can distinguish the two creatures has shown that the government are not interested in finding solutions but only in seeking ways to hurt the most vulnerable people in our society. That is the only conclusion I can draw. They do not seek to fix the problem that has now been in existence for some time—the significant growth of independent contractors and the significant confusion between the terms 'employee' and 'independent contractor' and all the obligations
and requirements that fall from those two definitions. If you cannot clearly delineate those two definitions, if you cannot separate one from the other, then how do you attend to all those other matters that governments must attend to, including taxation, superannuation and workers compensation?

The government have instead chosen to engineer a set of laws that will make it very difficult for unions to represent the most vulnerable in our society. They have made very few exceptions in relation to that matter, and the exceptions they have made were purely because they believe that that part of the workforce that may have genuine independent contractors are so well organised that the government would find themselves getting into some grief from the TWU—and I say good luck to the TWU. Clearly, they have placed enough pressure on the Commonwealth for them to accede to some of the demands they made of them.

Critically, because the government’s focus is primarily on removing the rights of unions to represent employees and on shifting employees—in many instances genuine employees—into independent contracting arrangements it has not looked at the taxation problems. We may have a shrinking revenue base as a result of people being able to reduce their taxation burden. While that may seem to be a benefit to those employees who can reduce the burden of taxation, those same people are now being forced to pay workers compensation, their own superannuation and other imposts that have been placed on them because the government seeks to shift employees onto independent contracting arrangements and therefore make it very difficult for them. The government has failed in seeking to solve the problems in this area. The chickens will come home to roost as this becomes an increasingly larger problem for the Australian Taxation Office and other agencies. *(Time expired)*

**Mrs ELLIOT** (Richmond) *(8.11 pm)*—I rise to speak on the Independent Contractors Bill 2006. This bill follows on from the Howard government’s extreme industrial relations changes that we also saw in the Work Choices legislation, which was and is a massive attack on the living standards and living conditions of so many Australian employees by removing their rights, entitlements and conditions. Certainly, the impact of the Work Choices legislation is seen first-hand in my electorate of Richmond, where so many locals have been severely impacted by these changes, particularly in their job security and working conditions. No doubt, there will be an increase in those situations we are hearing about, particularly in regional areas where it is causing massive impacts. Indeed, it really is a case of ‘no choices’ for workers. The Independent Contractors Bill we are discussing tonight follows from that Work Choices legislation and further severely impacts so many workers throughout the country, particularly people in regional areas such as my electorate of Richmond.

I support the amendment moved by the member for Perth in relation to this bill, and I will touch on that amendment. That amendment relates to how the Howard government has attacked living standards by removing the rights, entitlements and conditions of workers; how the further degradation of workers’ rights, entitlements and protections occurs; the allowance of employees to be treated as independent contractors; and the removal of protections for dependent contractors. This bill effects this by continuing to use the common-law definition of independent contractor; by allowing employees to be treated as independent contractors in a sham way by very ineffective anti-sham provisions; by overriding state laws with employee deeming provisions; by overriding state unfair contract provisions; and by overriding any future state and territory owner-
driver transport laws and putting existing state owner-driver transport laws at risk. It also fails to provide any genuine protections for outworkers. As I said, I support the amendment moved by the member for Perth in relation to this bill.

This proposed legislation complicates an area of law unnecessarily and provides a costly system of redress for small businesses and workers. The proposed legislation also leaves open the opportunity to significantly expand its scope by a very heavy reliance on regulation making. The government’s proposed Independent Contractors Bill will further undermine the job security of working Australians by making it so much easier for businesses to replace existing workers with independent contractors.

We have heard many people speak tonight about drawing the distinction between independent contractors and employees. This bill relies on the common-law distinction. In that, the bill has really failed to utilise an opportunity to streamline and codify the definition of an independent contractor, because the common-law test for whether a person is an employee or an independent contractor is difficult and complex, as we have heard many speakers say tonight. But, whilst these legalities might be very complex, the reality is indeed very simple. Independent contractors do not have access to the same rights and entitlements as employees—it is as simple and straightforward as that. In particular, independent contractors remain responsible for a large variety of aspects of the relationship that would usually be the responsibility of an employer. There are many things; superannuation payments and remitting income tax to the Australian Taxation Office to name two.

The Senate Standing Committee on Employment, Workplace Relations and Education reported on its Inquiry into the provisions of the Independent Contractors Bill 2006 and Workplace Relations Legislation Amendment (Independent Contractors) Bill 2006 in August. I want to note some of the comments, firstly by the Democrat senator Andrew Murray. He commented on the common-law definition in his dissenting report by saying:

... we share widely-held views that the common law is manifestly inadequate for resolving a definition of employment, and jurisprudence in this area is badly in need of buttressing through statute ...

And:

... relying on the common law definition of employment is fraught with problems.

There is no doubt about that; it certainly does continue that very complex and difficult definition.

In short, this bill will result in a loss of entitlements and protections, and will encourage employers to hire workers as independent contractors rather than as employees. That indeed will be the result of this legislation. Also, in relation to the Senate inquiry that I referred to before, the Labor Party dissenting report observed that the bill:

... is intended to turn natural employees into unnatural contractors ...

And:

The exercise smacks of a readiness to misuse and misdirect labour skills across the workforce, at a time of skills shortage.

The report made a unanimous recommendation to omit part 4 of the bill, which relates to clothing outworkers. Outworkers have previously been afforded employee-like protections and status due to their very particular vulnerabilities. Part 4 would allow unscrupulous employers the opportunity to reclassify their workers as contract outworkers in order to come within the terms of the bill and to avoid other outworker entitlements. The
government’s own senators found that these changes serve no useful purpose.

This bill removes the current protections provided by state legislation. Again, quoting from the Democrat senator’s dissenting report:

The Bill does little to meet its stated objectives and is more about preventing the states from protecting what they view as vulnerable groups of workers and also dealing with the issue of disguised employment.

This is a very accurate and correct portrayal. The direct result of overriding relevant state deeming provisions will be to leave many vulnerable workers in an incredibly unfair bargaining situation and without access to basic entitlements to pay and to leave. In New South Wales, for example, certain categories of workers are declared to be employees and brought within the scope of industrial regulation even though they may be independent contractors at common law. But now those particular workers will be deemed independent contractors under federal law and will lose their rights and entitlements such as superannuation and leave. They will also lose their right to resolve disputes in the Industrial Relations Commission.

A principle underpinning this bill is that independent contracting relationships should be governed by commercial law and not industrial law. This means that independent contractors in New South Wales will lose their right to an independent, cost-effective industrial relations system. This is a system that sets minimum standards through contract determinations which protect owners’ goodwill and allow for effective dispute resolution. Instead, now they will have to go to the Federal Court or Federal Magistrates Court in respect of unfair contracts. It will be much more complex and take so much more time, and be a lot more expensive for workers and, indeed, for small business. This is really denying justice to those who cannot afford it and making it so much more difficult for them.

Under the federal system there is no ability for employer organisations or unions to apply for unfair contract review on behalf of a party, which is the case under state laws. Further, the existing New South Wales test for an unfair contract is broader than the proposed federal test. The discrepancies mean that the new legislation will be hardest felt in states like New South Wales, where our current legislation affords much better protection to workers than that being put forward by this very mean and arrogant federal government. The parties to independent contract arrangements in New South Wales will indeed see a sharp decline in the level of regulation of their relationships.

When we look at this legislation and who it is that is going to most affected by it, there certainly will be a diverse range of work relationships under threat. Some of the most vulnerable include delivery drivers, cleaners and some tradespeople as well. When we talk about the figures of how many independent contractors there are, and therefore how many potential victims there are of this legislation, those figures vary very wildly. We see some estimates from the Productivity Commission at 800,000 and we also see some estimates of as much as 1.9 million from the Independent Contractors of Australia. There is a diverse range of figures, but we certainly know that there will be a vast amount of people who will be very severely affected by this legislation and, indeed, vast numbers—hundreds of thousands if not millions—who will be worse off through the passing of legislation such as this.

Because of the removal of New South Wales deeming provisions, workers such as cleaners, carpenters, bricklayers, painters, timber cutters, plumbers, drainers and plasterers—just to name a few—will no longer
be considered employees. They will now be independent contractors at common law. The reality is that they will lose their rights and entitlements. As I said, we do not know exactly what the figure will be, but estimates in the millions would be correct. Certainly millions of people and their families will be severely affected by this legislation.

The legislation just pays lip-service to protecting workers from sham arrangements—it purports to protect employees who have been improperly disguised as independent contractors. The Labor senators’ dissenting report stated:

Evidence was given that the protection of contractors through penalties against sham contracts would be largely ineffective.

The barriers to effective use of the protection from sham arrangements provisions appear to be considerable, and the provisions are likely to be of very limited, if any, use to workers seeking some form of redress from unscrupulous employers. The sham provisions are further reduced by the defences contained within the legislation. What we end up with here is really just sham protections for sham arrangements. Workers who have been improperly labelled have very little recourse in such situations. If a worker gets fired and put on as an independent contractor, there is no immediate right of reinstatement as an employee. The prohibitions contained in this proposed amendment will be difficult to enforce because they require an intention or knowledge. The onus is on the employer to disprove it, but the complexity of issues means that this will not be difficult. As I said, this really is a case of sham protection for sham arrangements and nothing more.

I would also like to comment on the exclusion of owner-drivers in New South Wales and Victoria. Due in large part to the very effective campaign by the Transport Workers Union, who fought so vigorously on behalf of their members—and I certainly congratulate them on how effectively they fought—against this legislation, owner-drivers in New South Wales and Victoria have been exempted from this legislation. However, that exemption is due to be revised by the Howard government in 2007. If this legislation is passed then there is every chance that owner-drivers, who form an integral part of the economy in my electorate of Richmond, will be subject to these extreme laws.

Owner-drivers are often highly dependent upon those with whom they contract. This dependence leads to an inequality of bargaining power and the associated potential for exploitation. These laws are going to deregulate the transport industry, which means that, whilst petrol prices soar, rates for truck drivers will plummet. This means that truck drivers, such as those in Richmond that I spoke about, as well as those everywhere else, will be dealt a blow. Some will be forced to leave the industry. With rates down, it will be very hard for many of them to even sell their vehicles.

This legislation will undermine the current support small truck owner-operators are able to access through the union movement. It will wipe out small operators, who are already struggling to remain viable in a fiercely competitive and increasingly deregulated industry. The protections for owner-drivers should be extended to all dependent contractors. As I said, it was certainly that very effective campaign by the Transport Workers Union fighting this legislation that led to that exclusion. I do have concerns about the implications of the revision in 2007.

This legislation does nothing to address the increase in the use of independent contractors by employers—nor does it address
the occupational health and safety issues for independent contractors which were the sub-
ject of recommendations in the 2005 House committee inquiry into independent contract-
ing. The legislation also does not address the genuine structural disadvantage of contrac-
tors in Australia. It does not give certainty to the common-law definition of independent contractors. There is nothing in the legisla-
tion that promotes or assists flexibility above current arrangements, despite claims made
by the government.

I cannot support this legislation—nor can anyone who genuinely cares about preserv-
ing traditional Australian values in the work-
force. I think that the government with this legisla-
tion is sending a clear message to workers and their families. This legislation is
saying to Australian workers: ‘You’re on
your own now. You’re all on your own with
no protections at all.’ That is the harsh reality
of the legislation. It shows yet again that the Prime Minister has lost touch with many hardworking Australians. I certainly have a
lot of locals telling me their real concerns about the Americanisation of our workforce. They also ask me what the future holds for
their children and grandchildren when we are
seeing constant extreme attacks upon the working conditions of so many Australians
right across the board.

The effect of this independent contractors legislation will be to reduce the wages, condi-
tions and entitlements of workers. As a
result of these laws, genuine employees will
now be pushed out of the employer-employee relationship and pushed into sham independent contracting arrangements. The result of that will no doubt be to reduce their entitlements, conditions and protections and place on them many additional burdens.

This is coming about at a time when working Australians are dealing with petrol
prices and interest rates going up. At the
same time, we are seeing this government keep knocking down wages, conditions and entitlements through their extreme industrial relations legislation. What these laws are really going to do is hurt ordinary working Australians like cleaners, electricians and the locals I spoke about before who have ap-
proached me with their concerns about this onslaught of extreme industrial relations changes.

These laws tear away the protections and entitlements for Australians who are essen-
tially in a very inferior bargaining position. It is the most vulnerable people in our society who are going to be most severely affected by the extreme changes that we have seen put forward by this government. I certainly cannot stand by whilst traditional Australian workplace values are stripped away by these extreme industrial relations laws. I am com-
pletely opposed to this legislation.

Firstly with the Work Choices legislation and now with the independent contractors legislation, we have seen further attacks on Australian workers and Australian workers’ rights to access job security and decent working conditions. Australian workers have a right to be fearful about their working fu-
ture and about that of their children and grandchildren. Right across Australia, they
have very heartfelt concerns. They also have very grave concerns in my electorate, which
is a regional area. In my area, we have over 32 per cent teenage unemployment, so with extreme workplace changes like this people are very concerned.

When we see extreme workplace laws come forward, like the Independent Contra-
tors Bill and the Work Choices legislation, what completely amazes me is we see Na-
tional Party members voting for legislation that completely undermines those of us in regional Australia. I have said before that
many National Party members do not have
the guts to get up in this House and stand up for regional Australia. It is in those areas where this sort of legislation really hits hardest. It is yet another example of how the National Party has sold out regional Australia. We have seen it on many occasions; they sold out with the sale of Telstra and with the Work Choices legislation, and no doubt we will see them selling out again with the independent contractors legislation. I think it really is shameful that they do not stand up for regional Australia. (Time expired)

Mr HATTON (Blaxland) (8.31 pm)—I have just come from the Food and Grocery Council dinner. It just so happens that the Food and Grocery Council of Australia and its dependent businesses are almost entirely dependent upon owner-drivers from New South Wales, Victoria and other states. In the two most populous states, New South Wales and Victoria, grocery businesses are supplied by people who work under award conditions, who will, by virtue of the Independent Contractors Bill 2006 and the guarantees given to them by the minister for workplace relations, have their current situation of being protected by award provisions and entitlements entirely protected until a review, some 12 months hence, in 2007. In all of the other states we have a situation where there are already independent contractors. I was at one of these facilities in Villa-wood in my electorate talking to people who will be turned into independent contractors. They are not now independent contractors; they are still employees. There was a great deal of rejoicing from the Transport Workers Union, and that was rightly so, because it was a great victory on the day. There was some rejoicing from the employees of this company but also a great deal of trepidation because they were not sure what the future held for them. The minister’s press release indicated that the special conditions of New South Wales and Victoria had been taken into account and that there was a moratorium in relation to them—they would be protected, at least for a 12-month period, because their particular situation had been recognised. But the sting in the tail of the minister’s press release was that 12 months down the track there would be a review aimed at looking at the national scene and—from a national point of view, what is the fundamental word that is important here?—that the review was directed towards a ‘harmonisation’ of a national approach.

I do not think a single one of those employees who are owner-drivers would not be in a position to understand that in 12 months time they are going to be harmonised into becoming sham independent contractors by virtue of this bill. This is a sham government which has delivered a sham bill in relation to independent contractors, and it is a measure of the corruption of this government over a 10-year period and of how far they have debased our legislative system. If this were brought into the House as a taxation measure, it could not survive but, where it is an industrial relations measure, the full force and weight of the government is behind it.

There are sham provisions in this bill which argue that if there are particular arrangements made such that there is a sham situation where a person who is really an employee is deemed to be an independent contractor then that can be taken to the Federal Magistrates Court and exposed. I think this is entirely ludicrous. The whole point of this bill is to create an entirely farcical situation in which people who have been, are and in the normal course of events would continue to be deemed as employees are set up as independent contractors.

Why are the guys in my electorate who take cars from one end of the country to another—the people I was talking to on that particular day—concerned about their cir-
cumstances and the change? Why are they sticking to the notion of collective agreements and the protections that they have in relation to the award? Why are they so at variance with their employer, whom I politely went to see as I walked onto the property and who then read me the riot act about how wonderful the government’s approach was and how he hoped that the government would be entirely successful in striking down the award system in New South Wales and in turning every one of his employees into independent contractors? It was very clear and very stark. His argument was simple. What does the government promise to people who become independent contractors? What do some in the industry promise? They promise that independent contractors will get a higher income, that they will be able to access benefits of the taxation regime because they are independent contractors and that they will be better off, as people are in other states.

Not a single person I spoke to in Villawood believed that that would be the case. As owner-drivers, who are employees, all of them were under immense pressure—and this was some months ago now—because of the costs of running their businesses and the increased costs of fuel, which have risen to extremely high levels. That is impacting on them very significantly. But they also know that the pressures are such that, if this legislation were to be entirely approved without having any special provision for them, they can see themselves going to the wall. It was completely apparent from what they told me that their concerns were about not only surviving, in terms of running their businesses, but also the impact that that would have on their families.

This is at one with the government’s general approach in terms of the wider workforce. Translate those people from award conditions to Australian workplace agreements—a minority situation at the moment, but something the government hope will become a majority after the next election if they survive. In the course of time, as awards come up for renewal, they hope that people—through the exercise of the Workplace Relations Act and the force behind that for moving broadly to Australian workplace agreements—will be moved onto that, so that one single individual, the atomised human being, will be there to face the panoply of power that an employer can display, without the benefit of collectivism, without the benefit of being able to join with their mates to put a case and without the benefit of a union or other representation. They will be left entirely on their own.

Or they can cop this act, where although they are owner-drivers who pay a great deal of their costs for themselves and although they are employees of companies at the moment—and rightly so, under New South Wales and Victorian law, because that is in fact what they are in all of their ramifications; they carry higher costs but they still have some protections from the awards system—they will be deemed to be independent contractors. If the Treasurer walked into this joint and put this kind of legislation in place, as the person responsible to the people of Australia, through this parliament, for the protection of the revenue against sham acts that could be entered into by people setting themselves up as independent contractors even though they are not, then he would be laughed out of the parliament. He would be laughed out of the country. And yet this is a central piece of what this government is trying to do.

This legislation is very significant. It is as significant in its own way—as part of the puzzle that we have looked at—as the original Workplace Relations Act that Peter Reith, the then member for Flinders, tried to put in when he was the minister for workplace relations. After he did not succeed, it was broken
into 12 parts. This is one part of the government’s mosaic for reshaping Australia. What are the fundamentals in this? Why are they pursuing it? The fundamental reason, I think, is locked up in the psyche of the Prime Minister, in his experience as Treasurer and in the fundamental ideological imperative that drives a number of people in this government. Take the member for Corangamite. I mean, Stewie is a nice bloke, with respect. But the member for Corangamite in this is utterly and totally ideological. He sat with the member for Bennelong and others in 1985—21 years ago—and conjured up this set of workplace relations arrangements and the arrangements that are in this bill. He spoke on this bill earlier tonight, and if it is achieved it is nirvana for the member for Corangamite. He is such a nice and personable fellow you would not think that that outward exterior would hide the fact that there is a drive for ideological purity and a drive to hunt down workers’ conditions and their incomes.

At the dispatch box, day after day, the Prime Minister attempts to put the argument that everyone is better off because there are more people who will get more jobs. He parades this during a $29 billion minerals boom time. The fact that this boom time eluded Malcolm Fraser led to another conditioning factor for the member for Bennelong. There was no minerals boom, but what we did get was wage-push inflation as a result of the metal workers seeking 20 to 30 per cent increases and the other strong unions trying to do it. And there was a recession in 1982-83 on the back of what the then Treasurer achieved—double-digit inflation, double-digit unemployment rates and double-digit interest rates. All of those pressures combined, together with the wage-push inflation, led to a very significant recession in Australia. This was something that took us many years to climb out of when we came to government.

But the key driver in this, from that point on—if you think of 1982-83 and its conditioning effect—is that just three years later, in 1985, the member for Bennelong sat down with the member for Corangamite and started crafting the new world—the utopian vision—for the coalition of what workplace relations should be like. Those workplace relations are based on smashing the unions and leaving individual employees at the mercy of employers when they put their cases to them. Thank you very much, I would rather go to the Remuneration Tribunal than front up to the Prime Minister, or anyone else, trying to get an increase in this place. There is safety in a collective approach, as members of parliament know. And there is some safety as well for those who are otherwise relatively powerless in dealing with tribunals, commissions or other things.

But think of the impact of this on the textile, clothing and footwear people in my electorate of Blaxland—those people who are at the very margin of the workforce, who are represented by the Textile, Clothing and Footwear subsection of the Transport Workers Union. Those two unions have aligned themselves into one group under Barry Tuber, who is doing a very substantial job of trying to protect Australian jobs, to lift standards, to help the people who work for piece rates—who have historically been exploited and who still are being exploited in Australia—and also to protect those industries against the competition they face from overseas. They are at one in this legislation with their comrades in New South Wales and Victoria who are driving trucks, except that they feel the full force of this legislation when it passes through this parliament.

There is 12 months grace for the truck drivers in New South Wales, but inevitably
and inexorably the review after that 12 months grace will result in a harmonisation of this Australia wide. Four states have independent contractors. Despite the relative smallness of such operations in New South Wales and Victoria, those two states will inevitably, because of the drive and what is in the head of this government, also end up with these sorts of workers being independent contractors. The Commissioner for Taxation should then pull this piece of legislation to pieces. He might as well do it now. If that vast bulk of people who want to stay under award conditions are incorporated into this legislation with a set of sham provisions that say, ‘We’ll make sure that this is properly done and that we won’t be conned or gullied,’ the whole thrust of this legislation will be to gull the Commissioner for Taxation into believing that these arrangements—so transparently sham like—should be accepted as the norm for Australia. What depths have we reached in this Commonwealth of ours that any sane, normal person—in the parliament, in the courts or in the polity at large—could believe this is true and real? I do not think very many could do so—certainly not the people who will be at the end of this.

At that dispatch box, day after day, the Prime Minister has been scuttling from the considerable number of barbed arrows that have been launched against him in the past few sitting weeks with regard to his history of double-digit inflation rates, interest rates and unemployment rates. His government now is responsible for increases in interest rates and, where it has encouraged and pushed along a massive increase in the amount of investment in property, we have exorbitant amounts of debt within this country. That means that every small increment places immense pressure on people. It places pressure on the owner-drivers who have to run their rigs and pay for most of the costs of those rigs—not just the diesel but the tyres, the insurance and the rest of it. To take from them the range of provisions that make their position relatively safe and sure from now into the future and to put them at hazard with this legislation means that there will be even greater pressure on them, and they know the likelihood is that more of them will fail.

Do this government and this Prime Minister really care about that? Not a jot. Not a tittle. Why? Because this is the fundamental design of this government. There are a whole range of other areas where you might say they are doing the right things in terms of the national interest. But day after day at this dispatch box we get the Minister for Employment and Workplace Relations arguing a national interest case in relation to the dismemberment of what we have known through more than a century of utilising the Industrial Relations Commission to try to realise the notion of a fair go for most of Australia’s workers. The Prime Minister and the Minister for Employment and Workplace Relations simply argue that, if you look at Australian workplace relations and the key targets for the electorate and workers at large, their approach has delivered tremendous results in higher wages and all the rest. The reality for ordinary working Australians is that it has delivered, as in the Spotlight case, lower wages and lower entitlements—and that is the whole point and purpose of it. Why? Because this is a government driven by on costs.

This is a government that takes pride in saying that Australian businesses should be entirely delivered from all the normal attachments that are legislatively incumbent upon them—that is, the normal responsibilities you have if you have an employee. You have responsibilities in terms of the superannuation contribution—they would like to get out of that if they could—long service leave, sick leave and a range of things which, from 1974 on, the member for Bennelong has ar-
gued should be stripped down and cut away in order to make business more effective.

If you take away all regulation, which is one of the things this government wants, you might be able to make business more effective and more efficient, but it will not be an Australian business environment that you are dealing with; you will be dealing with a ‘Thailandised’ business environment, one in which the workers are stripped naked in the face of the economic forces that they confront, one in which the Master and Servant Act of the 19th century is transplanted again into Australian soil. The effect of this Independent Contractors Bill is exactly the same as the effect that is sought in the workplace relations legislation: to put one individual up against the might of a company, to allow that company the full freedom to run away from its responsibilities, past, present and future, and to say that such companies will be a lot better off because they will not have all of those extra costs and they will be more competitive as a result.

When we were in government, we did a pretty good shake-up, transferring to Australian companies the burden and the benefit of their profitability and allowing them to dramatically expand and take themselves to the rest of the world. But we did not create a position in which the ordinary working person was then impelled to take all of those on costs onto themselves. This bill is about making bunnies of the people who are currently employees, making them not only take on the costs of, in this instance, replacing the tyres, doing the insurance and buying and maintaining the rigs, but take on all of those costs which have, since the beginning of our system and through its fundamental development, been the responsibility of an employer. This is irresponsible government and this is disgracefully conceived legislation which is an utter sham in its conception and an utter sham in practice. The Commissioner for Taxation should be brought to look at this and should throw it out as a contrivance of the first order. **(Time expired)**

The DEPUTY SPEAKER (Mr Jenkins)—Early in his contribution, the member for Blaxland used the expression ‘the corruption of the government’. The chair has taken the not overly narrow—and hopefully not overly generous—view that it was not the intention of the member for Blaxland to imply dishonest, illegal behaviour but rather one of the other definitions of the expression that could be purloined from a dictionary.

Mr Hatton—I thank you, Mr Deputy Speaker. I was referring fundamentally, and may have done so not very felicitously, to the corruption of the process that the government have put in train—which I would imagine is what you have in mind.

The DEPUTY SPEAKER—To have expressed it otherwise would have led to a withdrawal. I thank the member for Blaxland.

Mr MURPHY (Lowe) (8.53 pm)—I begin by congratulating the member for Blaxland on his very erudite contribution to the debate. I hope that all his electors living in Bankstown and elsewhere in his electorate of Blaxland were listening to his contribution tonight. I wish that the minister had been here to hear what he had to say. I too must respectfully disagree with this government’s ideological statements, and I object in the strongest terms to the Independent Contractors Bill 2006.

During this debate, as the member for Blaxland has pointed out so succinctly, it has become apparent that ideology alone, is the driving force behind this bill. There has been a litany of ideological claims, including the sophistry that all independent contractors have chosen to work for themselves to gain the benefits of choice and
flexibility—that somehow parties are always able to determine the most appropriate form of their working relationships, as if the workers always have a choice to determine the structure of those relationships.

Members on government benches have spent considerable time throwing around words like ‘choice’, ‘flexibility’ and ‘freedom’ as if these words were confetti. Like never before, this government has become bogged down in a mire of 19th century classical contract theory with notions of presumed free will, presumed assent and misguided justifications for regulatory nonintervention. It should come as no surprise that the government has to conjure up an impression that the moral force behind this purely ideological bill is autonomy: that all independent contractors should be held in the strictest terms to their contracts because they have chosen to be. The picture painted by the government is far removed from reality. In truth, many independent contractors bargain from a position of economic weakness and are offered contracts on a ‘take it or leave it’ basis. Many have not consciously or willingly chosen to become independent contractors.

Without ideology, the bill has nothing else to recommend it. The official object of the bill purports to enshrine the status of independent contracting as a wholly legitimate form of work and to protect the freedom of independent contractors to enter into contracts of their choice. The first of these aims appears entirely reasonable. There can be no doubt that there has been a quiet shift in the Australian labour market which has seen an increase in the number of employees who have become independent contractors. This has also seen a concomitant shift in many employment obligations—including, but not limited to, the provision of superannuation, leave entitlements and professional indemnity cover—becoming the responsibility of workers rather than employers.

I am aware that many individuals have made a genuine, conscious choice to have their rights and obligations determined by contractual provisions and have established their businesses accordingly. I do not begrudge this choice, nor do any of my colleagues. Many people with marketable skills have chosen to work for themselves, have successfully negotiated a reasonable basis upon which to sell their services and have reaped the benefits of setting their own hours. The Senate Employment, Workplace Relations and Education Legislation Committee was provided with an example of an occasion when independent contracting can work. Mr Kenneth Phillips, Executive Director of the Independent Contractors of Australia, disclosed to the committee that he received income from around 20 sources in 2005. Among other activities, Mr Phillips has been able to ply his trade writing articles for newspapers and acting as a consultant to companies on a wide range of issues.

I do not doubt that an efficient, modern and evolving economy can have a reasonable mix of working arrangements. There is a public interest in providing flexibility and diversity in the way people perform their jobs—so long as all Australians have the opportunity and means to clearly articulate their choice. Mr Phillips has reaped the benefits of his conscious choice, and we do not begrudge him that. For others, a conscious choice between remaining an employee and becoming an independent contractor does not present itself so neatly—which brings me to the second purpose of this bill: the purported protection of independent contractors.

The question is: just who will this bill protect? An independent contractor is often described as someone who is their own boss—a person who contracts to perform services for
others while not having the status of an employee and the benefits that come with being an employee. Estimates vary as to the number of so-called independent contractors operating in Australian workplaces. Productivity Commission estimates from the Australian Bureau of Statistics Forms of Employment Survey data suggest that there were around 800,000 independent contractors in 2004. Nonetheless, many of these so-called independent contractors lead very strange lives for people who have been painted by the government as being masters of their own domain and their own bosses.

A recent study published in the *Australian Journal of Labor Law*, titled ‘Non-standard workers in Australia: counts and controversies’, has shown that as many as 400,000 of these so-called independent contractors actually do all of their work for the one employer. Therein lies the inherent conflict and misnomer in the use of the term ‘independent contractor’. Many are not independent of their employers but are dependent and easily open to exploitation. Despite the mirage being created by the government that these people are their own bosses, many are not. What a ludicrous proposition it is to suggest that someone is independent or a contractor when they receive income from the one source, are compelled to plaster that income source’s logo on their uniforms, and must commit to working only for that single income source. These people are de facto employees and are designated as contractors for the convenience and financial advantage of employers. Many are merely Clayton’s employees—employees which employers sign up as so-called independent contractors when they do not want the associated costs of hiring employees. The practice is abhorrent but it has been given implicit permission to continue by the Howard government. The reason is that this legislation, despite being willing to destroy the many protections available to these Clayton’s employees, does not even attempt to define the term ‘independent contractor’ beyond its meaning under common law. The seminal case of Stevens v Brodribb, while laying down superficially simple indicia of employment to determine whether a worker is a contractor or an employee, leaves many workers vulnerable to exclusion from basic employment protections.

Debate interrupted.

**ADJOURNMENT**

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

That the House do now adjourn.

Mr Peter Brock AM

Mr WILKIE (Swan) (9.00 pm)—I rise today to speak on the sad occasion of the death of Peter Brock, Australia’s ‘King of the Mountain’ and motor racing icon. He was killed last Friday while competing in the Perth Targa rally near Gidgegannup. Peter Brock had motorsports in his blood. His great-great-uncle, Henry James, was a founder of the Royal Automobile Club of Victoria and organised Australia’s first motorsports event, the 1905 Sydney to Melbourne reliability trial.

Peter made his racing debut in a home-made sports sedan, built in a Wattle Glen henhouse in 1967. He went on to win over 100 races in this homemade contraption. From then, his exploits on the track became the stuff of legend. Peter won nine Bathurst enduro races, winning in 1972, 1975, 1978, 1979, 1980, 1982, 1983, 1984 and 1987. He also won nine Sandown enduro races. He was Australian Touring Car Champion in 1974, 1978 and 1980, and he was runner up in 1973, 1979, 1981, 1984 and 1990. It was these outstanding results that were partly responsible for Peter being regarded as one of the greatest Australian racing car drivers of all time.
The other reason he deserved this title is that he always displayed standards of sportsmanship which are an example to all Australians. He was dignified in defeat as well as in victory. His contemporaries will tell you that this was the case both on and off the track. He never pushed his way around the track and off the track he never bragged about his exploits. Peter was a true gentleman. He inspired all of those involved in motorsport.

Peter Brock gave much to Australia. He gave pleasure to his legion of fans, who watched his thrilling performances with great enthusiasm. He provided an example to all of us of excellent sportsmanship and courage. He and his foundation gave hope and support to some of the most disadvantaged in the community. He was a man of principle who, without fanfare or ego, gave so much back to the country he loved. Peter received the Order of Australia in 1980, which recognised his contribution to motorsports and also to road safety. Many of us think we are great drivers—and I borrow extensively from Andrew Denton here, who said this—but Peter Brock was better than all of us.

As well as for his superb record as a motorsport champion, Peter Brock will be remembered for the Peter Brock Foundation, which is an enduring legacy of Peter’s life. His foundation supports many community organisations and individuals. In the foundation’s latest newsletter, Peter discussed the foundation’s activities and talked about the ethos of the foundation, which is ‘energy and caring’. He talked about heroin addiction and the depths of despair which addicts can reach. Peter said:

That’s why a helping hand dispensing some tools to repair the situation is what society needs. Not more condemnation or punishment. That’s why we created the Foundation.

The foundation will live on and continue to promote Peter’s tolerant and humane approach to individuals in trouble and to make a contribution to the community. The testimonials on the foundation’s website from those who have benefited from the foundation are compelling and very good reading and I am sure that they are some of the achievements of which Peter was most proud.

I would just like to finish with the Peter Brock philosophy, as he explained it to Andrew Denton, on the subject of respect. He said, ‘Respect yourself first and only then can you respect everything else.’ I know that all members will join with me in giving our condolences to Peter’s friends and family and to his children, James, Robert and Alexandra, on the tragic death of their father. Vale, Peter Brock.

Greenway Electorate: Rural Landholders

Mrs MARKUS (Greenway) (9.04 pm)—As a proud and caring Australian, I am appalled at the treatment of rural landholders in the Riverstone and Marsden Park areas in my electorate. These people—and there are many of them, including around 600 who are on scheduled lands—live in my federal electorate of Greenway, the state electorate of Riverstone and the local government area of Blacktown. Blacktown has been described as being one of the fastest growing cities in Australia. Many people bought parcels of land, some of which is zoned rural (1a) and ordinary residential. These parcels of land have lot sizes averaging between 400 square metres and 800 square metres. They were bought on the basis that the land was scheduled for urban development soon. Twenty years later, these landholders realise that the land was really scheduled for heartache.

Much of this land is high and dry—prime building land—and has most of the necessary infrastructure, including: an electric
railway link to the Sydney CBD which is earmarked for duplication; access to the new M7 tollway, which is only about 10 minutes drive away; and primary and senior schools and preschools, government and non-government. There already exist clubs, playing fields, service stations and shopping centres only minutes away. Indeed, there is a huge shopping and commercial centre under construction as we speak. Many lots have electricity and town water. Some include sewers or are not far from the board sewer mains. This is prime land, ready for release.

I am appalled because the majority of these people bought into their properties years ago on the understanding that the land would be rezoned and released for development. These people are ordinary mums and dads and families who bought within their means and who have hung onto their investment for many years just waiting for their hard work, sacrifice and patience to pay off. Now, the state government has stepped in and turned those dreams to nightmares in a number of ways. The first issue is one that strikes at the heart of housing affordability, and the Prime Minister and Treasurer alluded to this recently. State governments, in particular the New South Wales state government, are not releasing enough land. This has the effect of driving up cost because of the limited supply.

The Prime Minister said recently in parliament:

Between 1973 and 2003 housing affordability declined because over that period of time the cost of land rose by 700 per cent.

... ... ...

The reason is that the cost of land has gone up astronomically because state governments will not release enough land for young homebuyers.

The Prime Minister is spot on. The New South Wales growth commission states that it costs a homebuyer on average $33,000 for infrastructure. This is on top of all other charges, levies and taxes.

I understand that the New South Wales government has released 26,000 lots of land to developers who are waiting for the New South Wales real estate market to pick up before they are prepared to onsell to homebuyers—this, while the battlers on scheduled lands and others who already own land and who are waiting to build are forced to rent, borrow more than would otherwise be necessary or simply squat on their own land. We have landholders who bought their properties with the expressed intention of selling into the residential market but they cannot. The state government and the local council have slapped on all kinds of state environmental policy plans, regional environmental policy plans and local environmental policy plans to the point where a lot of these landowners cannot sell, develop or use the land they are sitting on.

The expansion of the landscape and rural lifestyle zoning footprint and the green conservation zones are examples of how a state government can take control of land without having to buy it. Another subtle way the state government has punished rural landholders in Western Sydney is through the land tax valuations process conducted this year. This has left landholders paying huge council rates. Some have had an increase from 15 per cent and for others their council rates have increased by up to 300 per cent. One landholder has had his rates rise from $2,000 per year to $6,000 per year. In other words, a number of landholders in Riverstone, Schofields and Marsden Park are paying much higher rates, while other parts of my electorate are only paying 3.5 per cent. Is this equitable? I call on the New South Wales government to deliver on its promise to release land suitable for development, including the scheduled lands of Marsden Park, as it has done recently with the scheduled lands.
of Riverstone and Vineyard, and to give the battlers a fair go. I call on the New South Wales government to change its policy and guidelines on the 1:100,000-year flood policy. I call on Blacktown council to define ‘flood prone’ and to revert to the 1:100-year flood level and to make restrictions on development in flood-prone land. (Time expired)

Australian Muslim Community

Ms VAMVAKINOU (Calwell) (9.09 pm)—Today marks the fifth anniversary of the 2001 September 11 terrorist attacks in New York and Washington which tragically claimed the lives of nearly 3,000 innocent American citizens. Whilst a lot of attention has been given to how these events changed our world, today I want to speak about the effects that 9-11 has had on Australia’s diverse Arab and Muslim communities. The aftermath of September 11 has seen a new climate of fear, suspicion and sometimes open hostility directed towards Australia’s Arab and Muslim communities. The ‘war on terrorism’ has all too often been translated, both in sections of our media and by some members of the Australian community, as a war on Australia’s Arab and Muslim population.

Since 9-11 there has been an alarming increase in documented cases of racial vilification and racially motivated violence directed at Arab and Muslim Australians. Muslim women in particular who wear the hijab, as well as young schoolchildren, have been the main targets for these attacks. Instead of trying to discourage this climate of fear and vilification, both the Prime Minister and the federal Treasurer seem intent on trying to outdo each other in making political mileage out of openly targeting Australia’s Arab and Muslim communities.

Today in the Australian the Prime Minister suggested that moderate Muslim leaders from Australia’s Muslim communities are ‘pussyfooting around’ by failing to renounce terrorism. Such comments only serve to further alienate Australian Muslims from the rest of the Australian community and are misleading and unfair. The truth is that moderate Muslim leaders and community groups across Australia have repeatedly condemned acts of terrorism and are on record as having done so on numerous occasions. This includes Muslim community leaders in my own electorate of Calwell, which has a large Muslim minority, as well as members of the Prime Minister’s own Muslim reference group.

The Prime Minister’s comments send out a false message to the rest of Australia that moderate Muslim leaders here, as well as the communities they represent, are somehow answerable for the crimes of a small and marginalised minority. They ignore the cooperation and support that the Prime Minister has already received from Muslim community leaders across Australia, including members of his Muslim reference group. The Prime Minister is quick to scapegoat Arab and Muslim Australians but reticent to publicly recognise their achievements and the cooperation and support he and his government have already received from Muslim community leaders across the country.

Over the last week or so we have seen a Prime Minister and a Treasurer taking turns to periodically attack the loyalty and integrity of Arab and Muslim Australians and their leaders. In a copycat rendition of comments made earlier by the Prime Minister, last week the Treasurer demanded that Muslim Australians openly endorse Australian values, learn English and renounce terrorism. The decision by both the Prime Minister and the Treasurer to single out Australia’s Muslim communities for criticism in the lead-up to the anniversary of September 11 is more a
case of cynical political posturing and political opportunism than a show of leadership.

Both have exhibited the sort of crude stereotyping and open hostility to Australian Muslims that we have now come to expect from a government that has built its political platform largely around a politics of fear and scapegoating. Despite decades of successful settlement in Australia under the policy of multiculturalism, Muslim Australians now have to answer to charges from the Prime Minister down that they have a problem integrating into the Australian way of life and adopting Australian values. Scapegoating Australia’s Arab and Muslim communities is simply designed to allow both the Prime Minister and the Treasurer to portray themselves as strong and vigilant leaders by playing one section of Australian society against another. This is a crude game of political point-scoring that should be condemned in the strongest possible terms.

Australia’s Arab and Muslim communities have had to pay an enormous price since 9-11. They have had their place in Australian society questioned, scrutinised and continually undermined. I want to end by saying that multiculturalism, far from being mushy and a failure, has been incredibly successful in this country, and it has acted above all as one of our greatest safeguards against the sorts of attacks and unrest we have seen in both the United States and the United Kingdom. This is the message that the Prime Minister and the Treasurer should be giving to the rest of Australia, one that recognises the achievements of the Muslim community and the broader multicultural community rather than one that condemns them.

Mr Aaron Cadd

Mr FORREST (Mallee) (9.14 pm)—I would like to draw the attention of the House to a young constituent of mine named Aaron Cadd. Aaron is an apprentice master builder living in Swan Hill. Last month he was able to lay claim to being the best apprentice in the state of Victoria by being awarded the 2006 Master Builders Association of Victoria State Apprentice of the Year. It is a great credit to young Aaron. I know Aaron very well. He is the son of the partner in my consulting engineering practice. I was actually around when young Aaron was born, which goes to show how I am moving on, because he is 22 years of age.

He has always been a modest young fellow, and he has now grown into a modest young man. He is very determined. He did not want to follow his father’s career of being a civil engineer. All he ever wanted to be from a young age was a builder. It is a great credit to him that he has achieved this status. This state award now makes him eligible—in fact, he has been nominated—for the National Apprentice of the Year award, which will be awarded here in Canberra in November. So I am sending a message of encouragement to young Aaron, wishing him all the best. He is certainly ably qualified to match it with the best around the nation.

His parents, of course, are over the moon at the success of their eldest son. He is due to complete his apprenticeship in November this year. He is greatly encouraged by beating the state’s best painters, plasterers, tilers, bricklayers and builders. He said that it is wonderful to finally nail this award. He has a wonderful sense of humour.

In addition to that, other accolades include him being named Master Builders Association of Victoria Apprentice of the Year for the Bendigo region and the Bendigo Regional Institute of TAFE’s most outstanding student for carpentry and joinery. These qualifications, of course, meant his application for the state award sounded very good.

His employer, David Carmichael, who is a longstanding builder in Swan Hill and who is
very proud, rightly deserves some accolades for ensuring that Aaron has received the broadest of possible educations. I have known David Carmichael and his wife, Pat, for many years, going back to Rotary. He is as chuffed, I think, as young Aaron and Aaron's father, Geoff, and his mother, Jenny. David Carmichael says:

We in our own minds thought the state award would go to the metropolitan one—
the metropolitan section winner, that is—
because that's what they normally do.

But credit to young country people. Aaron has pulled this off. I am very confident that he will feature very well in the national awards. He is a great young man in the community. He follows his father's favourite football club in the Swan Hill league, playing for Tyntynder. Geoff is the immediate past president of the football club. Aaron is tall and athletic, and it gives me a great sense of pride to speak in this chamber and to say that I have known him very well. I will be present in November to accompany him, and I am confident that he will pull off the national award as well. He is a great credit to, and this is a wonderful opportunity to speak to, young people out there in rural Australia, whom Aaron Cadd represents.

Ansett Australia

Mr GEORGANAS (Hindmarsh) (9.18 pm)—Tomorrow is 12 September 2006. It is the fifth anniversary of the collapse of a great airline that we had in Australia. It has been five years since the biggest industrial relations disaster occurred in this country. For former Ansett employees, many of who lived in my electorate and who still live in the electorate of Hindmarsh, it has been five rocky and generally disappointing years consisting of hopes to receive entitlements being lifted then largely dashed. It has been five years of the government saying they were doing the right thing by the workers and subsequently spiriting away some $150 million out of the greater post-collapse Ansett ticket levy tax. It has been five years of former employees hoping against indications that they would end up with their entitlements, despite the federal government's use of their circumstance to profit by siphoning off sympathy money from the Australian public, notionally for the ex-employees, but in real terms for the federal government's consolidated account and regional pork-barrelling exercises.

There has been substantial disappointment among ex-Ansett employees, which is entirely reasonable after losing their jobs, their career and their mainstay for decades through no fault of their own. It is worthwhile reflecting on why people have felt betrayed by this government and why efforts over the past five years have done more to rub salt into the ex-employees' wounds than provide some level of comfort in the wake of the worst corporate collapse in the nation's history. The reason people feel slighted is the morphing of the government's message in relation to the sourcing of moneys to help meet ex-employees' entitlements. In a well-received announcement concerning the Ansett air passenger ticket levy on 28 September 2001, the then Deputy Prime Minister and Minister for Transport and Regional Services stated:

The Government has imposed the levy to pay for the entitlements of Ansett employees.

This was reported in a number of dailies, including the Sydney Morning Herald, which read:

The levy ... was imposed to guarantee the entitlements of Ansett workers ... That was dated Saturday, 29 September 2001. I do not think anyone could seriously begrudge the ex-employees receiving the assistance from the federal government in the form that it was made at the time. I do
think that it was unfortunate that, in the event of the levy raising more than what was owed to the government in repayment of the $330 million advance, any surplus was to have no connection with the plight of the ex-Ansett workers or their access to their entitlements. Instead of the Ansett ticket tax being used to guarantee the entitlements of ex-employees, as stated very clearly by the then minister for transport, the government decided to spirit any surplus away for use in regional electorates.

That the government had lost control of its budget, causing a cash deficit in 2001-02 of $1.3 billion, and had decided to spirit any additional money away for its regional electorate strategy is disappointing, especially for the ex-Ansett employees, but the fact that $94 million of taxpayers’ money that was spirited away through the Ansett levy to notionally increase regional airport security has not even brought airport security up to scratch five years after September 11 simply adds insult to injury.

Even now, 3.9 million passengers a year—that is, 66,000 flights a year—continue to be put at risk through a lack of baggage screening at major regional airports such as those at Launceston, Townsville, Maroochydore and Alice Springs. After the then minister for transport stated in September 2001, ‘The government has imposed the levy to pay for the entitlements of Ansett employees,’ he said, perhaps to clarify, in November 2002: They were never to see any of the ticket tax. It was used to fund, if you like, an overdraft facility. The government states that it only intended to help ex-Ansett employees to the tune of eight weeks redundancy, and this it did. But there are literally thousands of ex-employees who committed many of their most productive years to their career with Ansett and were owed much more than the minimal eight weeks.

Of the 13,000-plus ex-employees, some 9,500 have been awaiting their entitlements over and above the minimal eight weeks redundancy the government limited its assistance to. Even over recent months, creditors of the Ansett Group companies and trusts have been deliberating on whether to pursue a strategy to make up for a further $75 million immediately available for future distribution to former employees. Of course, the Commonwealth’s $75 million would cover approximately 30 per cent of entitlements that continue to be outstanding. Five years after the collapse, five years after the government instituted the Ansett ticket levy, five years after being told categorically that the levy was to pay for the entitlements of Ansett employees, the government’s $150 million profit is gone, airports are still not secure and ex-employees continue—(Time expired)

Port Wakefield

Mr FAWCETT (Wakefield) (9.23 pm)—I rise to draw the attention of the House to a community in the electorate of Wakefield, the community of Port Wakefield. Port Wakefield is in the north of the electorate of Wakefield and most people recall it as a fuel stop on long weekends and holidays, but it is a terrific example of democracy working in this country. Many people despair about our democracy and they say that the government is non-representative, that people do not listen and that bureaucracies do not respond. But there have been a couple of examples recently that bear testament to the strength of community engaging with government to get good outcomes.

Port Wakefield is a community that has a Defence establishment nearby, the Port Wakefield proof range, which has been an ordnance testing range for the Australian military since World War II. That is just one of a number of Defence establishments in Wakefield, which also include the Defence...
Science and Technology Organisation, RAAF Base Edinburgh and a number of Defence industry companies. The thing that has made the proof range stand out from the public’s perspective has been a large naval gun which has stood at the entrance road to the proof range for some 40 years. This gun has become synonymous with Port Wakefield and the proof range.

You can imagine, therefore, the dismay of the local community when they received, at very short notice, notification that the Department of Defence was going to remove the gun from the entrance to the range and that the gun was to go to Sydney, to a military museum. As it turns out, the military museum have a reasonable call on the gun. The history of the gun, which is a six-inch breach-loading gun, is that it was originally mounted on the HMAS Melbourne from the early 1900s to 1929. It was similar to guns which were used in Sydney for the defence of the harbour. Whilst it was never used at the Port Wakefield range, it is of exactly the same type and mark as the guns that defended Sydney Harbour. There is a strong association for the museum there that wished to show visitors to Sydney what sorts of guns protected the harbour, so there is a rationale for it to move.

It was, however, to the dismay of local residents, when they found out at short notice that the gun was going. They contacted my office to express their dismay and to find out what could be done. I mention in particular Mrs Wendy Garvie, who organised local residents and the local council. We helped her with getting a petition raised to express community concern, particularly of the point of view that Defence should, if they were to remove the gun, be looking to replace it. I am happy to say that the Minister for Defence, the Hon. Dr Brendan Nelson, was also quick to identify the fact that they did have other guns at Port Wakefield that could be suitable for the purpose.

It is a good example of cooperation between local and federal governments that when this was raised with Phil Barry, who is the Chief Executive Officer of the Wakefield Regional Council, he very quickly got on to the state government to make sure that issues such as land use and the liability issues of replacing the gun could be sorted out to clear the way for Defence to provide another weapon. So within the space of a couple of weeks we went from a situation where the gun was leaving with no replacement to one where locals had banded together and raised their concerns. Levels of government were able to work together effectively to find a replacement, and we are now in the position that Defence has identified several options and the local council and community are working with Defence to perhaps even look at relocating the gun into town.

Whilst it is a small thing, I believe it speaks volumes for the strength of the community and the strength of our democracy. It is certainly an indication of the strength of the Port Wakefield community, which is going ahead in leaps and bounds as a number of enterprises and industries realise the potential of the area and look to set up not only additional housing but also additional industry in the area. In conclusion, I congratulate Wendy Garvie and the residents of Port Wakefield and thank the local council and the ADF for working with us to achieve a good outcome for the residents.

**Media Ownership**

Mr MURPHY (Lowe) (9.28 pm)—I want to repeat what I said just before question time today—that is, I am absolutely horrified that the Minister for Communications, Information Technology and the Arts has said on behalf of the Howard government that
They are prepared to allow a media owner in Australia to own television stations, radio stations and newspapers, all in the one market, when our two biggest media companies already have a stranglehold on commercial media in Australia. That is a great threat to the public interest. It is a great threat to the future of our democracy and we all have to rise up and strike back in relation to this agenda.

I ask the Parliamentary Secretary to the Prime Minister to take a message back that it is not in Australia’s interest to allow PBL or News Limited to have so much control and to own newspapers, television stations and radio stations when they already have the monopoly on pay television in Australia and they have the most popular internet sites. It is absolute sophistry of the worst example to say that this is greater diversity. When you trace the origins of all of these companies in all of their manifestations, in the main, they are owned by the two biggest media companies. That is unhealthy for our democracy. The political wheel of fortune turns, and one day they will vote against the government—

The SPEAKER—Order! It being 9.30 pm, the debate is interrupted.

House adjourned at 9.30 pm

NOTICES

The following notices were given:

Ms Roxon to present a bill for an act to amend the Freedom of Information Act 1982 and for related purposes.

Mr Keenan to move:

That the House:

(1) notes that:

(a) as a result of the introduction of the GST in 2000-01, Western Australia has received around $18.4 billion in GST revenue and is estimated to receive a further $3.9 billion in 2006-07;

(b) the Western Australian Government has benefited the most from the mining boom among the States, collecting more revenue from royalties, including petroleum revenue from the North West Shelf, than any other State, and is expected to collect almost $1.9 billion in royalty revenue in 2005-06 and over $2.2 billion in 2006-07;

(c) the Western Australian Government has collected $2.36 billion in 2005-06—almost double what it collected three years earlier;

(d) Western Australia is estimated to be the highest taxing State in Australia on a per capita basis in 2005-06 and is set to remain one of the highest over the forward years;

(e) as part of the Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations, the States were to abolish nine State taxes; and

(f) the Western Australian Government has failed to implement this agreement and abolish all of these taxes; and

(2) calls on the Western Australian Government to:

(a) immediately abolish Mortgage Duty, Rental Duty and Non-real Conveyance Duty as agreed in the GST agreement;

(b) take immediate steps to reduce the burden on home buyers by substantially decreasing Stamp Duty and associated land charges; and

(c) reduce the overall tax burden on Western Australians from the highest in the nation.

Mr McClelland to move:

That the House:

(1) notes:
(a) the vital role that ADF personnel played in enforcing the Armistice for the Korean War, between 28 July 1953 and 19 April 1956;
(b) the professionalism and courage displayed by those personnel in dangerous circumstances, promoting the furtherance of Australia’s national interest;
(c) the findings of the Post-Armistice Korean Service Review (the Review), which stated under Recommendations 7B and 7C that veterans of this service should be awarded the Australian General Service Medal and Returned from Active Service Badge;
(d) the critical role that adequate recognition of service plays for the morale, retention rates and recruitment of current ADF personnel and the need to improve the transparency and reviewability of the medal system’s rule-making, as acknowledged by Recommendation 8B of the Review; and
(e) the moral obligation of providing all veterans with the support and recognition they deserve for their service and sacrifice; and
(2) calls on the Government to:
   (a) adopt the recommendations of the Review to award the medals for Korean Post-Armistice Service; and
   (b) give further consideration to Recommendations 8B and 8C of the Review, regarding improvements to the medal system.

Mr Price to move:
That the House:
(1) recognises the adverse affects of the federal Government’s Workchoices legislation;
(2) take immediate action to protect working Australian men and women;
(3) take specific action to address the uneven nature of the bargaining position and pressures on young Australians entering the workforce for the first time;
(4) take note of the Howard Government’s agenda to drive down wages;
(5) condemns national employer JetStar for its practice of charging job applicants for the application process; and
(6) take action to prevent other employers from adopting similar practices.

Mr Wilkie to move
That the House:
(1) notes:
   (a) the substantial contribution to Australian motor sports made by the late Peter Brock;
   (b) the substantial contribution to philanthropy made by the late Peter Brock;
   (c) the example of professionalism in sport provided by the late Peter Brock; and
   (d) the positive impact of Peter Brock on Australian motor racing and Australian motor industries; and
(2) expresses its condolences to the family and friends of Peter Brock on his sudden and shocking death.

Mrs Irwin to move:
That the House:
(1) supports the right of democratically elected parliamentarians to freely pursue their duties;
(2) notes that the Inter-Parliamentary Union has expressed its alarm at the arrest and detention of Mr Adelaziz El-Dweik, Speaker of the elected Palestinian parliament;
(3) calls upon the Israeli authorities to show restraint and respect for the parliamentary mandate and the institution of parliament, the presidency of which was entrusted to Mr Dweik following the elections held earlier this year; and therefore,
(4) calls on the Israeli authorities to release Mr Adelaziz El-Dweik forthwith, along with more than 20 members of the Palestinian Legislative Council, including the Deputy Prime Minister, Mr Naser al Shaer, who were arrested in June 2006.

Ms Burke to move:
That the House:

(1) notes that there has been an increased global trend for companies to relocate various parts of their operations to locations outside of the country where the service is being delivered—a practice often referred to as ‘off-shoring’;

(2) notes that the practice of off-shoring has seen jobs and skills lost from the IT and finance sectors in Australia and that Deloitte Research predicts that 15 percent of all financial sector jobs will be moved off-shore by 2008;

(3) recognises that participating in the global economy may deliver lower costs for local consumers and companies, however it must be done in a transparent and equitable manner; and

(4) calls on the Government to act now, before the flood of jobs off-shore sees Australia losing out, by:

(a) ensuring privacy protection for consumers;

(b) providing consumers with a ‘right to know’ so that service providers disclose the country of origin which provides their services, equivalent to country of origin product labelling;

(c) developing a national skills base that is suited to the changing needs of the economy;

(d) providing assistance in reskilling displaced workers; and

(e) ensuring employees of the country where the jobs are relocated are also protected by ILO Labour Standards.
Debate resumed.

**Mrs IRWIN** (Fowler) (4.00 pm)—The starting point for the Joint Standing Committee on Migration inquiry could be taken from the 2006 report of the Productivity Commission called *Economic impacts of migration and population growth*, which concluded:

Compared with other countries, the Australian regime for assessing and recognising overseas skills and qualifications is well-developed and generally achieves its goals. However, there is evidence that, in some instances, the skills assessment and recognition arrangements for Australia could be improved to better meet their objectives.

The Productivity Commission identified the need for better arrangements for recognition of overseas qualifications and skills, as well as consistent regulations and licensing requirements across jurisdictions, with links to competency standards. The work of the Joint Standing Committee on Migration and this report go a long way towards addressing those areas identified as being in need of improvement. It should go without saying that as a nation we benefit from using the skills of our population to the greatest extent. But as was pointed out to the committee, as many as one in five independent migrants do not use their qualifications in Australia, and that is a waste of our most valuable resource—the skills of our people—a waste we cannot afford as a nation.

This was also shown during the committee’s inquiry in relation to the not uncommon situation where a successful tradesperson applying under the general skilled migration program is later unable to satisfy licensing or registration once they have arrived in Australia. There are also cases where successful applicants under the general skilled migration program choose for whatever reason not to work in the trade for which they qualified.

It may be that we have the most highly qualified taxidrivers in the world, but it must be said that there are factors within the trade recognition system which deter qualified migrants from working in their trade. I could add that location, which was the subject of the committee’s 2001 report on state specific migration, may have some effect on the willingness of skilled migrants to work in the field of their qualifications or skills. Another factor which the committee identified was that skilled migrants increasingly come from non-English-speaking countries, and poor English skills will reduce the chances of the migrant being able to work in his or her area of skill until they have improved their command of the English language.

This leads to the well-recognised situation where the skilled migrant works in an area below his or her skill level, while they attempt to improve their English. Many find that they become locked in a low-skill occupation which does not challenge them to improve their English. It is a catch-22 situation and, while the committee recommends continued monitoring of the English language component of the migration program by the Department of Immigration and Multicultural Affairs to ensure that migrants possess appropriate levels of vocational Eng-
lish, it is clear that intensive English programs can help to break the cycle of skilled migrants not using their skills and qualifications to the full.

Another thing which affects people, particularly those from non-English-speaking backgrounds, is the difficulty and delay experienced in assessments by Trades Recognition Australia. The committee heard from a number of witnesses, and in submissions, who were critical of the delays experienced in the processing of applications and of the process itself, including the lack of a genuine appeal process. While there was some comment which suggested that the trade recognition authority has lifted its game, it was clear to the committee that radical change to the role of the TRA and its processes will be necessary if it is to fulfil its role in a fair and timely manner.

While the TRA has the task of assessing overseas qualifications, it also has the task of assessing domestic skills in electrical and metal trades. This often means that applications are handled twice—once overseas for migration purposes and then on arrival in Australia for licensing and registration, including for an Australian recognised trade certificate. The committee noted that the trade recognition authority is not the only body capable of accrediting electrical and metal trades. This accreditation may also be carried out by registered training organisations, although it should be noted that the TRA places greater emphasis on work experience alongside qualifications such as an Australian Qualifications Framework certificate III.

The committee’s recommendations calling for the Tradesmen’s Rights Regulation Act 1946 to be repealed and for Trades Recognition Australia to cease to conduct domestic assessments of skills in electrical and metal trades and confine its activities to international assessments are, as I said, quite radical proposals and will need to be reviewed by the Council of Australian Governments. Leaving the Australian recognised trade certification system to state based systems may not overcome the double-handling problem of trade certification.

While the committee looked at the issue of skills recognition as it applies to a number of visa classes, the glaring omission in this report is the question of 457 visas. Now, for other visa classes, we are of course looking at migrants who will become permanent residents. As part of the selection process, we ask for levels of qualifications and skills which are in demand in Australia. But the whole 457 process seems to get around this. We do not check the qualifications of those coming to Australia to fill temporary skills shortages, even though this may lead to permanent residency. There is no assurance that 457 visas may not become a back door for permanent entry to Australia and, as the member for Fremantle pointed out earlier, the situation for family members is very uncertain. My main concern is that, while Australia has gone to great lengths to ensure that our high standards of recognised skills and qualifications are maintained, the admission of lower skilled workers into Australia can seriously compromise those standards.

The effect of this was related to me recently—and you will see just what this means for the Australian workforce. A young man with a family who was a boilermaker by trade took a job with a contractor where he was working alongside about 10 other tradesmen welders on 457 visas. As a qualified tradesman he was able to carry out all of the demanding tasks on the job. He soon found that the overseas welders were not capable of carrying out many of these tasks and, while he found himself busy for the full day, the other welders could stand around waiting for him to finish a task. When he queried this with his boss, he was told that he was being paid $18 an hour because he was a boilermaker and they were only being paid $16 an hour.
because they could not do some of the work. He complained that, since he was doing much more work than the others, he deserved even more money and said he was leaving unless he was paid more. His supervisor went to see the site manager and said he could pay him $28 an hour, but the young man refused and went and found a job as a forklift driver. He explained that the work was not as demanding and paid better than the $18 an hour that he had started on in the other job.

That is what we need to keep in mind when it comes to skills recognition, whether it is in the trade area or the professions: if we dilute our standards, whether through relaxed recognition of qualifications or through a flood of unqualified 457 visa holders, then we will find that the bad drives out the good. Australians with qualifications and skills in demand in a world market will not sit back and see their wages and conditions eroded by an influx of overseas workers.

This report deals with the important question of skills recognition, but until this parliament takes a closer look at issues such as 457 visas we will run the risk of seriously undermining a whole range of recognised skills to the great cost of the people of Australia.

In the short time I have left, I want to thank the great staff of the Joint Standing Committee on Migration. The secretariat have done an excellent job and they all deserve a great pat on the back. I thank them dearly.

Debate (on motion by Mr Neville) adjourned.

MINISTERIAL STATEMENTS

Energy Initiatives

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

That the House take note of the following document: Energy Initiatives—Ministerial Statement, 14 August 2006.

Mr WINDSOR (New England) (4.11 pm) I was pleased but a little bit disappointed in some ways to listen to the Prime Minister’s ministerial statement in terms of energy initiatives. I would like to make a number of comments in relation to some of the things that the Prime Minister put forward.

Obviously—and I think most people would agree—the LPG announcement that the government made is positive to a much smaller degree than the government is hoping it will be. Some people may feel a little bit cynical in relation to its introduction, particularly at a time of very high oil prices. In a sense, the government is looking for a detour in the debate, hence the introduction of the LPG arrangements. I think there will be a small uptake and that, for a number of reasons, it will be much smaller than that which the government is budgeting on.

I know that members of the chamber would be aware that liquid petroleum gas in a few years time will move into an area where it is taxed, whereas in the past it has not been taxed. One of the underlying problems with the whole energy debate and the debate that we are having now on energy initiatives is the fact that we are taxing energy in this country. When I was an economics student, and since, in business et cetera, I always believed and had been taught that if you had an advantage in something in terms of export et cetera—particularly nowadays in a global market with globalisation taking place at the rapid rate that it is—then you took advantage of it.
What we in this nation do is tax the major ingredient to the running of the nation. We have this extraordinary nation of low population, large landmass and people living across that landmass. There is public transport in the major metropolitan areas and very little elsewhere, but we continue to have a policy which is developed around what you would see in a closely developed, public transport oriented European society. We do not live in that sort of world but our energy policy and initiatives tend to be based on that sort of outlook. Even though I have heard the Treasurer, the Prime Minister and others on a number of occasions try to justify that particular policy view, it is difficult to comprehend when we live in a nation of this size where energy costs are part of our daily lives, particularly for country people who do not have a choice between a subsidised public transport system and using their own vehicles.

In a sense, I would say that the government has shown very little initiative in terms of energy. Its approach has seen a simple form of taxation receipts where, as usage goes up, it can take more and more. By taking tax in little dribs and drabs at the bowser, where people do not necessarily notice it coming directly from their pockets, the government can accumulate vast sums of money.

Those vast sums of money are currently at about $14 billion annually. About $2 billion of those receipts actually goes back into the road network in some shape or other. Many members would remember that the origin of the federal excise was, in fact, the road tax arrangements that were put in place about 25 years ago. The taxation receipts from energy have grown over the years because of that. Admittedly, a few years back the government removed the indexation of the excise—and I compliment them for doing that—but there is an enormous amount of money coming from the excise on fuel. I do not see that as being an initiative at all; in fact, I see it as operating against a country that is trying to compete internationally.

We are continually told by some ministers within the government that agriculture and industry have to be able to compete internationally and to stand on their own two feet or they will go by the wayside, but we have in place an undermining of their financial structures. The question of energy runs through all industries, all communities and all individuals, who use it in their homes and so on. In some shape or other we have this regime of energy use, particularly petroleum energy, as a form of taxation receipt. Some in the government may suggest that it is way of rationing the use of the product by sending an economic signal to people to modify their behaviour and reduce their use of fuel. I say that is a red herring. I think the system is in place purely to raise revenue, and I do not see any initiatives where the government is actually looking at a means of raising revenue other than through fuel excise et cetera.

I would say the government’s movement on energy initiatives has been quite appalling. Even in areas where taxation did not apply some years ago, the government recently introduced legislation that would impose taxation where taxation had not applied before. They have developed this argument that the excise is related to the energy generated from the various products.

I refer particularly to one instance: ethanol was once untaxed. Now there is legislation, even though there is an excise-free period—and thank you to the Democrats and others in the Senate who stood up on this issue—until 2011, I think, and then taxation will be applied. Here again we get this mixed message. We have great concern about greenhouse gases. We had a debate in the parliament today during question time about whether the Kyoto agreement
should be signed or whether there are other ways of delivering the same outcome, depending on which side of the debate you happen to be on.

What has the government actually done? It has imposed a taxation regime on people who are very keen to invest in renewable fuels. It has imposed a regime similar to that already on fossil fuels to sustainable renewable energy sources of fuel. The message it sends to the investment community domestically is quite horrendous. The government also put in place—back in the year 2000 before I was a member of this parliament—a mandatory renewable energy target of 350,000 megalitres. That was the target then. I am told—and the member for Kennedy and others have mentioned this figure from time to time, and statistical information I have seen verifies it—that currently we are at a rate of 30,000 megalitres.

The Prime Minister had a cup of coffee with the fuel companies about 12 months ago to try and avoid the mandatory position that some were suggesting we should take—I was one of those people. Following the cup of coffee, some voluntary agreements were reached by the fuel companies and the Prime Minister that the fuel companies would achieve certain levels on an annual basis with a movement towards this 350,000 megalitre figure by 2010. We are six years in and we are at 30,000 megalitres. We have to multiply that by a factor of 10 to get to this paltry rate of 350,000 megalitres. This year the fuel companies, I am told, were supposed to have reached something like 90,000 megalitres. They got to a third of that. That says a number of things to me. The fuel companies are not serious about renewable energy in terms of biodiesel and ethanol, and the Prime Minister and the government are quite happy to let them play the game in front of the ball. Even if 350,000 megalitres were reached, it is 0.8 of one per cent of our petroleum needs. If that is an achievement, an initiative in terms of moving towards a sustainable form of energy, a renewable form of energy that has an impact on a whole range of environmental and health outcomes—small particle emissions from vehicles, the carbon balance and a whole range of positives—and an initiative of great magnitude, I would hate to see a small one.

One of the things I suggest—and I have suggested it before by way of a motion in the parliament which was not adopted, I must say—is that the government and the opposition look seriously at setting up an authority. I would call it a sustainable energy authority. Rather than politics taking the main part of this debate, we should put in place an authority made up of expert scientists et cetera that can develop a strategy for the future and some decent initiatives for the future in terms of our energy requirements: that that authority not only look at the health and environmental aspects but also at the domestic production of some of these products; and that that authority also look at ways and means to achieve some sort of self-sustainability in relation to some of our energy needs. The United States are doing that. They have recognised that, given the events of the last five years in terms of terrorism and some of the religious conflicts that are occurring, they have to remove themselves from a reliance on the Middle East for some of their energy sources and they are moving at a massive rate to look at biofuels et cetera and many other alternatives. I am not suggesting biofuels are the be-all and end-all, but it is part of the fix and it is a renewable part of the fix that our agricultural sector could be very much involved in.

That authority should also look very closely in my view at the messages—economic, health and environmental, social and investment—that are sent by taxation on fuel, using fuel as a source of revenue. Perhaps, heaven forbid, we could actually look at achieving similar sources
of income from other means. The goods and services tax was introduced to replace what was seen at the time by this government as archaic penalties which were being imposed on the communities by the states through some of their ridiculous taxation incentives. I think the same thing could be applied here. We have to look at some of the options.

I was recently in the United States. Their federal government had backed up the states in their energy standards and quality legislation relating to biofuels. One of the things that came across very clearly was that the industry could never have taken off if the states had not mandated a certain level of usage, with that level of usage being phased in over a period of time. For instance, in the city of Minneapolis the 10 per cent mandate had been phased in over a four-year period. Major cities were done in the first year, the outskirts of the major cities were done in the second year and the country areas were phased in in years 3 and 4. It was not necessarily done just to support the regional economies of agriculture, although that was a very important part. It was also done to improve the health regimes—the emission controls—within those particular cities. In conclusion, I would say to the Prime Minister that the initiatives have been very poor. We need to address these issues and we should do so in a much more substantive fashion. (Time expired)

Mr ADAMS (Lyons) (4.26 pm)—That was a very good and thoughtful speech by the member for New England, as always, in looking at alternatives for this country. We live in a time of volatile fuel prices due to some of the turmoil in the Middle East, the difficulties in Nigeria, the diminishing supplies in other areas, a lack of further oil discoveries in Australia and a lack of government response to help stimulate more exploration. A committee that I sat on in this parliament, the Standing Committee on Industry and Resources, made a recommendation for flow-through shares, which is an opportunity for small companies to raise money for exploration. In Canada it was a very successful model which allowed their smaller companies to get involved in more exploration. We have had none of that here. Some of the government members on that committee certainly lobbied for it, but of course it has not been taken up.

The Prime Minister’s paper was very poor and there were very few ideas in it. There were a lot of words but no initiatives of note. This all comes at a time when the economy is beginning to show signs of slowing down. The Prime Minister does not want to recognise that and he always has a contrary view. This government is really not looking at the burden that the price of fuel is putting on many Australians. The Prime Minister’s paper stated that the most important thing was the high demand coming from developing countries like China and India—that they were putting enormous pressure on the supply of oil—and that events such as Hurricane Katrina and the shutdown of the pipeline in Alaska limited the amount of oil coming from the United States. That leaves Australia with a problem. Because we have very little capacity to control petrol prices, that has left us at the sway of market forces, and that is happening now.

Fortunately, many of the constituents that we look after have a lot more understanding of their own concerns than this government does. They are feeling those increased prices—fuel prices are hurting them in their back pocket. People are saying that we in the parliament and the government in general should be sorting out the energy needs of the country by looking for alternatives, providing alternatives and encouraging alternatives. Instead, we continue to be beholden to outside powers for the supply of our fuel.
The population of this great country, Australia, is so scattered and widely dispersed that the cost of fuel has a huge impact on the daily lives of many people, but they have few alternatives. In my electorate, for instance, even if people wanted to ride a bike, they would have to ride a very long way in some areas to do what they wanted to do. They have to use a car. Many people have to drive their cars a long way to get to work, and fuel is an extra cost that they have to meet out of their weekly income.

For many people, travelling is a basic necessity; it is part of their day-to-day activities. People in remote and regional communities have enormous energy problems. In many areas of Australia, people rely on diesel not only for transport but also for power generation. Most areas of Australia do not have good, renewable hydro-electric energy to use as we do in Tasmania. We have also had good opportunities to use wind power; hydro-electricity and wind can cut in and out very easily. When the Prime Minister arrived in Northern Tasmania recently, the closure of the windmill factory at Wynyard, which is just on the other side of Burnie, was announced and 65 jobs were lost. This occurred because the government has not considered giving the opportunities to wind power that it should.

When we think about it, there are many roads that we can go down to look for alternatives. There are many alternatives being developed. In Tasmania, one of our universities is undertaking research into hydrogen engines. This will be a vital bit of research for our transport future. There are many roads that we could go down in our search for alternatives to petrol and diesel. We could consider ethanol, not just as an addition to fuel but in its own right. There is also natural gas, propane, hydrogen, biodiesel, electricity, methanol and p-series fuel. P-series fuel is a family of renewable non-petroleum liquid fuels that can be substituted for gasoline. They are a blend of 25 or so domestically produced ingredients. About 35 per cent of p-series fuel comes from light by-products known as C5-plus or pentane-plus, which are left over when natural gas is processed for transport and marketing. It is composed of about 45 per cent ethanol fermented from corn and 20 per cent MeTHF, which is derived from lignocellulose biomass, paper sludge, paper waste, food waste, yard and wood waste or agricultural waste. There are enormous opportunities for us to use these wastes and turn them into fuels. This is where we should be spending some money.

So there are many opportunities that we can pursue and could have pursued earlier if this government had been a bit more proactive and had seen what would happen if we hit out at the biggest source of our fuel—the Middle East and, in particular, Iraq. The US thought they could get something for nothing when they instigated all this and now we are hearing the lies that we have been supporting and the hypocrisy that has been evident to cover it all up. It has also been about oil. It has always been about oil. All the funds we have pursued with this war in Iraq could have been better spent in investigating alternative fuels and alternative machines to run with alternative fuels.

The Labor Party has been a strong supporter of alternative energy development, including biofuels. The use of ethanol in the Commonwealth government’s fleet has already been brought on. Labor governments in New South Wales and Queensland have also already introduced its use and are providing incentives for people to change. Now we have the government leaping into producing thousands of dollars of incentives for people to change their cars over to LPG. What the government has not said is that the cost is going to be a lot more than that.
which is being allowed for through these grants. It is going to cost people considerably more—probably double what can be claimed for.

The government also did not mention that there are very few people who can actually undertake the work. We are not very skilled up in this area and we will need to skill people up before people can get this conversion work done. I tried to get someone to quote on converting one of my family cars and I was told that there was no-one available to quote and that 2007 was probably when the conversion could be done. So we have a long way to go and I am sure a lot of people are going to have to wait a long time to get their car converted to LPG. There are about five or six outlets in Tasmania—Launceston, Hobart and three in my electorate on the east coast. I do not know if there are any on our west coast. There are none up the middle. So there are a lot of issues that you have to plan quite thoroughly if you do intend to convert. I do not think we should hold our breath that we will get assistance and that this paper announced by the Prime Minister’s will be a great initiative.

The PM has also recommended that there be capital funds to support new biofuel production capacity. I do not dispute that that will be a very good idea, but it is a bit late to be doing it. Labor has been talking about alternative fuels for many years now. It was the Keating government that introduced an 18c a litre production bounty for ethanol in the 1993-94 budget, in addition to zero excise weighting for the product. It was the Howard government that abolished that bounty scheme a year early, in the 1996-97 budget, and it has constantly undermined the industry by changing the terms of operation on a regular basis over the last 10 years, including having three different positions on excise in the last parliament alone.

We are dealing with a government that really is making policy on the run. It is very important that we have research in Australia, but we should be using some of the material already available to this parliament. There is already a Gas to Liquids Taskforce report that is gathering dust somewhere. We need an industry framework in which to encourage and establish the industries in Australia to convert our coal and gas resources—which are vast—to clean diesel. We need to develop training courses to help those people who wish to enter this new industry deal with the mechanics of changing existing technology. We need more emphasis on broader research on the energy fields and on how to make Australia self-sufficient in fuel. Australia has the resources, both fossil and renewable. We have more than anyone else. We are lucky in that respect and we could be independent from and competitive with the rest of the world. However, this is a paradox when we look at the mission statement of the Biodiesel Association of Australia:

We are more than 50 per cent reliant on international supply of fuel for all major industry, with a sharp decline in our self-sufficiency over the next 10 years to less than 20 per cent.

We could be doing so much better.

A report on Landline on the weekend said that Australia is more than ever in a position to start mainstream production of biodiesel. There is a person in my electorate who wants to talk to me about that and about using waste oils in a by-products plant that that small company uses. I remember my brother putting the oil from his takeaway shop in the garden. It certainly encouraged the worms, but it was not going to be a long-term solution. Making this stuff into biodiesel can be.

We need some guidance and we need a national standard. All of the hard work still has to be done, and we really want this government to do that and we want the Prime Minister to say
those sorts of things. But the PM has said that we should reduce our future dependence on the Middle East. He is not really doing anything from a government perspective to encourage activity and research, and the private sector can only go so far. The government’s support is needed to expand our horizons of research and the infrastructure on which new ideas can be developed. We need to make the most of our advantages and develop leading edge technology, thus creating jobs while training our young people to be ready for the next wave of energy resources. *(Time expired)*

Mr GEORGANAS (Hindmarsh) (4.41 pm)—I would like to thank the House for the opportunity to speak to the ministerial statement on energy initiatives, a topic made popular by the Australian motoring public, who continue to feel their wallets being ripped out of their back pockets whenever they leave their houses, because of the increasing cost of petrol. The price of fuel, with a 40 per cent increase in the last two years, has caused a lot of grief. Private health insurance has increased 35 per cent in the last four years. Even the proportion of people’s incomes taken up servicing their mortgages has gone up 30-odd per cent in the last four years—remarkable, given the commitments by this government at the last election. Add to that petrol increases because of the energy crisis, and we see the Australian public and Australian families really hurting. And yet we still have leading members of the government stating that any financial pain the Australian public say they are feeling is either because they are whingers or because it is simply their own fault.

But true to form, just like in early 2001, when the Prime Minister starts to feel some electoral heat, the government sheds a whole lot of money in an attempt to buy relief for themselves with the public’s money. If only the public could do the same. In the case of 14 August 2006, we saw the government’s grand plan for Australia’s energy needs. We have seen elements of this grand plan before: we have seen parrot power favoured over wind turbines, we have seen the government’s pro-nuclear choreography push biofuels to the wings and we have seen the heralded mandatory renewable energy target surgically neutered to cause a decrease in true conservative form—a decrease in the proportion of the nation’s energy generated by renewable means over the next decade.

Only a week ago, the Vestas wind turbine nacelle manufacturing plant in Wynyard in northwest Tasmania, in the seat of Braddon, announced it was closing down at the end of the year. This means that some 65 direct jobs and many more indirect jobs, such as those at Aus-Tech Compositor in nearby Camdale, will be lost. The major reason for this is the Howard government’s anti wind energy policy that does not extend the mandatory renewable energy target scheme. Wind energy projects in Tasmania have now been stymied by this regressive anti renewable energy stance, yet there has been not a word of regret or apology from the local Liberal member for Braddon. I assume he is just another apologist for the government’s appalling record of being anti renewable and alternative energy options.

The Prime Minister has said that petrol prices in Australia are low by international standards. This would be in contrast to interest rates, of course. While Australians have been feeding the highest proportion of their incomes into their mortgages for decades, we have spent the last 4½ years paying an average of 2½ per cent more than Europe, Canada and the United States. Two and a half per cent more in interest rates than comparable countries means one heck of a lot of money out of Australian household budgets. While the Prime Minister says we do not know how good we have got it, people continue to hurt.
It is somewhat ironic that the government is wanting to spend money—in this case, on LPG conversions—but there are not enough skilled workers around to earn it. We all support LPG conversion. At the time the government got up and said, ‘Look, we’re doing the right thing; we’re announcing a $2,000 subsidy,’ the LPG conversion industry went into turmoil. Stock was not and still is not available; tradesmen are not available; overseas supplies are not available. The following questions have to be asked: was it planned? Was there consultation with the industry or was it another off-the-cuff attempt at the billboard policy which we are becoming increasingly used to?

People will have to wait up to 12 months and longer for their conversions and the financial relief that a conversion will bring along with it. How many motorists around the country will benefit from the government’s LPG announcement? It has been estimated at three per cent. That is not what I would call a national energy plan. It is also highly disappointing that the not-for-profit organisations’ fleets are not eligible for the rebate. You would think that the thousands of people whom charities assist every day would benefit just that little bit more from the public’s donations if not-for-profit organisations could also access and use cheaper fuel. If not from LPG, perhaps not-for-profit organisations’ fleets could benefit from another government initiative or trial at some point, if the alternative fuel industry develops certain products and opportunities arise whereby the government needs a small market to trial initiatives. Perhaps those who help our community could be included and thereby helped in their work.

While it is not exactly new technology—test cases exist right around the country—compressed natural gas has been recently highlighted. Some 800 buses in total use compressed natural gas to fuel public transport in all of our state capitals, bar Hobart. Adelaide has had them since 1988 and no doubt has increasingly benefited from the 95 per cent reduction in exhausted sooty materials. Supporters of natural gas say it produces fewer greenhouse emissions than petrol. Motorists could save 50 per cent of their fuel bill and it has been technically proven that it can be used in different mixes and in all classes of vehicles with reduced engine wear, and it is available now.

I look forward to seeing the alternative energy markets starting to work with each other, complementing each energy’s individual benefits and seeing just how efficient and cost-effective we can become. For instance, how would a diesel bus run if it used biodiesel as its more or less traditional fuel to provide pilot ignition with natural gas used at the same time for the rest of the combustion? The ratio of the much cleaner and cheaper diesel to crystal-clear natural gas is 30-70. So the amount of dirty old diesel being used is comparatively very low.

One CNG user was interviewed by the 7.30 Report, which, in a fair umpire’s fashion—as is the ABC’s way—reported that the interviewee took eight hours to fill his car’s CNG tank. He uses dual fuel: compressed natural gas until it runs out, at which time the engine reverts to petrol. He gets home in the evening, hooks the car up to the CNG unit and leaves it overnight to refuel. That is not the kind of thing we would see in grand prix motor racing, but it is something nevertheless. The process sounds pretty inconvenient, but, whatever the particulars of this interviewee’s situation, many vehicles around the nation are now using CNG, just as they are overseas.

In Argentina, one-fifth of the vehicles are powered by natural gas. It is a potential way forward, either in combination with other fuels or used in isolation with any given vehicle at any
one time. Just as we have seen combinations of fuel tanks in and under vehicles for many years, we may increasingly see more combinations of fuels, hopefully in smaller fuel tanks, in years to come, engineering the best, cleanest, cheapest and most sustainable mix of fuels that we can use through much of the 21st century. I hope that all governments will support the energies that are driving these technologies forward for the public benefit.

These issues should have been on the agenda for the government for some time. They have been in power for 10 years and we have not seen anything from them on alternative or renewable energy in that period. The writing was on the wall: more than 10 years ago, anyone could have told you that at some stage in the very near future we would have an energy crisis. The government did nothing to avoid the problem or to ease the pain now facing the Australian public due to higher petrol prices.

Mr HATTON (Blaxland) (4.49 pm)—The ministerial statement made to parliament by the Prime Minister on 14 August 2006 on energy initiatives, which we are debating today, is a very interesting topic. It is not just an interesting topic; it is a fundamentally important one for this nation and for the world. At the very end of the statement the Prime Minister draws us back to the white paper of just two years ago and argues that the white paper gave a fundamental framework for pushing forward to the future and that it continues ‘to provide a robust framework for meeting the nation’s energy goals of prosperity, security and sustainability’.

Mr Adams—Nonsense!

Mr HATTON—The member for Lyons is right. Anyone who has had a look at this area in any depth—at the white paper of two years ago and at the responses by the Prime Minister to this over time—knows that not enough is being done and in relation to what is being done there is certainly no great urgency. A good part of that, one might think, is because of the fundamental point of view that is taken by the Prime Minister about this issue and whether or not much can be done.

Al Gore is in Australia today—on the fifth anniversary of the attack on the twin towers—to promote his film, An Inconvenient Truth, which, along with other members and senators, I just saw in the last sitting. It is a fantastic promotional vehicle for him in terms of another potential push for presidential nomination from the Democratic Party in the United States. But it is not, as this government’s Minister for Industry, Tourism and Resources said, simply or purely entertainment. That is the most dramatic misreading I think I have ever seen of anything. I just wonder whether the minister has seen this film at all. It is a compelling piece of work. One of the misconceptions that is put—misconception No. 5, as Al Gore calls it—is this: There is nothing we can do about climate change. It is already too late.

He regards this as the worst misconception of all because if you deny most of it and if you look at most of the government’s responses we effectively have pure denial—not complete unadulterated denial, but as close to it as you can get. The Prime Minister in question time today told us, as is his wont, that there may be climatic change—and we may have some proof for that—but the way to fix this is not to do what everybody else in the world has done, except for the United States and Australia: that is, sign up to the Kyoto protocol because the Kyoto protocol will not do enough and because it will not do enough we will not sign up to it. We will have a fundamental argument that the developed nations would be carrying more of
the weight and, as the Prime Minister has done in this very paper again, say that too much of the burden would be on Australia.

What is most indicative about the arguments put by Al Gore is that the kind of pillorying of him by the Republicans as a presidential candidate and, previous to that, as a vice president is mirrored here by this Prime Minister’s response to Labor and its approach to these matters and to the environment. What they did was take Gore and try and demonise him—put a stamp out to say Al Gore is so out there, a crazy leftie; he is off about all these environmental things. They said that the core business of the United States is just ensuring the other side of the coin—economic prosperity—and that they will do this by continuing to do things the way they have been done in the past. He just missed becoming President of the United States by a fraction—a very small number of votes in Florida. Since President Bush has been in office we have seen that he has not addressed the fundamental problems that Al Gore started to talk about many years ago.

The film lays it out very simply: his motivation in this area and the manner in which he has approached it have largely been driven by his experience as a science student in the United States under the leading proponent of the theory of what was going to happen in the future with the exponential effect of the increase in greenhouse gases in our environment and the fact that they would be trapped by the upper layers of the atmosphere. As that quantity of greenhouse gases produced largely by our industrial activity was trapped over time, you would get a cloud effect—an increasing and denser cloud—far fewer of the sun’s rays hitting the earth would be reflected and you would get a gradual but inexorable increase in the amount of heat that is retained.

Utilising some of the work that has come from the CSIRO as well as other leading groups in climatology in the past couple of years, what Gore demonstrated—and demonstrated to great effect—is that this effect is true and it is real. What he laid out when he first went into the Senate, when he first had hearings in the United States congress on these matters and their potential effect, has been demonstrated so conclusively and so compellingly that you cannot just gainsay it and say, ‘There is plenty of time to do something about this,’ which is part of the other key point.

The only significant measure that we have seen in the past year is through the United States and China, India and a few other users coming together and saying: ‘Kyoto is not enough.’ Most of the people who are involved in this either did not sign up to Kyoto or, having done so, have said that more needs to be done. They identified that you need not only the Kyoto protocol but ‘Kyoto protocol plus’ to actually have a go at this fundamental problem. They found that you really need to drive at this through new technology and new approaches to fuel use in order to decrease the burden of greenhouse gases on this planet. We need to use innovative ways to get a resolution of this problem and a diminution over time compared to the current rate.

In fact, if the Kyoto protocol were put into place fully and all of its measures undertaken, we know that would do part of the job of reducing greenhouse gases significantly, but it will not do the whole job of dealing with the current projection that science is telling us we need to consider. In Gore’s book, he makes it very simple: what is the fundamental target? The target is a 60 per cent reduction in our greenhouse gas production. His argument and the argument that is put forward in a leaflet that accompanied this book from the Australian Conservation
Foundation and the World Wildlife Fund, titled *Australia’s Inconvenient Truth*, is that it is actually possible to reach that by a series of measures. Gore had a pie chart at the end of his presentation which indicated that a series of measures could, in fact, achieve that by 2050 if we have the will and the determination. As a former Vice-President, Gore has argued that that will and determination have been absent in the United States, and he gave Australia a mention in passing. It is true: they have not been evident here.

What is in the Prime Minister’s paper to address this? A number of relatively small changes—again, small, iterative changes—and really no fundamental desire to take this up and really run with it. There is a complete refusal to mandate a whole series of areas. I think we do need some mandatory policies in this regard. I think we need to look at the situation carefully.

The problem we have got was recently dramatised by Tim Flannery in his book on this area. A comparison is that it will not be a problem for us in geological terms. In the past—100 million years ago—the earth’s climate was very different. We have had periods of intense greenhouse activity in the past and there is indeed some really good scientific work that has recently been done, demonstrated in a TV program called *The Future is Wild*, which looked at the world 100 million years hence. They argue that the world will suffer a massive greenhouse effect in some ways dwarfing what it is currently facing.

The reason that those greenhouse conditions will be generated and that the effect they will have on the climate will be so great will be the continuing movement of the Australian continent and other continents. In 100 million years forecasters expect that the Australian continent will effectively be a high plateau that will smash into North America and help to create a whole mountain range as high as 12,000 metres. The Himalayas are about 5,000 metres high. I doubt that in 100 million years we will be around as a species. In geological time you can have a glacial approach to these matters. The earth will survive. It will renew itself. But it will be enormously different.

In our time—because we do not live in geological time—we actually need a pretty good approach to this and pretty quick action. Vice-President Gore argues that we have a window of about 10 years. The Prime Minister has proposed that the government will spend some money on one of our greatest resources—liquified petroleum gas. They will give 1,000 bucks to people as an incentive to buy LPG fuelled cars—that is, if they have already come off the production line. We have a massive resource in LPG. That resource has not been properly tapped and driven. This is an area you could mandate more. You could do a great deal more with government fleets—federal and particularly state owned fleets. You could start the process by getting this thing running hard.

Secondly, there is ethanol. The discussion in this paper is about the distribution of ethanol. The Prime Minister finally came back to say that 10 per cent ethanol is okay. In this paper he takes a whack at the shadow minister for primary industries, resources, forestry and tourism, Martin Ferguson—extremely ungenerously—and at a number of other people within the Labor Party. Then he says, ‘It is only the coalition that has ensured this.’ The Prime Minister only took the step of going back to the ethanol debate and getting an agreement on ethanol and its use because the shadow minister came to the government and said that it was time to fix this.
The original approach did a great deal of damage to a number of people in the industry. Labor’s fundamental approach was that there was one person and one company that was benefitting from those measures. A fundamental argument was being used. There was a broader debate on that. I know how deeply affected that company was by that debate. I know how deeply affected people who had petrol stations were as part of that. It happened in my electorate, which is why I was involved in the discussions. But the fundamental thing here is that you actually need an agreement on both sides. We have had that and we can push it forward.

But, where the government is providing money to help with the implementation of these measures, it will not mandate 10 per cent ethanol. I see no reason whatsoever not to mandate that 10 per cent of ethanol in order to get this up and running and driven along by whoever is in government. The Prime Minister is capable of doing it and he will not do it because he believes that you should just leave this open to choice. We could do a small part of what has already been done in the United States. We could do a fraction of what has been done in Brazil. All of those members from regional areas know what the capacity is. Henry Ford worked out in 1925 that you could use just about any source of vegetable matter on this planet to produce alcohol and therefore fuel. We could do a great deal more. This energy paper just does not do enough.

Further, we have the question of petroleum exploration. The Prime Minister rightly points out that, at a time of rising prices, we have a historically low level of exploration being undertaken worldwide. Australia properly needs to really get this moving very quickly. It is a correct thing to do to use Geoscience Australia’s work in order to look for a great deal more. But there is not a single sentence uttered in this paper—not even a syllable—about shale oil and what Australia has already done with that. We have massive resources in that area. It could be exploited. The government has done nothing to help that along. Gas-to-liquids and coal-to-liquids are important technologies that have not yet been addressed. A great deal more needs to be done. (Time expired)

Debate (on motion by Mrs Gash) adjourned.

LOCAL GOVERNMENT

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

That this House:
(1) recognises that local government is part of the governance of Australia, serving communities through locally elected councils;
(2) values the rich diversity of councils around Australia, reflecting the varied communities they serve;
(3) acknowledges the role of local government in governance, advocacy, the provision of infrastructure, service delivery, planning, community development and regulation;
(4) acknowledges the importance of cooperating with and consulting with local government on the priorities of their local communities;
(5) acknowledges the significant Australian Government funding that is provided to local government to spend on locally determined priorities, such as roads and other local government services; and
(6) commends local government elected officials who give their time to serve their communities—upon which Mr Albanese moved by way of amendment:
That paragraph (1) be omitted and the following paragraph substituted:

MAIN COMMITTEE
“(1) supports a referendum to extend constitutional recognition to local government in recognition of the essential role it plays in the governance of Australia.”

Mr WINDSOR (New England) (5.05 pm)—It is with pleasure that I speak to this motion. I thank the Minister for Local Government, Territories and Roads, Mr Lloyd, for introducing it in the House because I think a number of points raised in the motion do need some elaboration and, in my view, raise some concerns and some positives in the area of local government generally. There are a number of problems that I am sure most of us see in local government from time to time, but I would like to spend a few minutes particularly on the subject of the impact that the Australian Local Government Association has or could have on policy that is emanating from the federal sphere.

As we all know, local government is in a sense a plaything of state governments, but the federal government does help in a number of ways through federal assistance grants and, more recently, through initiatives such as the Roads to Recovery program and a number of other programs. So the federal government does have a role. I have never been a councillor on a council. I have been in two tiers of government, but I have no desire to be in the third, even though I think the local level is probably the most important in a lot of ways to people on the ground, particularly country people, whose numbers are spread out and whose service requirements are significantly different in some ways to those of city people. However, the federal government does play a role in funding arrangements through the Commonwealth Grants Commission and other agencies.

It is a pity that the referendum that was carried out some years ago did not constitutionally recognise local government. I think it is a shame. Because of the way in which that referendum was conducted, most people really did not know what was being asked. I would encourage the Australian Local Government Association and other people in the political parties in this place to revisit that issue. Perhaps in the election after next or whenever possible that issue could be revisited, because there is absolutely no doubt that the cost pressures that local government are under are, in many cases, actually eroding the localism that local government was essentially put in place to deliver.

Localism is being eroded in the name of economic efficiency, cost shifting or economies of scale and under the guise of eradicating two or three general managers because you then only have to pay one general manager et cetera. We have seen all of it happening across Australia, and there are always very good reasons why it would be better to eradicate the localism from local government. However, I think the great strength of local government is that it does have the capacity to represent local people at a local level on local issues. Quite obviously, with technology et cetera now you could, theoretically at least, run the business of local government from the top of Ayers Rock. But that misses the point of some of the major things that local government provides—that is, a local voice for local people on local issues.

I am very much in support of local government being maintained and that we do not just look at this business of how you can most efficiently deliver the services to people at the cheapest possible cost. I have said in this place before that, in terms of that sort of economic rationalist thinking, the most efficient way to deliver the greatest number of services to the highest number of individuals at the lowest possible unit cost is to put those people in a feedlot, and that is exactly what we have done in terms of some of our major cities. I was absolutely disgusted in recent days to see the Prime Minister in this place scoring what I consid-
ered to be fairly cheap political points against the opposition. I do not think the opposition has been right in terms of its stance on this issue either, but the Prime Minister has maintained a view that we should be opening up more and more land around our major cities and that, in some sort of convoluted fashion, that would cheapen the price of housing.

That is an indication of where the government is going in terms of policy, and it is a very strong indication to regional local government that the two major parties here, the Liberal Party and the Labor Party, essentially stand for a centralisation of the population—the feedlot mentality, which is the issue that I was talking about a moment ago. The most efficient way to deliver the greatest number of services at the lowest possible unit cost to the greatest number of people is to put them in a feedlot. We can look at the geography of the Sydney basin, the pollution impacts of the Sydney basin and the health impacts of the Sydney basin in the future, yet the Prime Minister stands up in this parliament day after day and says that we should release more land in our major cities and that that in some way will have an impact on the cost of housing, in a nation the size of ours. The Prime Minister quoted the Deputy Leader of the Opposition today regarding some very similar statement that she had made. So the feedlot mentality is in fact the policy of both sides of this parliament, and the cheapest way of providing services to people is to put them into major cities and ignore the regional consequences.

On the other hand we have this debate about the need for greater infrastructure inland. The two issues tend to run at a tangent, in a sense, and somebody might be able to explain how you can run both those agendas when on the one hand you have the policy mix that is saying, ‘Proceed to the nearest feedlot and, if possible, use gravity to some sort of physical advantage,’ while on the other hand we have people saying that we need such things as inland rail networks and that we need to develop regional Australia.

Whenever regional Australia issues are mentioned—for instance, the development of the ethanol industry—we have this argument going back the other way: ‘No, unless the market can dictate the terms, it is not possible—we can’t foster the advent of new industries; we can’t assist in any meaningful fashion to encourage the development of those industries.’ But with respect to the building industry—and I am not opposed to this, but I think the House should be aware of it, and I have raised it a few times when the drought has been raised—if you look at drought assistance, about $300 million over four years has actually been spent on business assistance to the farming community. Some would say, particularly those at a local government level, that that is not sufficient for the worst drought in 100 years. The Treasurer and others would suggest that you cannot prop up industry; that over time they have to learn to stand on their own two feet. But look at what has happened to the building industry over that period of time—or for one year longer than the worst drought we have ever had. The goods and services tax came out. The government recognised a political problem—and a real problem—in that the 10 per cent imposition of the goods and services tax would have an impact on the price of a house. The building industry cried foul and said that this would decimate this particular industry. They said, ‘You can’t do this to us. You have to help us through this particular period.’

The First Home Owners Scheme was born to assist our young people into housing. I am not suggesting that is a bad thing, but in a real sense it is a direct subsidy of the building and construction industry. I think at last count somewhere between $5.6 billion and $6 billion has been spent on that program, with the employment impacts that that obviously has for the in-
I am not arguing the rights or wrongs of that, but I do argue that the $300 million spent on business assistance during the worst drought in living memory should not be viewed as a massive subsidy to a few peasant farmers when assistance of the order of $6 billion is offered by the same government, in the main to the western areas of our major metropolitan areas where, coincidentally, most election results are determined. I will leave that issue at that point.

I have spoken about the constitutional issue of local government and the recognition of local government. The other point I would like to make is that, in my view, the Australian Local Government Association do very little to promote their cause in this place. I would suggest that, rather than come to this place with last year’s 150 motions determined at their conference, they come to the government, the opposition and the crossbenches with one, two or three major issues that they see of importance. If those major issues happen to include the constitutional recognition of local government, they could actually drive that debate. I do not see that happening in here. Maybe they do not come and talk to me; they probably talk to some of the other members. But I do not see it and I do not read about it happening.

I have absolutely no doubt that local government has a problem with its income stream. That is mainly state induced; I am not blaming the federal government for all of this. If there is not enough income to deliver the services that local government is required to deliver and there is very little growth in federal assistance grants and other sources of revenue that local government is able to garner, the 450 local government bodies across the nation could weld together on two or three specific issues and demand what they want of the government and the opposition of the day, be it one per cent of income tax, so much of the goods and services tax or whatever else. It may well be a proportion of the fuel excise to reconstruct the country bridges on local roads across the nation or a variation of that theme. But I do not see the Australian Local Government Association setting the agenda in this place. I see it more as receiving the agenda of the government of the day and almost saying ‘Thank you very much’ for any little bit extra that it gets.

To the credit of the federal and local governments, I have seen an initiative where, when they came together, they were able to set an agenda and have it delivered by government. That was the Roads to Recovery program—an excellent program. It actually cut the head off the state governments on the way through and delivered the funds to local government. They made the decision locally about how the money was going to be spent and the federal government was able to deliver. I think that funding comes to about 1c of the excise from each litre of fuel bought at the bowser. It has had a massive impact, but, if all the country bridges on local roads in Australia are in a dreadful state, perhaps it is time to look at a ‘bridges to recovery’ program that uses some of the fuel excise. I am against the concept of energy tax as it currently exists, but, if it is to remain, perhaps some of it should be targeted towards some of the infrastructure needs that people have.

I say this to the Australian Local Government Association. Don’t come in here with an agenda that is 150 motions long. Determine what is important. Get your people behind it. Determine what you agree on, not what you argue about. And set the agenda within this place. I am sure that in terms of those major issues, if you need an income stream, constitutional recognition or having bridges fixed, then, if you come as one and are prepared to get behind those issues and not go to water when the heat comes on, you will have enormous success in

MAIN COMMITTEE
achieving a policy outcome not only at this level but, most importantly, at local community level.

DISTINGUISHED VISITORS

The DEPUTY SPEAKER (Hon. AM Somlyay)—Before calling the honourable member for Barker, I inform the Main Committee that we have present in the gallery the Deputy Speaker of the House of Commons, Sir Alan Haselhurst. On behalf of the Committee, I welcome Sir Alan.

Honourable members—Hear, hear!

LOCAL GOVERNMENT

Debate resumed.

Mr SECKER (Barker) (5.21 pm)—Mr Deputy Speaker, I join with you in welcoming the Deputy Speaker of the House of Commons. This morning I had the pleasure of spending about an hour with him, talking about different matters that we have a common interest in, including the way parliament is run and this Main Committee. It is a pleasure to have someone of his stature here watching us in this Main Committee.

I found it very interesting to listen to the member for New England when he referred to feedlots. I know there is a very interesting agricultural analogy with the centralising of our populations in cities around Australia. That has been going on from time immemorial: as long as this country has been a federation, the population has been going into the cities. I would agree with him in one area: I would not want to bring my children up in the city; I would rather bring them up in the country. I think we would all be better off socially if more people were brought up in rural areas—where there is more of the real world approach to life and a more honest approach to life.

Ms Hall interjecting—

Mr SECKER—I was actually referring to the member’s speech. I think I have a right to rebut or agree with the member’s speech. I thought it was an interesting—

Ms Hall interjecting—

Mr SECKER—Yes, I do think it is very much more in the real world in rural areas, because they deal with life, and often life and death matters, when it comes to—

Ms Hall—I have a question for the member.

The DEPUTY SPEAKER (Hon. AM Somlyay)—Is the member for Barker prepared to accept a question?

Mr SECKER—No.

Mr Windsor—He is making a very important point.

Mr SECKER—I think it is too, but I think it was a little bit unfair to refer to the Prime Minister’s reference to interest rates and the availability of land, which is a local government matter and often a state government matter. He was not using that as a reason to centralise populations in Australia; it is more about the old supply and demand. There is demand for people to live in cities. If you do not supply enough for the demand—if you do not supply enough land—then that excess demand raises the price. I think that is very simple economics
that the Prime Minister is referring to. I certainly do not think it was fair to verbal him and to suggest that we raise that as ‘feedlots’, in the terminology of the member for New England.

The member for New England also raised the GST issue. In 2000, local government lost a real opportunity to get a share of the GST income. We have seen the state governments go from one level of income and then go up quite a bit to another level of income, which the local governments all around Australia have not benefited from. I have always been a believer because I think local government generally is a very efficient user of government moneys.

We have seen that local governments used every cent of the Roads to Recovery money that the member for New England also referred to. As a result of that, I think we have seen a great improvement in our roads. I was part of the House of Representatives Standing Committee on Transport and Regional Services, which really came up with that idea. There was a real need for us to go directly to local government and increase the funding. The Australian Local Government Association chairman at the time showed us that we had a real problem with not only the upgrading of roads but also keeping up with the maintenance of roads under local government responsibility. The Roads to Recovery program has been a great program and we have increased it. I am not quite sure whether the member for New England was correct when he used the terminology of 1c excise. My quick calculation was that it was about 3c.

Mr Windsor interjecting—

Mr SECKER—My calculations say that definitely. The idea of constitutional recognition was interesting. I was in local government when that idea was put to a referendum. One of the arguments was that we could not, as a federal government, deal directly with local government because it was not recognised under the Constitution, although several of the local governments were recognised under state constitutions, which were in turn recognised by the Australian Constitution. The argument was that we could not deal directly with local governments. We have proved that wrong now.

Ms Hall—Did you vote against it?

Mr SECKER—I actually did vote against it because I did not see the need for it. I have always believed—and we showed this with Roads to Recovery—that we are able to deal directly with local governments. There was not a constitutional bar and in fact we did not need that.

Ms Hall—Mr Deputy Speaker, I have a question.

The DEPUTY SPEAKER (Hon. AM Somlyay)—Does the member for Barker wish to accept a question?

Mr SECKER—I am not answering it. In actual fact we have proved that we did not need that constitutional recognition to deal directly with local government. We have proved with the Road to Recovery program that we do deal well with local government. Because we do not have that constitutional recognition, it does not mean that we cannot actually achieve a lot with local government. In fact, Regional Partnerships is a great example. I know that the Labor opposition opposed it and said it was a rort for rural areas. But it has actually been a great way of having partnerships between federal government, state governments, local governments and local community.

Mr Bowen interjecting—
Mr SECKER—In actual fact, I do not have a marginal seat, as Deputy Speaker Somlyay would know. I have received more Regional Partnerships funding in South Australia than any other area in South Australia. It is not for marginal seats. It is actually balanced all around Australia for rural areas. It came about as a result of a summit—I believe it was in 1999—at which the Deputy Prime Minister at the time brought together ideas on what local rural people wanted. That is the history. We have been able to achieve things with local government and state governments through programs such as Regional Partnerships.

Today I rose to speak on local government, which I have a reasonable knowledge of. In fact, I spent 11 years as a councillor in local government in South Australia. I was first elected at the age of 25. I think I was the second youngest councillor in South Australia at the time of my election. I am quite sure that local government is a place that quite a few members of this parliament have cut their teeth on and in which they have learned about representing their constituents, although the local government area is much smaller, with smaller constituencies.

I found it interesting that, when I was first elected, we did not receive any payment at all except for expenses for travelling. I think after a few years we received the princely sum of $200 annually. When I retired—and I was deputy mayor of the Mount Barker council at the time; that is probably a good name for the council, given that I represent the federal seat of Barker—I received the princely sum of $1,500 annually. I think I worked that out to be about 7c an hour for my labours.

We were not highly paid, but most people who go into local government do so to serve their community. Most of them do it to the best of their ability; it is a good training ground for politicians. To me, local government has always been that level of government that deals even more directly with its constituents because of the issues it deals with. It might be rubbish collection; it might be direct planning; it might be a whole lot of issues—food quality—that are more important on a day-to-day basis than the big picture issues we deal with.

I certainly have great pleasure in working with the local government areas in my constituency, the seat of Barker. In fact, I have 16 councils in my electorate and I have regular contact with them as well as with the local government associations. I also try to get to the annual South Australian Local Government Association meeting in South Australia each year. Local governments do have a feel for the local issues, and that is another reason why they are a very important contact for any member of parliament. You can ring them up very quickly and they can say, ‘This is what’s happening with this issue; this is our feeling; we talk to a lot of people.’ They are certainly a great resource for any politician if they wish to use them.

So it gives me great pleasure to speak on this resolution before us. As I have said a number of times, including in my maiden speech, I believe that where possible—and I echo the comments of the member for New England—local people should decide their own fates as best they can for their own areas. I am very much decentralist when it comes to government: if local areas can make decisions for themselves, that devolution of power back to local regimes works well for democracy. They play a very important part in democracy in this country. They provide us with the basic services that allow us to work and do business, to socialise with friends, to gain an education and to ensure that we have a clean and safe environment. The role and functions of a council, as set out in section 6 of the South Australian Local Government Act 1999, are:
(a) to act as a representative, informed and responsible decision-maker in the interests of its community …
(b) to provide and co-ordinate various public services and facilities and to develop its community and resources in a socially just and ecologically sustainable manner …
(c) to encourage and develop initiatives within its community for improving the quality of life of the community …
(d) to represent the interests of its community to the wider community …
(e) to exercise, perform and discharge the powers, functions and duties of local government under this and other Acts …

The range of regulatory services provided by all councils include land use planning, development, building control, fire prevention, dog and cat management and control, parking control and food and public health inspection. Further to these services, councils oversee local road construction and maintenance; footpath construction and maintenance; street lighting; waste management; recycling; stormwater and drainage; library and information services; maintenance of parks, ovals and sporting facilities; coastal care; home and community care services for elderly people and for those with a disability; tourism initiatives; and crime prevention programs. So there is a very wide, very direct relationship between local councils and the people they represent.

Coming back to the Roads to Recovery program, I recall that the Leader of the Opposition called the Roads to Recovery program a boondoggle. How out of touch is he with what local councils think about the Roads to Recovery program? I can assure you, Mr Deputy Speaker, that every local council area in my electorate, and I would suggest all around Australia, thinks the Roads to Recovery program is fantastic.

Councils contribute to many issues that are important to everyday living. Without these services being attended to, we would be in quite a state. Our local roads would be poor, footpaths would be dangerous, rubbish would be strewn in the streets, and other hazards and issues would be poorly managed.

Our government has increased the total amount allocated by way of financial assistance grants to local government for 2006-07 by $67.4 million, so we do continue to increase funding in this area. But I come back to my earlier point. I firmly believe that a share of GST should be going to local government. I think that is an issue that they really need to put some work into, and I would support them wholeheartedly.

Mr BOWEN (Prospect) (5.36 pm)—I am pleased to make some brief comments on this motion moved by the Minister for Local Government, Territories and Roads. Of course, local government is very important to people’s lives. Other honourable members have referred to this. Any honourable member who goes doorknocking, holds a mobile office or has any other form of community interaction would say that many of the issues that are raised with them are local government issues—less so than perhaps federal or state issues. Of course, local government affects people’s lives very directly.

In my case, I served for nine years in local government, including as a mayor, and as the President of the Western Sydney Regional Organisation of Councils, WESROC, in the fourth largest city in terms of population in New South Wales and the fifth largest city in Australia—Fairfield, which has 200,000 residents and a budget of $100 million. I have seen first-hand
over those nine years in local government the stretch on resources faced by a council that is
trying to do good work, that is trying to improve its community, but that is dealing with con-
stant cost shifting from both federal and state governments, which come in and perhaps start
programs and then abolish them. At this stage the community has come to expect them and
has a real need for them and it is then incumbent on local government to continue them from a
very limited funding base. I think there is much more scope for local government to be much
more effective across the country with more support from both federal and state governments.

It is hard to disagree with the sentiments expressed in the motion moved by the minister,
but I would like to deal with some of the matters of substance. The first matter I would like to
deal with is funding. In 1996, the figure for financial assistance grants to local government as
a percentage of Commonwealth tax revenue was 0.97 per cent. In 2006-07, it has fallen to
0.77 per cent and by 2009-10 the figure is estimated to fall to 0.75 per cent. I think that is a
retrograde step and I would support the calls from the Australian Local Government Associa-
tion to restore financial assistance grants to one per cent of Commonwealth tax revenue.

In fairness, I do know that there are other forms of grants for local councils, including
Roads to Recovery, but financial assistance grants are grants which the council is allowed to
spend on their priorities as they see fit. They are a level of government that is very close to the
people and they know what priorities are important in their own area. I think the financial as-
sistance grants are underdone and I think it would be a good thing if they returned to one per
cent of Commonwealth taxation revenue, as they were under the previous government.

Perhaps even more importantly, I think one of this government’s most retrograde steps was
the abolition of the Better Cities Program, the abolition of the Department of Housing and
Urban Affairs and of the office of the Minister for Housing and Urban Affairs. Not only
would I like to see the Better Cities Program reinstated; I would like to see it reinstated on
an expanded scale. Local councils could do much for their local environment with more sup-
port from the federal government. I have seen local councils come up with great ideas and
plans to improve their local environment, but they have very limited resources to do so.

The Better Cities Program would be one where federal and local councils could work to-
gether, with assistance from state governments, to improve local environments and to do
some really good things. The honourable member for Shortland particularly would know the
benefits of the Better Cities Program through the Honeysuckle Development, which I know is
not in her electorate but is in the general region.

Ms Hall—And benefits everyone in the region.

Mr BOWEN—And benefits everyone in the region. It is now 10 years since the Better Cit-
ies Program was abolished and we have seen 10 years of lost opportunities when it comes to
the sorts of programs that could have been funded under Better Cities.

I would also like to make mention of the issue of flood mitigation, which is a particularly
important issue in my electorate. Under the previous government’s Urban Flood Mitigation
Program, funding was provided to local councils on a 2:2:1 basis—that is, two from the fed-
eral government, two from the state government and one for local councils. A lot of work was
done under that program, particularly in Fairfield city. Many of us in Fairfield, including me,
remember the impact of the 1988 floods, which left a damage bill in our city alone of $15 mil-
lion and at least 700 dwellings and more than 30 factories flooded above floor level. Emer-
gency services rescued 550 people. I remember trying to get home in the 1988 flood. I had to jump fences and swim across my neighbour’s backyard just to get home. It was a particularly devastating thing for Fairfield, and over the last 20 years Fairfield City Council has made a really strong effort to conduct flood mitigation works to reduce the impact of future floods. The 1988 flood was what we call a ‘one-in-a-hundred-years flood’, but it is likely to come again and Fairfield City Council has identified $23 million worth of outstanding flood mitigation works. The Urban Flood Mitigation Program was effectively emasculated by the incoming Howard government in 1996 and there has been very little federal government support for flood mitigation since that time. I think Fairfield City Council has written to every successive minister for local government and to the Prime Minister, and the issue has been raised at local government conferences; yet we have seen no action and no progress.

I want to refer briefly to the matter of child care, which is of course an important matter in the community. I was concerned that the federal government recently changed the way in which the child care supplementary worker program was implemented. Fairfield City Council, amongst others, has for 20 years provided the supplementary worker program, which is a program whereby child-care centres are given support and assistance in dealing with children with special needs, who have a greater call on resources and have special educational needs in the early years of their life. That program was put out to tender and Fairfield City Council bid, with other south-western Sydney councils, to continue the work that they have done over the last 20 years. They lost that tender and the work has now gone to another organisation. I have nothing against that other organisation and, in principle, putting government services out to tender is nothing that I would object to, but where you have a council that has done good work—nobody has complained about the work; it has been done efficiently for 20 years—I really would question whether the move to put that work out to tender has been driven by a case-by-case analysis or by an ideological approach.

I do want to say something about local government itself. I think local government could do more to help itself. The honourable member for New England referred to this. I feel there is more scope for amalgamation in local government. I cannot claim to speak for other states. Sydney is the only city that I know well in terms of the local government boundaries. But I think that, for efficiencies, larger councils are better. I served for nine years on a council of 200,000 people, which makes it the fourth biggest city in New South Wales. I think that councils with very much smaller populations than that could do well to examine the prospects of amalgamation. I do not refer particularly to rural areas, because they obviously have big areas to cover, but to metropolitan areas where you have very small councils. Fairfield City Council, I once said when I was mayor, mowed the same area that some of the smaller councils were in total. Fairfield City Council’s parklands were equivalent in area to Hunters Hill Council, which is one of those councils that should be looking seriously at amalgamation to improve the services it has available to its residents. I think amalgamation should as a general rule be voluntary but that local government should be taking it very seriously.

The other initiative that I think councils should be embracing is the Independent Hearing and Assessment Panel, which again we introduced in Fairfield council. We were, I think, the second council in Australia to introduce one after Liverpool. It is a process with a much less confrontational approach to development approvals—

Ms Hall—It operates like precinct committees.
Mr BOWEN—It is not really similar to a precinct committee. It is a process whereby, if somebody has a development application before the council, the council delegates the consideration of that to a panel that consists of a community planner, a lawyer, an architect and a community representative. They sit around the table and work out if there is a way that objections to a development can be overcome and then make a recommendation to the full council. We found in Fairfield council that our legal bills in the Land and Environment Court fell very dramatically. People were much more satisfied. Not only were objectors much more satisfied that they had their case heard but also developers were much more satisfied, because they got a quicker result and they were able to overcome issues without taking them to the Land and Environment Court.

It has been some years since I put my mind to local government, having retired at the last election and not having to think or talk about local government since then, but I did want to take the opportunity to make this brief contribution. I think local government does deserve our support. I support constitutional recognition and a referendum to achieve as much, but I think that it is more important to give resources to local government and provide them with more funds to do the job they do best.

Mrs MOYLAN (Pearce) (5.46 pm)—I am very pleased to have the opportunity to speak on this historic parliamentary motion on local government, which was introduced into the House of Representatives last week by the Minister for Local Government, Territories and Roads, the Hon. Jim Lloyd MP. I take this opportunity to congratulate Speaker Hawker, who at that time was the chair of the House of Representatives Standing Committee on Economics, Finance and Public Administration, whose inquiry produced this report. I also congratulate the other members of that committee, because I understand it was a unanimous bipartisan report.

The objective of the motion before the House, which came out of the report, is to recognise the contribution that local government makes to democracy. Through this motion, the Australian government acknowledges the role and importance of local government and the role they play at the local community level. The Australian Local Government Association, represented by the president, Councillor Paul Bell, was instrumental in bringing this motion forward in consultation with Minister Lloyd, and I have written in support of it. I am pleased to place on the record my support for the 19 local government areas that are responsible for local communities spread over the 26,000-odd square kilometres of the Pearce electorate.

Both the electorate representatives and the full-time officers in local government deserve recognition for the tremendous work they do. Most local government elected representatives, at least in Western Australia, receive no remuneration for the work they do. It has become obvious to me over the years that more and more responsibilities are placed on local government councillors, and some of the issues are exceedingly difficult to manage. Issues in growing communities of town planning matters and approval of new developments are very difficult matters indeed and often cause great consternation in the community—and I notice that our councillors come in for a fair amount of criticism.

Personally, I find that staying in touch and consulting with local government on a range of issues in the Pearce electorate—issues that affect the communities for which we have a shared responsibility—is a very worthwhile activity and a great opportunity to find out about the aspirations of local communities. This regular contact with the 19 councillors and shires keeps me abreast of the local issues and matters of concern. Having had discussions with local gov-
ernment, I am then able to come back to this place and convey their concerns on various issues to relevant ministers, and on many occasions we have arranged meetings.

I note that the member for New England talked about greater interaction by local government with members and senators. On many occasions when there have been specific issues to be addressed, we have arranged for people to come over here and talk directly with the relevant minister. There have been many occasions when we have had great success. Probably two of the biggest issues for my electorate are the crossroads between the eastern seaboard and the road that takes all the traffic to the northern mining and pastoral areas. Those two roads have been under greater and greater pressure from large trucks carrying double and treble loads, and the roads simply were not designed for that kind of traffic. So these have been two ongoing issues, both of which have been resolved substantially by local government representatives coming here to Canberra, all the way from Perth in Western Australia, and talking through those issues with our ministers.

In the case of Northam, I have had the greatest support and activity from both the council and the shire. There are two local government representatives there, and both the former and current incumbents have been tireless in meeting with ministers and putting their case. The result a few years ago was a $55 million bypass road for the town of Northam, which had been something they had wanted for two or three decades.

In relation to the Great Northern Highway, nobody could have worked harder than the shire president, Jan Stagbouer, and both her previous chief executive officer and the current incumbent, to get money to fund improvements to the Great Northern Highway, which carries all of the traffic up to the northern pastoral and mining centres of Western Australia. With the boom in mining, this was very urgent roadwork. Once again, they have been tireless in coming to this place or, when our ministers have been visiting Western Australia, making sure that they were in touch, putting their case and very often having to straddle both federal and state governments to ensure that these works were put on the urgent list. I cannot speak highly enough of the work of local government in the Pearce electorate and about the way in which our local government representatives conduct themselves. In most cases, it has just been exemplary.

Many projects apart from roads have been undertaken in the electorate of Pearce. I cannot name all of them; they have just been too numerous. I think we all recognise the importance today of the need to reduce greenhouse gases and the need to conserve water. There have been some wonderful projects supported by local government and funded by the federal government in energy efficiency. The energy efficiency house at Northam won a number of awards and it is a great demonstration project about how the average citizen can actually save energy and conserve water. It was a fantastic project and it continues to be a very popular one. Community water grants have been available for several Pearce councils for important water conservation projects.

For those who do not know the electorate of Pearce, it is an electorate that grows a large quantity of grain and sheep, with both wool and meat being major exports. In addition, we have a lot of intensive agriculture, such as olive growing, the Swan Valley wineries and table grape production in the Swan Valley. In fact, it is the oldest wine-growing region in Western Australia. Many new industries have been set up. So water conservation has become a very significant issue in the electorate of Pearce.
I spoke after the 2004 election in a grievance debate about housing affordability, which I think is a very significant issue, particularly in trying to make sure that young couples can afford to get into new housing. As I said at that time, that could have been achieved by opening up more land. Certainly in Western Australia and in the Pearce electorate that is achievable, if only the state government would commit to spending some money on infrastructure.

The Chittering shire president, Jan Stagbouer, met with Malcolm Turnbull, the Parliamentary Secretary to the Prime Minister, on water, who then made representations to the Western Australian government to try and transport water 30 kilometres from Bullsbrook to Chittering. With that extended pipeline, there would be plenty of land available for development. They are trying to build an aged-care facility, but they are constantly stymied by a lack of water and a lack of commitment by the state government to fund the extension of the pipeline. As I said, it is only a matter of about 30 kilometres, so it is a great tragedy that these projects could be up and running very quickly if only we had that commitment by the state government to infrastructure.

The member for New England talked about bridges as well. The government did have a program. It was funded to improve and repair bridges that were in disrepair. I recently opened the Glebe bridge in York. This money came out of the original Roads to Recovery funding allocation. Another thing an electorate like Pearce needs to consider, because we have got a lot of national parks and large tracts of heavily wooded areas, is bushfire and natural disaster mitigation funding. Our electorate has been the beneficiary of the federal government’s funding for natural disaster mitigation.

We have seen local government become more and more involved in providing social services including medical services, childcare facilities and support for people with a disability in their communities along with other programs. One of the programs very strongly supported and funded by the federal government has been the rural medical infrastructure fund. It has been well received by local governments in the electorate of Pearce.

I could go on. There are so many programs that the federal government has funded, but one of the most popular, and one that I have been asked continually to write to our ministers about and raise in the party room, is the Roads to Recovery program. It has been so successful that every year before the budget I get a flurry of activity from local government representatives asking me to make sure the government keeps funding this program. It has been an enormous help. Again, representing an electorate with many rural towns and small rural communities, the road conditions are so important not only in fuel conservation in these days of high fuel costs but also to get people to medical treatment and to transport farm produce to the wharves and to the airports and by rail. This has been very welcome in the electorate of Pearce and we hope the federal government will continue to fund the Roads to Recovery program for some time to come. It has been an important catch-up program.

Sometimes we do not talk about the Green Corp project, but local government has been the beneficiary of both Green Corp money and Work for the Dole funding. This not only has helped young people to get a better understanding of the importance of conserving our natural environment but also has done very practical work to help communities in local government areas. Local governments have been very supportive of the federal government’s Green Corp and Work for the Dole projects. Work for the Dole has offered employment opportunities to people in the community who might otherwise remain on the dole for a very long period of
time. I welcome the interest that the shires have shown and the practical attempts they have made to take advantage of these two fantastic programs—Work for the Dole and Green Corp—and we see the benefit of those programs every day.

I want to finish by saying that I look forward personally to continuing to work closely with the 19 local government area representatives in the Pearce electorate. I hope to build on the productive working relationship I have with them so that by working together we can endeavour to fulfil the aspirations of the people that we represent and continue to provide the infrastructure and the support services that are so important in an outer metropolitan, regional and rural seat such as Pearce. This motion has my complete support.

Debate (on motion by Ms Hall) adjourned.

Main Committee adjourned at 6.00 pm
QUESTIONS IN WRITING

Visas
(Question No. 3476)

Ms Burke asked the Minister representing the Minister for Immigration and Multicultural Affairs, in writing, on 9 May 2006:

(1) For the period since 1996, will the Minister provide a list of each type of temporary entrant visa (a) currently issued and (b) no longer issued including a description of the visa’s conditions and purpose together with the number issued.

(2) Are there records of the names of all individuals issued a temporary entrant visa; if so, (a) what year do the records commence, (b) for how many years are the records retained, and (c) what other details of the visa holders are recorded and for how long is this information retained.

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

(1) (a) For the period since 1996, the table at Attachment A lists each type of temporary entrant visa currently issued by the Department of Immigration and Multicultural Affairs (DIMA), including a description of each visa’s conditions and purpose, together with the number issued.

(b) For the period since 1996, the table at Attachment B lists each type of temporary entrant visa no longer issued by DIMA, including a description of each visa’s conditions and purpose, together with the number issued.

Note: Visa conditions are listed by number. Attachment C provides a list of all visa conditions by number.

(2) Yes. DIMA records the names of individuals issued temporary entrant visas on a number of computer systems.

Currently, the names of temporary visa applicants and the details of their visas are found on the Department’s Integrated Client Services Environment (ICSE), Immigration Records Information System (IRIS) and Electronic Travel Authority System (ETAS) – depending on the applicant’s circumstances.

The names of all individuals granted visas are also loaded onto the Department’s Travel & Immigration Processing System (TRIPS) which includes the Movements database. Data from TRIPS is also uploaded into other systems such as Advanced Passenger Processing System (APPS) and ETAS.

The Department also keeps paper file records on some temporary visa holders. Some records of visas issued before 1990 are also available on microfiche and some related electronic documents are stored on the Department’s Total Records Information Management (TRIM) system.

(a) The records available on different departmental systems commence at different times. ICSE records date back to 1998 and IRIS records date back to late 1981.

Automated data on temporary visa holders is available on TRIPS from 1990 onwards. Earlier data is available, however, drawing on data entered manually from passenger cards.

Paper records on temporary visa holders have been created by the Department since its inception. Since 1999, these records have been registered on the Department’s TRIM system.

(b) All records held by the Department on temporary visa holders, whether paper or electronic, are managed in accordance with the Archives Act 1983 and are subject to related legislation such as the Privacy Act 1988, the Evidence Act 1995 and the Freedom of Information Act 1982.
Onshore applications for temporary visas are destroyed two years after departure of the visa holder is confirmed.

The majority of offshore applications for temporary visas are destroyed two years after the relevant period of temporary entrance has ended or a decision has been made to refuse the application. Some tourist visa applications are, however, destroyed immediately after approval or within six months of the decision to refuse the application.

Electronic departmental records on temporary visa holders are retained indefinitely.

(c) Other details of visa holders recorded by the Department vary. At a minimum, departmental computer systems record basic biographical data, including a visa holder’s date of birth, country of birth, sex, marital status, passport number, country of passport and date of passport grant.

More detailed information about visa holders is, however, often available, particularly on ICSE and IRIS, depending on the nature of the case and the information provided to the Department during the visa application process. For example, IRIS case notes could contain details about the visa holder’s family composition, financial status, study commitments and employment status.

Departmental paper records similarly contain any details of the visa holder included in the relevant visa application, any supporting documentation provided and any written correspondence between the visa holder and the relevant departmental officer.

Attachment A

LIST OF TEMPORARY ENTRANT VISAS CURRENTLY ISSUED BY SUBCLASS

* Visa grant numbers below 1000 have been rounded to the nearest 10. Visa grant numbers above 1000 have been rounded to the nearest 100.

** An explanation of visa condition codes is provided at Attachment C. Please note that some of these conditions are only imposed on either the primary visa applicant or any dependent applicants.

# Visa grants for this subclass are only available for the period between 2000-01 and 2005-06 (as of 17/5/06).

<table>
<thead>
<tr>
<th>Visa subclass</th>
<th>Subclass Description</th>
<th>Approximate number issued 1996-97 to 2005-06 (as of 17/5/06)*</th>
<th>Purpose of Visa</th>
<th>Mandatory Visa Conditions**</th>
<th>Discretionary Visa Conditions**</th>
</tr>
</thead>
<tbody>
<tr>
<td>159</td>
<td>Provisional resident return</td>
<td>480</td>
<td>This visa provides a return facility for persons who claim, but are unable to prove that they are Australian permanent residents, and have an urgent and compelling reason to travel to Australia before their claim can be proved.</td>
<td>the holder must travel to and within 3 months of grant of the visa.</td>
<td>N/A</td>
</tr>
<tr>
<td>160</td>
<td>Business Owner (Provisional)</td>
<td>450</td>
<td>This visa is for people who have a successful business career including senior management or ownership, and have a genuine and realistic commitment to be involved as an owner in a new or existing business in Australia.</td>
<td>If the applicant is when the visa is granted, first entry must be made before a date specified by the Minister for the purpose.</td>
<td>8502,8515</td>
</tr>
<tr>
<td>161</td>
<td>Senior Executive (Provisional)</td>
<td>80</td>
<td>This visa is for senior executive employees of major overseas businesses, who have significant net assets and a genuine and realistic commitment to participate in the management of a new or existing business.</td>
<td>If the applicant is when the visa is granted, first entry must be made before a date specified by the Minister for the purpose.</td>
<td>8502,8515</td>
</tr>
<tr>
<td>162</td>
<td>Investor (Provisional)</td>
<td>70</td>
<td>This visa is for people who have an overall successful record of business or investment activities, have significant net assets and are willing to invest funds in a designated investment in Australia for four years. Applicants must also have a genuine and realistic commitment to be involved in investing or business in Australia.</td>
<td>If the applicant is when the visa is granted, first entry must be made before a date specified by the Minister for the purpose.</td>
<td>8502,8515</td>
</tr>
</tbody>
</table>
**Visa subclass** | **Subclass Description** | **Approximate number issued 1996-97 to 2005-06** | **Purpose of Visa** | **Mandatory Visa Conditions** | **Discretionary Visa Conditions**
---|---|---|---|---|---
163 | State/Territory Sponsored Business Owner (Provisional) | 5800 | This visa is for people who have a successful business career including senior management or ownership, and have a genuine and realistic commitment to be involved as an owner in a new or existing business in Australia. Applicants in this category must be sponsored by a state/territory government. | If the applicant is when the visa is granted, first entry must be made before a date specified by the Minister for the purpose. | 8502,8515 |
164 | State/Territory Sponsored Senior Executive (Provisional) | 370 | This visa is designed for senior executive employees of major overseas businesses, who have significant net assets and a genuine and realistic commitment to participate in the management of a new or existing business. Applicants in this category must be sponsored by a state/territory government. | If the applicant is when the visa is granted, first entry must be made before a date specified by the Minister for the purpose. | 8502,8515 |
165 | State/Territory Sponsored Investor (Provisional) | 780 | This visa is for people who have an overall successful record of business or investment activities, have significant net assets and are willing to invest funds in a designated investment in Australia for four years. Applicants must also have a genuine and realistic commitment to be involved in investing or business in Australia. Applicants in this category must be sponsored by a state/territory government. | If the applicant is when the visa is granted, first entry must be made before a date specified by the Minister for the purpose. | 8502,8515 |
173 | Contributory Parent (Temporary) | 2500 | This visa was introduced to allow for the expansion of the parent migration programme. It enables parents to apply for a temporary visa to enter Australia. They can then make a valid application to be granted the corresponding permanent contributory parent category visa at a reduced cost. | If the applicant is when the visa is granted, first entry must be made before a date specified by the Minister for the purpose. | 8502, 8515 |
300 | Prospective marriage | 42,200 | This visa is designed for people overseas who wish to marry their Australian citizen, permanent resident or eligible New Zealand citizen fiancée). Visa holders must travel to Australia and marry their sponsor within the period of visa validity. To remain in Australia, they then need to apply for a Spouse visa. | First entry must be made before a date specified by the Minister for the purpose. | 8502 |
302 | Emergency (permanent visa applicant) | 30 | This visa is intended mainly to facilitate the travel to Australia of persons who have applied for certain offshore permanent visas in circumstances where their ability to meet the visa criteria is still being assessed, but there is an urgent and compelling need for the applicant(s) to travel to Australia and there is no reason to believe that the remaining criteria will not be satisfied after the applicant’s entry to Australia. | N/A | 8301, 8302 or any other condition that could be applied to the permanent visa that they have applied for |
303 | Emergency (temporary visa applicant) | 70 | This visa is intended mainly to facilitate the travel to Australia of persons who have applied for certain offshore permanent or temporary visas in circumstances where their ability to meet the visa criteria is still being assessed, but there is an urgent and compelling need for the applicant(s) to travel to Australia and there is no reason to believe that the remaining criteria will not be satisfied after the applicant’s entry to Australia. | N/A | 8106, 8107, 8301, 8302, 8303, 8501, 8502, 8503, 8516, 8522, 8525 and 8526 |
405 | Investor Retirement | less than 10 | This visa is intended for self-supporting people who wish to retire in Australia and have no dependents, other than a spouse. Applicants must have a sponsorship from an Australian State or Territory government, where a designated investment will be made. | | 8104, 8504, 8516, 8501, 8503, 8502, 8522, 8525,8526 |
410 | Retirement | 22,900 | This visa is intended for long-term temporary stay in Australia for retired persons aged over 55 (and their spouse) to spend some of their retirement years in Australia. This visa closed to new applicants on 1 July 2005, but remains open to existing (and new spouses of existing 410 visa holders) and certain former Retirement visa holders. | | 8104 |

**QUESTIONS IN WRITING**
<table>
<thead>
<tr>
<th>Visa subclass</th>
<th>Subclass Description</th>
<th>Approximate number issued 1996-97 to 2005-06 (as of 17/5/06)*</th>
<th>Purpose of Visa</th>
<th>Mandatory Visa Conditions**</th>
<th>Discretionary Visa Conditions**</th>
</tr>
</thead>
<tbody>
<tr>
<td>411 Exchange</td>
<td>26,100</td>
<td><strong>This visa is intended to facilitate the entry of skilled persons under exchange arrangements, which give Australian residents reciprocal opportunities to work overseas – this includes people seeking entry under certain bilateral exchange arrangements.</strong></td>
<td>8107</td>
<td>8108, 8101, 8303, 8501, 8503, 8516, 8522, 8525, 8526</td>
<td></td>
</tr>
<tr>
<td>415 Foreign Government Agency</td>
<td>3,200</td>
<td><strong>This visa is intended for representatives of foreign government agencies who are not entitled to a Diplomatic (Temporary) visa, and for certain foreign language teachers who are to be employed in Australian schools as an employee of a foreign government.</strong></td>
<td>8107</td>
<td>8106, 8301, 8303, 8501, 8502, 8503, 8516, 8522, 8525, 8526</td>
<td></td>
</tr>
<tr>
<td>416 Special Programs</td>
<td>27,800</td>
<td><strong>This visa is intended for persons to participate in: certain youth exchange schemes approved by the Secretary; or community-based non-commercial programs and the organisation and the program have been approved by the Secretary; or to undertake study or research in Australia as the holder of a Churchill Fellowship. Special programs are intended to promote opportunities for persons to experience other cultures, to enhance international relations and to broaden the experience and knowledge of participants.</strong></td>
<td>8107</td>
<td>8106, 8301, 8303, 8403, 8501, 8502, 8503, 8516, 8522, 8525, 8526</td>
<td></td>
</tr>
<tr>
<td>417 Working Holiday (Temporary)</td>
<td>802,500</td>
<td><strong>This visa enables people between 18 and 30 to holiday in Australia and to supplement their travel funds through incidental employment. A second working holiday visa is now available to provide an incentive to holiday makers to do seasonal work in regional Australia, which is experiencing labour shortages.</strong></td>
<td>8108, 8201</td>
<td>8106, 8107, 8301, 8303, 8403, 8501, 8502, 8503, 8516, 8522, 8525, 8526</td>
<td></td>
</tr>
<tr>
<td>418 Educational</td>
<td>13,000</td>
<td><strong>This visa provides for the temporary entry of persons offered temporary appointment to a position at an Australian tertiary institution or research institution as an academic, librarian, technician, laboratory demonstrator; or to undertake research; or as a teacher at an Australian school or technical college.</strong></td>
<td>8107</td>
<td>8106, 8203, 8301, 8303, 8403, 8501, 8502, 8503, 8516, 8522, 8525 and 8526</td>
<td></td>
</tr>
<tr>
<td>419 Visiting Academic</td>
<td>36,500</td>
<td><strong>This visa is intended for academics whose primary purpose of stay is to observe or participate in research projects (without remuneration other than an allowance towards living expenses and travel costs) at the invitation of an Australian tertiary institution or research organisation.</strong></td>
<td>8103, 8107</td>
<td>8106, 8301, 8303, 8403, 8501, 8502, 8503, 8516, 8522, 8525, 8526</td>
<td></td>
</tr>
<tr>
<td>420 Entertainment</td>
<td>89,100</td>
<td><strong>This visa is for the temporary entry of people to work in film, television or live productions in either a performance or behind the scenes support crew role.</strong></td>
<td>8107, 8109</td>
<td>8106, 8301, 8303, 8403, 8501, 8502, 8503, 8516, 8522, 8525, 8526</td>
<td></td>
</tr>
<tr>
<td>421 Sport</td>
<td>39,600</td>
<td><strong>This visa allows for the temporary stay of amateurs or professional sports people who have the ability to participate at Australian national competition level or higher.</strong></td>
<td>8107</td>
<td>8106, 8301, 8303, 8403, 8501, 8502, 8503, 8516, 8522, 8525, 8526</td>
<td></td>
</tr>
<tr>
<td>422 Medical practitioner</td>
<td>34,500</td>
<td><strong>This visa provides for the entry of temporary resident doctors to help overcome the difficulties experienced in attracting and retaining doctors who can maintain the standard of health care in Australia. Temporary resident doctors must be sponsored by Australian employers to fill positions that cannot be filled by suitably qualified Australian citizens or permanent residents.</strong></td>
<td>8107</td>
<td>8106, 8301, 8303, 8403, 8501, 8502, 8503, 8516, 8522, 8525 and 8526</td>
<td></td>
</tr>
<tr>
<td>423 Media and Film Staff</td>
<td>4,800</td>
<td><strong>This visa is mainly intended for the temporary entry of persons who are making documentary programs (or commercials) exclusively for use outside Australia.</strong></td>
<td>8107</td>
<td>8106, 8301, 8303, 8403, 8501, 8502, 8503, 8516, 8522, 8525, 8526</td>
<td></td>
</tr>
<tr>
<td>Visa subclass</td>
<td>Subclass Description</td>
<td>Approximate number issued 1996-97 to 2005-06 (as of 17/5/06)*</td>
<td>Purpose of Visa</td>
<td>Mandatory Visa Conditions**</td>
<td>Discretionary Visa Conditions**</td>
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<tr>
<td>426</td>
<td>Domestic Worker (Temporary) (Diplomatic or Consular)</td>
<td>1,280</td>
<td>Intended for adult domestic workers employed in a private capacity by diplomatic and consular representatives posted to Australia, i.e. not intended for domestic workers and service staff employed by the diplomatic or consular mission. Provides for the temporary entry of persons to be employed as domestic workers by certain executives in charge of the Australian branch of an overseas organisation. The executive must hold a Temporary Business Entry visa (subclass 457).</td>
<td>8107, 8110</td>
<td>8106, 8101, 8301, 8501, 8552, 8516, 8522, 8525, 8526</td>
</tr>
<tr>
<td>427</td>
<td>Domestic Worker (Temporary) (Executive)</td>
<td>250</td>
<td>Intended for persons who seek to undertake work of a religious nature for a religious organisation in Australia and for which they have had relevant religious training.</td>
<td>8107, 8111</td>
<td>8106, 8301, 8501, 8552, 8516, 8522, 8525, 8526</td>
</tr>
<tr>
<td>428</td>
<td>Religious Worker</td>
<td>14,900</td>
<td>Intended for persons who seek to undertake work of a religious nature for a religious organisation in Australia and for which they have had relevant religious training.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>442</td>
<td>Occupational trainee</td>
<td>66,600</td>
<td>This visa provides foreign nationals an opportunity to enhance or gain additional occupational skills through a structured and supervised workplace-based training program in Australia.</td>
<td>8102, 8104, 8501</td>
<td>8106, 8107, 8501, 8502, 8503, 8505, 8516, 8522, 8525, 8526</td>
</tr>
<tr>
<td>444</td>
<td>Special Category</td>
<td>6,732,000</td>
<td>This visa is for NZ citizens who hold a valid passport and who are not a behaviour concern or health concern. It permits the holder to remain in Australia while the holder is a NZ citizen.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>445</td>
<td>Dependent child</td>
<td>3,200</td>
<td>This visa is intended for a dependent child of a visa-holding parent where the child was not included on the parent’s application for certain visas, and that visa has already been granted.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>447</td>
<td>Secondary Movement Offshore Entry (Temporary)</td>
<td>310</td>
<td>This visa is available to people who would be subject to persecution or substantial discrimination in their home country, spent seven days or more in a country where they could have obtained protection and entered Australia unlawfully at an excised offshore place. It is valid for three years and enables holders to gain access to a protection visa if they meet criteria. The holder cannot be granted a substantive visa other than a protection visa and entry must be made before the date specified by the Minister for the purpose.</td>
<td>N/A</td>
<td>8502</td>
</tr>
<tr>
<td>448</td>
<td>Kosovar Safe Haven (Temporary)</td>
<td>6,100</td>
<td>This visa was designed to allow for the entry and temporary stay of persons in humanitarian need who were resident in Kosovo in the Federal Republic of Yugoslavia on 25 March 1999; have been displaced from Kosovo since 25 March 1999; are outside or inside Australia at time of grant; and meet health, character and national security requirements.</td>
<td>8104 and 8506 if in Australia at the time of grant 8104, 8506 and 8529 if outside Australia at the time of grant</td>
<td>8103</td>
</tr>
<tr>
<td>449</td>
<td>Humanitarian Stay (Temporary)</td>
<td>370</td>
<td>This visa was designed to allow for the entry and temporary stay of persons in humanitarian need who have been displaced or are likely to be displaced from their place of residence; and have grave fears for their personal safety because of these circumstances.</td>
<td>8506</td>
<td>8101, 8104, 8301, 8529</td>
</tr>
<tr>
<td>451</td>
<td>Secondary Movement Relocation (Temporary)</td>
<td>540</td>
<td>This visa is for people outside Australia and their home country who would be subject to persecution or substantial discrimination in their home country, and spent seven days or more in a country where they could have obtained protection. It is valid for five years and enables holders to gain access to a permanent protection visa if they meet criteria. The holder cannot be granted a substantive visa other than a protection visa.</td>
<td>N/A</td>
<td>8502</td>
</tr>
<tr>
<td>Visa subclass</td>
<td>Subclass Description</td>
<td>Approximate number issued 1996-97 to 2005-06 (as of 17/5/06)*</td>
<td>Purpose of Visa</td>
<td>Mandatory Visa Conditions**</td>
<td>Discretionary Visa Conditions**</td>
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</tr>
<tr>
<td>456</td>
<td>Business (short stay)</td>
<td>1,499,600</td>
<td>This visa allows bona fide business people to visit to Australia for up to three months to conduct business. Examples of appropriate activities include a conference, negotiation or an exploratory business visit, but do not include acting, music performance or commercial film making.</td>
<td>8112</td>
<td>8503</td>
</tr>
<tr>
<td>457</td>
<td>Business (long stay)</td>
<td>401,000</td>
<td>This visa primarily intended to provide streamlined entry arrangements for Australian businesses seeking to recruit staff from overseas on a temporary basis.</td>
<td>8107</td>
<td>8106, 8301, 8303, 8403, 8502, 8516, 8522, 8525 and 8526</td>
</tr>
<tr>
<td>459</td>
<td>Sponsored Business Visitor (Short Stay)</td>
<td>730</td>
<td>This visa allows bona fide business people to visit to Australia for up to three months to conduct business. Applicants must be sponsored by a member of an Australian parliament, authorised government agency representative, local government mayor or an organisation specified by the Minister. Examples of appropriate activities include a conference, negotiation or an exploratory business visit, but do not include acting, music performance or commercial film making.</td>
<td>8106, 8112, 8205, 8303, 8403, 8502, 8516, 8522, 8525 and 8526</td>
<td>8103 (discretionary after 1/7/06), 8531 (discretionary after 1/7/06)</td>
</tr>
<tr>
<td>461</td>
<td>New Zealand Citizen Family Relationship (Temporary)</td>
<td>2,490</td>
<td>This visa enables family unit members of New Zealand citizens, who are not themselves New Zealand citizens, to travel to, enter and remain in Australia, on a temporary basis, for 5 years at a time.</td>
<td>N/A</td>
<td>8501, 8503</td>
</tr>
<tr>
<td>462</td>
<td>Working and Holiday (Temporary)</td>
<td>940</td>
<td>This visa enables tertiary educated people aged 18 to 30 to have an extended holiday of up to 12 months in Australia. These people can supplement their travel funds through temporary employment.</td>
<td>8108, 8201</td>
<td>8303, 8501, 8503, 8516, 8546</td>
</tr>
<tr>
<td>470</td>
<td>Professional Development</td>
<td>930</td>
<td>This visa enables employees/nominees of foreign government agencies, multilateral agencies and employees of overseas registered businesses to participate in tailored professional development programs in Australia.</td>
<td>8102, 8205, 8501, 8503, 8514, 8516, 8531, 8536</td>
<td>N/A</td>
</tr>
<tr>
<td>471</td>
<td>Trade Skills Training Visa</td>
<td>0</td>
<td>The visa enables people from overseas to undertake apprenticeships on a full-fee paying basis in regional Australia in trades that are in skill shortage. After finishing their training, overseas apprentices will be able to apply for permanent residence through existing regional migration visas.</td>
<td>8303, 8501, 8514, 8516, 8544, 8545 and 8546</td>
<td>8502, 8515 and 8518</td>
</tr>
<tr>
<td>495</td>
<td>Skilled-Independent Regional (Provisional)</td>
<td>4,660</td>
<td>This visa was designed to attract 3 main groups of applicants, namely: onshore graduates, or other skilled workers, who may not be eligible to apply for an onshore permanent visa, offshore applicants, who have not applied for a Skilled Independent subclass 136 visa application as they do not meet the Independent migration pass mark of 120 points, but can meet the Skilled Independent Regional (SIR) pass mark of 110 points, or applicants who have a current subclass 136 application which has been assessed and “pooled” at the SIR visa pass mark.</td>
<td>If the applicant is outside Australia at time of grant, first entry must be made before a date specified by the Minister for the purpose. 8539</td>
<td>8502, 8514, 8515</td>
</tr>
<tr>
<td>497</td>
<td>Graduate – Skilled</td>
<td>30,300</td>
<td>This visa was created to enable eligible overseas students enough time to have their skills assessed and meet all other Schedule 1 requirements to validly apply for an onshore general skilled migration visa.</td>
<td>8501</td>
<td>8522</td>
</tr>
</tbody>
</table>

QUESTIONS IN WRITING

...
<table>
<thead>
<tr>
<th>Visa subclass</th>
<th>Subclass Description</th>
<th>Approximate number issued 1996-97 to 2005-06 (as of 17/09/06)*</th>
<th>Purpose of Visa</th>
<th>Mandatory Visa Conditions**</th>
<th>Discretionary Visa Conditions**</th>
</tr>
</thead>
<tbody>
<tr>
<td>570</td>
<td>Independent ELICOS sector</td>
<td>147,300</td>
<td>This visa subclass is for overseas students undertaking a English Language Intensive Course for Overseas Students (ELICOS) as a stand-alone, and not as a prerequisite to commencing another course e.g. a degree course.</td>
<td>8202, 8501, 8516, 8517, 8532, 8533</td>
<td>8101, 8105, 8201, 8204, 8206, 8303, 8522, 8523, 8534, 8535 NB. Some of these conditions are also mandatory in certain circumstances.</td>
</tr>
<tr>
<td>571</td>
<td>Schools sector</td>
<td>80,400</td>
<td>This visa subclass is for overseas students undertaking, as their study, a primary or secondary school level course (including both junior and senior secondary school, as well as secondary school exchange programmes).</td>
<td>8202, 8501, 8516, 8517, 8532, 8533</td>
<td>8101, 8105, 8201, 8204, 8206, 8303, 8522, 8523, 8534, 8535 NB. Some of these conditions are also mandatory in certain circumstances.</td>
</tr>
<tr>
<td>572</td>
<td>Vocational education and training sector</td>
<td>179,400</td>
<td>This visa subclass is for overseas students seeking to undertake as their course, a course leading to the award of a Certificate I, II, III, and IV, Diploma, Advanced diploma, Advanced certificate, Vocational Graduate Certificate or Vocational Graduate Diploma.</td>
<td>8202, 8501, 8516, 8517, 8532, 8533</td>
<td>8101, 8105, 8201, 8204, 8206, 8303, 8522, 8523, 8534, 8535 NB. Some of these conditions are also mandatory in certain circumstances.</td>
</tr>
<tr>
<td>573</td>
<td>Higher education sector</td>
<td>470,000</td>
<td>This visa subclass is for overseas students seeking to undertake as their course, a course leading to the award of an Associate Degree, Bachelor's degree, Masters by coursework, Graduate certificate or Graduate diploma.</td>
<td>8202, 8501, 8516, 8517, 8532, 8533</td>
<td>8101, 8105, 8201, 8204, 8206, 8303, 8522, 8523, 8534, 8535 NB. Some of these conditions are also mandatory in certain circumstances.</td>
</tr>
<tr>
<td>574</td>
<td>Postgraduate Research Sector</td>
<td>162,000</td>
<td>This visa subclass is for overseas students seeking to undertake as their principal course, a course leading to the award of a masters degree by coursework or by research, or a doctoral degree.</td>
<td>8202, 8501, 8516, 8517, 8532, 8533</td>
<td>8101, 8105, 8201, 8204, 8206, 8303, 8522, 8523, 8534, 8535 NB. Some of these conditions are also mandatory in certain circumstances.</td>
</tr>
<tr>
<td>575</td>
<td>Non-award Sector</td>
<td>68,500</td>
<td>This visa subclass is for overseas students seeking to undertake as their course (other than ELICOS) not leading to the award of a degree, diploma or other formal Australian qualification.</td>
<td>8202, 8501, 8516, 8517, 8532, 8533</td>
<td>8101, 8105, 8201, 8204, 8206, 8303, 8522, 8523, 8534, 8535 NB. Some of these conditions are also mandatory in certain circumstances.</td>
</tr>
</tbody>
</table>
### Questions in Writing

**Visa subclass** | **Subclass Description** | **Approximate number issued 1996-97 to 2005-06 (as of 17/5/06)** | **Purpose of Visa** | **Mandatory Visa Conditions** | **Discretionary Visa Conditions**
---|---|---|---|---|---
576 | AusAID or Defence sponsored sector | 26,200 | This visa subclass is for full-time courses of all types undertaken by overseas students sponsored by the Australian Department of or by. | 8202, 8501, 8516, 8532, 8533 | 8101, 8103, 8201, 8204, 8206, 8363, 8522, 8523, 8534, 8535 N.B. Some of these conditions are also mandatory in certain circumstances.
580 | Student Guardian | 2000 | This visa enables the parent, relative or legal custodian of a student under 18 years of age to accompany them to Australia to provide for their welfare and day-to-day support. In limited cases, the visa may also be granted to a relative of a student over 18 years of age, where the student has physical or cultural requirements for an adult companion. | 8101, 8201, 8501, 8516, 8534, 8537, 8538 | 8106 – replaces 8101 where grant of the visa to the applicant will significantly benefit the relationship between the government of Australia and the government of a foreign country
675 | Medical treatment (short stay) | 38,600 | This visa is intended for genuine visitors coming to Australia for medical treatment, or to support someone undergoing medical treatment. The applicant must pay for all costs of stay in Australia, and demonstrate that payment arrangements (for medical care) are in place. (except in cases of financial hardship determined after arrival), and. | 8301, 8201, 8205, 8107, 8503 and 8530 (if visa granted under ADS scheme) | 8503
676 | Tourist | 6,128,900 | This visa enables people to travel to Australia for tourism or other recreational activities such as a holiday, sightseeing, social or recreational reasons, to visit relatives or friends or other short-term non-work purposes. | 8101 (unless compelling personal reasons), 8201, 8205 8101, 8207, 8503 and 8530 (if visa granted under ADS scheme) | 8503
679 | Sponsored Family Visitor | 53,100 | This visa is intended to be used by all people seeking to come to Australia to visit family. The Sponsored Family Visitor visa requires formal sponsorship of a visa applicant by an Australian citizen or permanent resident. In some cases a financial security bond may be requested. | 8101, 8201, 8205, 8503, 8531 | N/A
685 | Medical treatment (Long stay) | 9,000 | This visa is intended for genuine visitors coming to Australia for medical treatment, or to support someone undergoing medical treatment. The applicant must pay for all costs of stay in Australia, and demonstrate that payment arrangements (for medical care) are in place. (except in cases of financial hardship determined after arrival), and. | 8101, 8201, 8205, 8503 | 8503
771 | Transit | 301,600 | This visa is for people who are transiting Australia and do not intend to remain for more than 72 hours. The holder must on or before the date specified by the Minister for the purpose. 8101, 8201 | 8301, 8514, 8516 |
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>733</td>
<td>Border</td>
<td>24,200</td>
<td>This is a visa for people who have entered Australia and seek immigration clearance, and who do not seek to remain in Australia on refugee or humanitarian grounds. The applicant must be one of the following: the spouse or dependent child of an Australian citizen, Australian permanent resident, or NZ citizen eligible for an RRV; a person who has had their visa cancelled due to arriving before another person specified in the visa; the dependent child of a holder of certain visas; a person who is in the care of an Australian citizen or visa holder; a person who previously held a certain type of visa, had to depart before it was reasonably practical to obtain another visa, and would be prevented from reunion with a close relative in Australia if refused immigration clearance; a person who has entered Australia without a valid visa, seeks to remain in Australia on a temporary basis and who is eligible for a Tourist visa, 456 Business Short Stay visa, or Transit visa.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>786</td>
<td>Temporary (Humanitarian Concern)</td>
<td>250</td>
<td>This visa was designed to enable holders of a subclass 448 or 449 visa to extend their stay in Australia if the Minister considers there are humanitarian reasons for doing so, or in specific situations where the grant of this visa represents a humanitarian option that fulfills the government objectives at the time.</td>
<td>Visa holders must notify Immigration of any change in their address at least 2 working days before the change. They must not become involved in any disruptive activity, or violence, that may be a threat to the welfare of the Australian community or a group in the Australian community.</td>
<td>N/A</td>
</tr>
<tr>
<td>884</td>
<td>Contributory Aged Parent (Temporary)</td>
<td>100</td>
<td>This visa was introduced to allow for the expansion of the parent migration programme. It enables parents who are already onshore to apply for a temporary visa. They can then make a valid application to be granted the corresponding permanent contributory parent category visa at a reduced cost.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>942</td>
<td>Crew Travel Registration</td>
<td>562,900</td>
<td>This visa is designed for airline crew who travel to Australia as part of their employment.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>956</td>
<td>Electronic travel authority ETA (business entrant – long validity)</td>
<td>337,700</td>
<td>This visa allows bona fide business people from ETA-eligible countries to visit to Australia for up to three months to conduct business. Examples of appropriate activities include a conference, negotiation or an exploratory business visit, but do not include acting, music performance or commercial film making. Holders of ETA-eligible passports can apply for a subclass 956 visa through approved agents.</td>
<td>8112, 8201, 8205, 8257, 8528</td>
<td>N/A</td>
</tr>
<tr>
<td>976</td>
<td>Electronic travel authority ETA (Visitor)</td>
<td>23,374,400</td>
<td>The ETA is an electronically stored authority for travel to Australia for short-term visits or business entry. It replaces the visa label or stamp in a passport and removes the need for application forms.</td>
<td>8101, 8201, 8205, 8257, 8528</td>
<td>N/A</td>
</tr>
</tbody>
</table>
**Visa subclass** | **Subclass Description** | **Approximate number issued 1996-97 to 2005-06 (as of 17/5/06)** | **Purpose of Visa** | **Mandatory Visa Conditions** | **Discretionary Visa Conditions**
---|---|---|---|---|---
977 | Electronic travel authority ETA Business entrant – short validity | 836,900 | This visa allows bona fide business people from ETA-eligible countries to visit to Australia for up to three months to conduct business. Examples of appropriate activities include a conference, negotiation or an exploratory business visit, but do not include acting, music performance or commercial film making. Holders of ETA-eligible passports can apply for a subclass 977 visa over the internet or through approved agents. | 8112, 8201, 8203, 8257, 8528 | N/A
995 | Diplomatic | 22,600 | This visa is intended only for those persons who have been accepted by the Protocol Branch of DFAT for accreditation to Australia. Such persons include diplomats, consular officials, consular employees (administrative/technical staff) such as security guards, service staff (eg drivers, cooks, cleaners, etc.) employed by the diplomatic or consular mission. Also, executive heads of the specialised agencies of the United Nations. | N/A | N/A
998 | Australian Declaratory | 15,900 | An Australian citizen must usually travel on an Australian passport when entering Australia, even if they have another citizenship and another passport. If, however, the person has an acceptable reason for not travelling on an Australian passport, the person might be given an Australian Declaratory Visa as an alternative form of documentation which identifies the person as an Australian citizen with a right to enter Australia. | N/A | N/A

* Visa grant numbers below 1000 have been rounded to the nearest 10. Visa grant numbers above 1000 have been rounded to the nearest 100.

** An explanation of visa condition codes is provided at Attachment C. Please note that some of these conditions are only imposed on either the primary visa applicant or any dependent applicants.

# Visa grants for this subclass are only available for the period between 2000-01 and 2005-06 (as of 17/5/06).

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**LIST OF TEMPORARY ENTRANT VISAS WHICH ARE NO LONGER ISSUED BY SUBCLASS**

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<th>Mandatory Visa Conditions*</th>
<th>Discretionary Visa Conditions*</th>
</tr>
</thead>
<tbody>
<tr>
<td>414</td>
<td>Specialist</td>
<td>1,600</td>
<td>This visa enabled employers to recruit skilled workers from overseas for temporary stay where they had been unable to readily recruit or train a suitable person in Australia, with a view to introducing new skills and technologies to Australia, expanding local business and export activity, and maximising employment and training opportunities for Australians.</td>
<td>8107</td>
<td>8501, 8525, 8502, 8301, 8303, 8106, 8516, 8513, 8522 and 8526</td>
</tr>
<tr>
<td>424</td>
<td>Public Lecturer</td>
<td>260</td>
<td>This visa was intended for persons whose usual occupation was associated with appearing and lecturing regularly in public and whose primary purpose in seeking a visa was to follow that occupation, usually in response to an invitation from an organisation in Australia. It was intended for persons who normally lecture in public forums, rather than persons employed by a single university or institution.</td>
<td>8107</td>
<td>8106, 8301, 8303, 8501, 8502, 8516, 8513, 8522, 8525, and 8526</td>
</tr>
<tr>
<td>425</td>
<td>Family relationship</td>
<td>800</td>
<td>This visa was intended to enable unmarried people of secondary school age to have an extended holiday of up to 12 months, with an opportunity to learn about Australia and where appropriate learn English on an informal basis, while staying with relatives or close family friends.</td>
<td>8101</td>
<td>8106, 8301, 8303, 8501, 8502, 8516, 8513, 8522, 8525, and 8526</td>
</tr>
<tr>
<td>430</td>
<td>Supported Dependant</td>
<td>2,500</td>
<td>This visa was intended for persons who were family unit members of, and wished to accompany, an Australian citizen, permanent visa holder or New Zealand citizen who usually resided outside Australia but who was intending to reside in Australia temporarily.</td>
<td>8107</td>
<td>8106, 8301, 8303, 8501, 8502, 8516, 8513, 8522, 8525, and 8526</td>
</tr>
<tr>
<td>432</td>
<td>Expatriate (temporary)</td>
<td>420</td>
<td>This visa provided for the temporary stay in Australia of family members of persons employed in remote localities, near but outside Australia, by international companies that depended on Australia for supplies or had business associations with Australia.</td>
<td>8101, 8107</td>
<td>8106, 8301, 8303, 8501, 8502, 8516, 8513, 8522, 8525, and 8526</td>
</tr>
<tr>
<td>435</td>
<td>Sri Lankan</td>
<td>2,800</td>
<td>This visa allowed visiting Sri Lankan citizens to temporarily extend their stay rather than return home to civil unrest and conflict.</td>
<td>N/A</td>
<td>8303</td>
</tr>
<tr>
<td>443</td>
<td>Citizens of former Yugoslavia</td>
<td>900</td>
<td>This visa allowed visiting citizens of the former Yugoslavia to temporarily extend their stay rather than return home to civil unrest and conflict.</td>
<td>N/A</td>
<td>8303</td>
</tr>
<tr>
<td>446</td>
<td>Confirmatory (temporary)</td>
<td>Less than 10</td>
<td>This visa was intended for applicants who held a subclass 301 Emergency (Temporary) visa and who, since entering Australia, had satisfied the outstanding visa requirements.</td>
<td>8107</td>
<td>8106, 8301, 8303, 8501, 8502, 8516, 8513, 8522, 8525, and 8526</td>
</tr>
<tr>
<td>450</td>
<td>Resolution of status – family member (temporary)</td>
<td>2,000</td>
<td>This visa could be applied for and granted only outside Australia. It was intended for certain family unit members of persons who had applied in Australia for a Resolution of Status visa (visas 850 and 851). First entry must be made before a date specified by the Minister for the purpose.</td>
<td>N/A</td>
<td>8513</td>
</tr>
<tr>
<td>499</td>
<td>Olympic (Support)</td>
<td>0</td>
<td>This was a special event special purpose visa designed to facilitate entry to Australia for the 2008 Sydney Olympics.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>560</td>
<td>Student</td>
<td>700,200</td>
<td>This visa was intended for certain persons wishing to undertake full-time study in a registered course, or in units of a registered course; AusAID students, and</td>
<td>8202, 8501, 8516, 8517, 8532, and 8533</td>
<td>8101, 8105, 8201, 8204, 8206, 8303, 8522, 8534, 8535, and 8537</td>
</tr>
<tr>
<td>562</td>
<td>Iranian postgraduate student</td>
<td>170</td>
<td>This visa was for Iranian citizens outside Australia seeking entry to undertake a course of study for an Australian master’s degree or a doctorate either on its own or as part of a package with an English language course or other prerequisite course; a graduate diploma course, graduate certificate course or any other bridging course that is a prerequisite for study for an Australian master’s degree or doctorate; or a registered course, successful completion of which would probably enable the student to begin any of the courses described above, regardless of whether the student intended to undertake postgraduate study in Australia after completing the registered course in question.</td>
<td>8101, 8202, 8203, 8204, 8501, 8517, and 8533</td>
<td>8303, 8503</td>
</tr>
<tr>
<td>563</td>
<td>Iranian postgraduate dependent</td>
<td>270</td>
<td>This visa was designed for of those Iranian students who hold a subclass visa 562.</td>
<td>8101, 8204, 8501, 8516, 8518</td>
<td>8303, 8503, 8522</td>
</tr>
</tbody>
</table>

**QUESTIONS IN WRITING**
### Visa Subclass Table

<table>
<thead>
<tr>
<th>Visa subclass</th>
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</tr>
</thead>
<tbody>
<tr>
<td>666</td>
<td>Tourist (Long stay)</td>
<td>786,000</td>
<td>This visa enabled people to travel to Australia for tourism or other recreational activities such as a holiday, sightseeing, social or recreational reasons, to visit relatives or friends or other short-term non-work purposes. They could stay in Australia for between 3-12 months.</td>
<td>8101, 8201 and 8205</td>
<td>8503</td>
</tr>
<tr>
<td>850</td>
<td>Resolution of status (temporarily)</td>
<td>4,800</td>
<td>This visa was designed for certain persons who had been in Australia under humanitarian arrangements and who had remained in Australia for some time with their status unresolved.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>940</td>
<td>Olympic Family Members</td>
<td>62,000</td>
<td>This was a special event special purpose visa designed to facilitate entry to Australia for the 2000 Sydney Olympics.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>941</td>
<td>Paralympics</td>
<td>10,800</td>
<td>This was a special event special purpose visa designed to facilitate entry to Australia for the 2000 Sydney Paralympics.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>943</td>
<td>Commonwealth Games Travel Authority</td>
<td>11,000</td>
<td>This was a special event special purpose visa designed to facilitate entry to Australia for the 2006 Commonwealth Games.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

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Attachment C

### VISA CONDITIONS

**8101**

The holder must not engage in work in Australia.

**8102**

The holder must not engage in work in Australia (other than in relation to the holder’s course of study or training).

**8103**

The holder must not receive salary in Australia without the permission in writing of the Secretary.

**8104**

The holder must not engage in work for more than 20 hours a week while the holder is in Australia.

**8105**

1. Subject to subclause (2), the holder must not engage in work in Australia for more than 20 hours a week during any week when the holder’s course of study or training is in session.

2. Subclause (1) does not apply to work that was specified as a requirement of the course when the course particulars were entered in the Commonwealth Register of Institutions and Courses for Overseas Students.

**8106**

The holder must engage in work in Australia only if the work is relevant to the conduct of the business, or performance of the tasks, specified in the visa application.

**8107**

The holder must not:

1. if the visa was granted to enable the holder to be employed in Australia:

   - (i) cease to be employed by the employer in relation to which the visa was granted; or

   - (ii) work in a position or occupation inconsistent with the position or occupation in relation to which the visa was granted; or

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**QUESTIONS IN WRITING**
(iii) engage in work for another person or on the holder’s own account while undertaking the employment in relation to which the visa was granted; or

(b) in any other case:
   (i) cease to undertake the activity in relation to which the visa was granted; or
   (ii) engage in an activity inconsistent with the activity in relation to which the visa was granted; or
   (iii) engage in work for another person or on the holder’s own account inconsistent with the activity in relation to which the visa was granted.

8108
The holder must not be employed in Australia by any 1 employer for more than 3 months, without the prior permission in writing of the Secretary.

8109
The holder must not change details of times and places of engagements specified in the application to be undertaken in Australia during the visa period, without the prior permission in writing of the Secretary.

8110
The holder:
(a) must not engage in work in Australia except in the household of the employer in relation to whom the visa was granted; and
(b) except with the permission in writing of the Foreign Minister, must not remain in Australia after the permanent departure of that employer.

8111
The holder must not:
(a) perform work in Australia except in the household of the employer who is the holder’s sponsor in relation to the visa; or
(b) remain in Australia after the permanent departure of that employer.

8112
The holder must not engage in work in Australia that might otherwise be carried out by an Australian citizen or an Australian permanent resident.

8201
While in Australia the holder must not engage, for more than 3 months, in any studies or training.

8202
(1) The holder (other than the holder of a Subclass 500 (Student) visa who is an AusAID student or the holder of a Subclass 576 (AusAID or Defence Sector) visa) must meet the requirements of subclauses (2) and (3).

(2) A holder meets the requirements of this subclause if:
   (a) the holder is enrolled in a registered course; or
   (b) in the case of the holder of a Subclass 560 or 571 (Schools Sector) visa who is a secondary exchange student—the holder is enrolled in a full time course of study or training.

(3) A holder meets the requirements of this subclause if:
   (a) in the case of a holder whose education provider keeps attendance records—the Minister is satisfied that the holder attends for at least 80% of the contact hours scheduled:
      (i) for a course that runs for less than a semester—for the course; or
(ii) for a course that runs for at least a semester —for each term and semester of the course; and

(b) in any case —the holder achieves an academic result that is certified by the education provider to be at least satisfactory:

(i) for a course that runs for less than a semester —for the course; or

(ii) for a course that runs for at least a semester —for each term or semester (whichever is shorter) of the course.

(4) In the case of the holder of a Subclass 560 visa who is an AusAID student or the holder of a Subclass 576 (AusAID or Defence Sector) visa —the holder is enrolled in a full-time course of study or training.

8203
The holder must not change his or her course of study, or thesis or research topic, unless approval is given by the Minister after the Minister has obtained an assessment from the competent Australian authorities that the holder is not likely to be directly or indirectly a risk to Australian national security.

8204
The holder must not undertake or change a course of study or research, or thesis or research topic, for:

(a) a graduate certificate, a graduate diploma, a master’s degree or a doctorate; or

(b) any bridging course required as a prerequisite to a course of study or research for a master’s degree or a doctorate;

unless approval is given by the Minister after the Minister has obtained an assessment from the competent Australian authorities that the holder is not likely to be directly or indirectly a risk to Australian national security.

8205
If the holder is at least 11 years of age and:

(a) is from a country other than a country that is designated, by Gazette Notice, as a country in relation to which this condition does not apply; and

(b) intends to study in a class-room environment for a period greater than 4 weeks;

the holder must, before commencing that study, pass a chest X-ray examination carried out by a medical practitioner who is qualified as a radiologist.

8206
(1) Subject to subclause (2), the holder must not change his or her enrolment from enrolment in a course offered by an education provider (the first education provider) to enrolment in a course offered by another education provider:

(a) if the course offered by the first education provider is for 12 months or more —within the first 12 months of that course; or

(b) if the course offered by the first education provider is for less than 12 months —before the end of that course.

(2) If the course in which the holder is enrolled is undertaken by the holder as a prerequisite for another course (the principal course), the holder must not change his or her enrolment to enrolment in a course offered by another education provider:

(a) if the principal course is for 12 months or more —before the end of the first 12 months of the principal course; or

(b) if the principal course is for less than 12 months —before the end of the principal course.
(3) If the course in which the holder is enrolled has been gazetted for subregulation 1.44 (2), the holder must not change his or her enrolment.

8207
The holder must not engage in any studies or training in Australia.

8301
After entry to Australia, the holder must satisfy relevant public interest criteria before the visa ceases.

8302
After entry to Australia, all relevant members of the family unit must satisfy the relevant public interest criteria before the visa ceases.

8303
The holder must not become involved in activities disruptive to, or violence threatening harm to, the Australian community or a group within the Australian community.

8401
The holder must report:
(a) at a time or times; and
(b) at a place;
specified by the Minister for the purpose.

8402
The holder must report:
(a) within 5 working days of grant, to an office of Immigration; and
(b) to that office on the first working day of every week after reporting under paragraph (a).

8403
The holder must visit an office of immigration specified by the Minister for the purpose, within the time specified by the Minister for the purpose, to have evidence of the visa placed in the holder’s passport.

8501
The holder must maintain adequate arrangements for health insurance while the holder is in Australia.

8502
The holder of the visa must not enter Australia before the entry to Australia of a person specified in the visa.

8503
The holder will not, after entering Australia, be entitled to be granted a substantive visa, other than a protection visa, while the holder remains in Australia.

8504
The holder must enter Australia as the holder of the visa to which the condition applies before a date specified by the Minister.

8505
The holder must continue to live at the address specified by the holder before grant of the visa.

8506
The holder must notify Immigration at least 2 working days in advance of any change in the holder’s address.
The holder must, within the period specified by the Minister for the purpose:

(a) pay; or
(b) make an arrangement that is satisfactory to the Minister to pay;

the costs (within the meaning of Division 10 of Part 2 of the Act) of the holder’s detention.

The holder must make a valid application for a visa of a class that can be granted in Australia, within the time specified by the Minister for the purpose.

Within 5 working days after the date of grant, the holder must:

(a) make a valid application for a substantive visa; or
(b) show an officer a ticket for travel to a country other than Australia that the Minister is satisfied will allow the holder to enter on his or her arrival.

Within the time specified by the Minister for the purpose, the holder must, either:

(a) show an officer a passport that is in force; or
(b) make an arrangement satisfactory to the Minister to obtain a passport.

Within the time specified by the Minister for the purpose, the holder must, show an officer a ticket for travel to a country other than Australia that the Minister is satisfied will allow the holder to enter on his or her arrival.

The holder must leave Australia by the date specified by the Minister for the purpose.

The holder must notify Immigration of his or her residential address within 5 working days of grant.

During the visa period of the visa, there must be no material change in the circumstances on the basis of which it was granted.

The holder of the visa must not marry before entering Australia.

The holder must continue to be a person who would satisfy the primary or secondary criteria, as the case requires, for the grant of the visa.

The holder must maintain adequate arrangements for the education of any school-age dependant of the holder who is in Australia for more than 3 months as the holder of a Subclass 560, 570, 571, 572, 573, 574, 575 or 576 visa (as a person who has satisfied the secondary criteria) or Subclass 563 visa.

Adequate arrangements must be maintained for the education of the holder while he or she is in Australia.
The holder must enter into the marriage in relation to which the visa was granted within the visa period of the visa.

The relevant person who holds a Subclass 300 visa on the basis of having satisfied the primary criteria must enter into the marriage in relation to which that visa was granted within the visa period of that visa.

The holder must leave Australia not later than the time of departure of the person:
(a) who has satisfied the primary criteria; and
(b) of whose family unit the holder is a member.

Each person who:
(a) is a member of the family unit of the holder (being a spouse of the holder or an unmarried child of the holder who has not turned 18); and
(b) has satisfied the secondary criteria; and
(c) holds a student visa because of paragraphs (a) and (b);
must leave Australia not later than the time of departure of the holder.

The holder must satisfy the remaining criteria (within the meaning of Part 303 of Schedule 2) on or before a date specified by the Minister.

The holder must leave Australia by a specified means of transport on a specified day or within a specified period.

The holder must notify the Secretary in writing, not earlier than 7 days before the day the visa ceases to be in effect, and not later than that day, of the holder’s place of residence in Australia by posting the notification to the Central Office of Immigration in the Australian Capital Territory.

The holder must be free from tuberculosis at the time of travel to, and entry into, Australia.

The holder must not have one or more criminal convictions, for which the sentence or sentences (whether served or not) are for a total period of 12 months duration or more, at the time of travel to, and entry into, Australia.

The holder must, after entering Australia:
(a) undergo a medical examination carried out by:
   (i) a Commonwealth Medical officer; or
   (ii) a medical practitioner approved by the Minister; or
   (iii) a medical practitioner employed by an organisation approved by the Minister; and
(b) undergo a chest x-ray examination conducted by a medical practitioner who is qualified as a radiologist in Australia, unless the holder:
(i) is under 11 years of age and is not a person in respect of whom a Commonwealth Medical Officer has requested such an examination; or

(ii) is a person:
(A) who is confirmed by a Commonwealth Medical Officer to be pregnant; and
(B) who has been examined for tuberculosis by a chest clinic officer employed by a health authority of a State or Territory; and
(C) who has signed an undertaking to place herself under the professional supervision of a health authority in a State or Territory and to undergo any necessary treatment; and
(D) whom the Minister is satisfied should not be required to undergo a chest x-ray examination at this time.

8530
The holder must not discontinue, or deviate from, the tour arrangements approved, in writing, by the Minister under subparagraph 676.221(2)(d)(ii).

8531
The holder must not remain in Australia after the end of the period of stay permitted by the visa.

8532
If the holder has not turned 18 and is not an AusAID student or a Defence student:
(a) the holder must stay in Australia with a person who is:
   (i) a parent of the holder or a person who has custody of the holder; or
   (ii) a relative of the holder who:
      (A) is nominated by a parent of the holder or a person who has custody of the holder; and
      (B) has turned 21; and
      (C) is of good character; or
   (b) the arrangements for the holder’s accommodation, support and general welfare must be approved by the education provider for the course to which the holder’s visa relates.

8533
The holder must:
(a) in the case of a holder who was outside Australia when the visa was granted, notify the education provider of the holder’s residential address in Australia within 7 days after arriving in Australia; and

(b) in all cases:
   (i) notify the education provider of any change in the holder’s residential address in Australia within 7 days after the change occurs; and
   (ii) notify his or her current provider of a change of education provider within 7 days after the holder receives:
      (A) a certificate of enrolment from the new education provider; or
      (B) if no certificate of enrolment is required to be sent, or if a failure of electronic transmission has prevented an education provider from sending a certificate of enrolment — evidence that the applicant has been enrolled by the new education provider.

8534
The holder will not be entitled to be granted a substantive visa, other than:
(a) a protection visa; or
(b) a student visa the application for which must be made on form 157P or 157P (Internet); or
(c) a Subclass 497 (Graduate — Skilled) visa; or
(d) a Subclass 580 (Student Guardian) visa;
while the holder remains in Australia.

8535
The holder will not be entitled to be granted a substantive visa, other than:
(a) a protection visa; or
(b) a student visa the application for which must be made on form 157P or 157P (Internet); or
(c) a Student (Temporary) (Class TU) visa that is granted to an applicant who satisfies the criterion in clause 570, 230, 571, 229, 572, 229, 573, 229, 574, 229, 575, 229, 276, 227 or 580.229, of Schedule 2;
while the holder remains in Australia.

8536
The holder must not discontinue, or deviate from, the professional development in relation to which the visa was granted.

8537
(1) While the nominating student (within the meaning of Part 580 of Schedule 2) in relation to the holder is in Australia, the holder must reside in Australia.

(2) While the holder is in Australia, the holder must:
(a) stay with the nominating student (within the meaning of Part 580 of Schedule 2) in relation to the holder; and
(b) provide appropriate accommodation and support for the nominating student; and
(c) provide for the general welfare of the nominating student.

8538
If the holder leaves Australia without the nominating student (within the meaning of Part 580 of Schedule 2) in relation to the holder, the holder must first give to the Minister evidence that:
(a) there are compelling or compassionate reasons for doing so; and
(b) the holder has made alternative arrangements for the accommodation, support and general welfare of the nominating student until the holder’s return to Australia; and
(c) if the nominating student has not turned 18, the alternative arrangements are approved by the education provider for the course to which the nominating student’s visa relates.

8539
While the holder is in Australia, the holder must not live, study or work outside a part of Australia the postcode of which was specified in the Gazette Notice for item 6A1001 of Schedule 6A, as the notice was in force when the condition was imposed.

8540
The holder will not, after entering Australia, be entitled to be granted a substantive visa, other than a protection visa or a Subclass 462 (Work and Holiday) visa, while the holder resides in Australia.

8541
The holder:
(a) must do everything possible to facilitate his or her removal from Australia; and
(b) must not attempt to obstruct efforts to arrange and effect his or her removal from Australia.
8542
The holder must make himself or herself available for removal from Australia in accordance with instructions given to the holder by Immigration for the purpose of that removal.

8543
The holder must attend at a place, date and time specified by Immigration in order to facilitate efforts to arrange and effect his or her removal from Australia.

8544
The holder must enter into a contract or agreement of apprenticeship in the form of a New Apprenticeship/training contract which must be lodged in accordance with the relevant State or Territory legislation:

(a) if the visa is granted while the applicant is in Australia — within 3 months of the grant of the visa;
or
(b) if the person arrives in Australia as the holder of a visa — within 3 months of the person’s arrival in Australia.

8545
The holder must undertake the apprenticeship in the employment in respect of which the visa was granted, and must not, without the written permission of Immigration:

(a) cease to undertake the apprenticeship in the employment in respect of which the visa was granted;
or
(b) engage in an activity inconsistent with undertaking the apprenticeship in respect of which the visa was granted.

8546
The holder of a Subclass 471 (Trade Skills Training) Visa who is undertaking an apprenticeship (within the meaning of regulation 1.20UJ) must maintain contact with the approved trade skills training sponsor in respect of which the visa was granted, and co-operate with, and to the best of the holder’s ability facilitate, compliance with the undertakings by the sponsor.