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SITTING DAYS—2007

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- **NEWCASTLE** 1458 AM
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- **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—NINTH 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, Ms Ann Kathleen Corcoran, Mr Barry Wayne Haase, Mr Michael John Hatton, the Hon. Duncan James Colquhoun Kerr SC, Mr Harry Vernon Quick, the Hon. Bruce Craig Scott, Mr Patrick Damien Secker, 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—Mr Anthony Norman Albanese MP
Deputy Manager of Opposition Business—Mr Robert Francis McMullan 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—Mr Kevin Michael Rudd MP
Deputy Leader—Ms Julia Eileen Gillard MP
Chief Opposition Whip—The Hon. Leo Roger Spurway Price MP
Opposition Whips—Mr Michael David Danby MP and Ms Jill Griffiths Hall MP

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

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<td>New England, NSW</td>
<td>Ind</td>
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<td>La Trobe, Vic</td>
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PARTY ABBREVIATIONS
ALP—Australian Labor Party; LP—Liberal Party of Australia; Nats—The Nationals; Ind—Independent; CLP—Country Liberal Party; AG—Australian Greens

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

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

The Hon. John Winston Howard MP
The Hon. Mark Anthony James Vaile MP
The Hon. Peter Howard Costello MP
The Hon. Warren Errol Truss MP
The Hon. Dr Brendan John Nelson MP
The Hon. Alexander John Gosse Downer MP
The Hon. Anthony John Abbott MP
The Hon. Philip Maxwell Ruddock MP
Senator the Hon. Nicholas Hugh Minchin
The Hon. Peter John McGauran MP
The Hon. Kevin James Andrews MP
The Hon. Julie Isabel Bishop MP
The Hon. Malcolm Thomas Brough MP
The Hon. Malcolm Bligh Turnbull MP

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<td>The Hon. Peter Craig Dutton MP</td>
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<td>The Hon. Bruce Frederick Billson MP</td>
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The SPEAKER (Hon. David Hawker) took the chair at 2 pm and read prayers.

MR IAN HARRIS

The SPEAKER (2.01 pm) — On behalf of all members, I would like to offer very special congratulations to the Clerk of the House of Representatives. As most members will be aware, yesterday in the Queen’s Birthday Honours Mr Ian Harris was appointed as an officer in the Order of Australia, General Division. On behalf of everyone, I congratulate him.

Honourable members — Hear, hear!

Mr HOWARD (Bennelong—Prime Minister) (2.01 pm) — Mr Speaker, I join you in extending my personal congratulations, and those of the government, to Mr Harris, who does his job with great skill. He has the universal respect of this parliament and it is a thoroughly well-deserved honour.

MINISTERIAL ARRANGEMENTS

Mr HOWARD (Bennelong—Prime Minister) (2.02 pm) — Mr Speaker, I inform the House that the Minister for Veterans’ Affairs will be absent from question time today. He is attending the funeral of Lance Corporal Parker. The Minister for Defence will answer questions on his behalf.

KERANG RAIL ACCIDENT

NEW SOUTH WALES FLOOD

Mr HOWARD (Bennelong—Prime Minister) (2.02 pm) — I seek the indulgence of the House to briefly mention three matters. I know that all Australians would have been particularly touched and saddened by the tragic level crossing accident at Kerang in Victoria. As a nation we are used to traffic accidents. They are a daily occurrence, sadly enough, but this was a particularly devastating one. The personal stories of those whose lives were suddenly taken from their loved ones did touch the hearts of a nation and particularly the community surrounding Kerang in Victoria. Our love and our sympathy go out to those left bereaved by this terrible accident. The Commonwealth government has offered all the assistance it can provide in relation to investigations to establish the cause of the accident. Officers of the Australian Transport Safety Bureau are already assisting their Victorian colleagues. As always, the grimmest tasks in terrible accidents fall to the police and the ambulance officers. Those in the community who take it upon themselves on far too regular a basis to attack police and to call them all sorts of things should remember how terrible the job of police is in dragging mangled bodies from cars and, in this case, from a train. To them, to the ambulance officers and to all the other community services I express my personal admiration and thanks and those, I know, of the entire parliament.

Whilst I am in this vein, I know I speak on behalf of the House in paying tribute to the remarkable stoicism and courage of the people of the Hunter region of New South Wales and of the Central Coast. We are all aware of the severe flooding and violent storms that sadly have claimed nine lives — including, in an absolutely heartbreaking accident on the old Pacific Highway, five members of one family in the most brutal and sudden of all accidents with the subsidence of that road. I had the opportunity yesterday of visiting the Hunter region in company with my colleague the member for Paterson. I met the member for Hunter, the Mayor of Newcastle, Mr John Tate, and the Mayor of Maitland, Mr Peter Blackmore. Again I can only say how tremendously impressed I was, as I know everybody has been, with the work of the SES, the police, the ambulance services and the other local civic officials. Teams of SES people had come from all over Australia, including some teams from Victoria and one
from Broken Hill. Once again, the great Australian spirit of cooperation in adversity to get things done and achieve a common purpose was very much in evidence.

I know that part of New South Wales extremely well. They are great people—the people of the Hunter and the people of the Central Coast of New South Wales—and I pay tribute to their stoicism, their matter-of-fact way of dealing with adversity, and the calm way in which they accepted the requests of the authorities. Mercifully, the damage to property and the loss of life was less than was feared at one stage, and that is a great tribute to the calmness of the people and the wonderful advice that they had received from the SES.

This has been an occasion when all levels of government have worked together very closely. I spoke to the New South Wales Premier at length on Saturday and offered him any additional assistance of which New South Wales might stand in need over the disaster relief arrangements that are in operation. I also announced, as is the case in all like circumstances, additional Commonwealth assistance where serious injury is sustained or a residence is rendered uninhabitable or unliveable for a period of 48 hours. This has been a great example of cooperation in adversity and I pay tribute to those involved.

There is one other matter I want to mention. Perhaps the Acting Leader of the Opposition might respond to the first two issues and then I could address the other.

Ms GILLARD (Lalor) (2.08 pm)—On indulgence, I too seek to make a contribution on behalf of the Labor Party and most particularly on behalf of Kevin Rudd, who today is attending the state funeral of Tom Burns, a Labor legend. I would like to extend the Labor Party’s condolences for the terrible tragedies which have affected the communities of Kerang in the north-west of Victoria, of Newcastle and of the Central Coast of New South Wales.

As a Victorian, I was struck particularly hard by the news that on 7 June 2007 tragedy had struck the community of Kerang when a truck collided with a V/Line train making its regular journey from Swan Hill through the Murray Valley to Melbourne. It is, of course, the worst rail disaster in Victoria in over 50 years. Nearby farmers, locals and passers-by did what they could at the time to help those in the crash, assisting the truck driver from his cabin and helping those who stumbled out of the rubble in a daze to see a shocking sight of twisted metal and a ripped-open carriage. Then came the personal stories of those who had lost loved ones, those who had been injured and those who had survived just out of sheer luck—who were meant to be on that train but, for whatever reason, did not make the train that day. Every death hits hard and many in Victoria and beyond are mourning.

Our hearts have been especially touched in all of this tragedy by the story of the McMonnies family, who must deal with the loss of their father, Geoff, a long-time local of Robinvale, and a daughter, 17-year-old Rose; whilst the youngest of four, Sharice, 15, was seriously injured in the crash and admitted to the Royal Children’s Hospital. It is stories like those that bring this tragedy home. I know that every member of this parliament would be mourning the loss of life in the Kerang rail disaster.

Our hearts have also been touched by the havoc wreaked on the people and the communities of Newcastle, the Hunter, the New South Wales Central Coast and even parts of Sydney in recent days. On the weekend I had the opportunity to speak to my colleagues Sharon Grierson, the member for Newcastle, Jill Hall, the member for Shortland, and Joel
Fitzgibbon, the member for Hunter. Indeed, Sharon Grierson is not with us in parliament today; she is back home in her electorate assisting locals. When I spoke to her on the weekend, she told me of personally rescuing her elderly parents, who were sitting on their kitchen table in a house that had waist-high water. I am sure that Sharon’s story is just one of tens of thousands that could be told of what has gone on with this tragedy.

Businesses have been ruined and homes have been trashed. Tragically, no fewer than 10 lives have been lost. I join with the Prime Minister in particularly mentioning the loss of life of Roslyn Bragg, her children Jasmine and Madison, her nephew Travis and her partner, Adam Holt, who did what we do every day—they got into a car and strapped themselves in—only to have that car literally swallowed up by the road. On behalf of the opposition, I offer our thoughts and our prayers for the families of those who have lost their lives and many who have had their homes and businesses destroyed.

If there is one bright light in all of this tragedy, it is the work of the emergency services personnel—the SES, volunteers and others who have put themselves out to help community members around them. That is true in Kerang and it is true in New South Wales. I associate myself with the Prime Minister’s remarks about the special role played by our police when disaster strikes. Both my mother and father served as police officers and the words of the Prime Minister do ring true. We owe a special debt of gratitude to the police, who so often have to look after all of us in these sorts of difficult circumstances. The work of each—the police, the emergency services personnel and the volunteers—make us all very proud. The uplifting spirit and tenacity of the Australian people are always apparent in moments of great disaster and tragedy. Once again, it is inspiring to see Australians working together as mates to pull each other through.

PRIVATE PETER GILLSON
LANCE CORPORAL RICHARD PARKER

Mr HOWARD (Bennelong—Prime Minister) (2.13 pm)—On indulgence, I know that all members of the House will be aware of the recent return to Australia of the remains of two Australian soldiers killed in the Vietnam War in the 1960s. The funeral service for Lance Corporal Richard Parker is currently taking place in Canberra and is being attended by the Minister for Veterans’ Affairs, representing the government; and the funeral for Private Peter Gillson will be held in Melbourne on Friday of this week. This is an extraordinary story of commitment by mates of those who served in Vietnam coupled with a determination to fulfil the obligation that all men and women who fight in our armed services feel towards the recovery and, where appropriate, the repatriation of the remains of those who have died in battle.

On 18 November 1965, during Operation Hump, the 1st Battalion, Royal Australian Regiment, encountered a well-dug-in Vietcong force. After a savage fight, 1RAR was forced to withdraw, leaving these two brave diggers on the battlefield. The story of the search for Lance Corporal Parker and Private Gillson is one of great mateship, perseverance and sacrifice in the best of the Anzac tradition. A remarkable and quite selfless Australian, Jim Bourke, and his dedicated Vietnam veteran team from Operation Ausies Home persisted tirelessly with their inquiries, their research and their advocacy to compile insights and evidence beyond historical material and official records. That perseverance ultimately led to the recovery of their fallen countrymen.

The search, I am pleased to say, also saw great cooperation between the Australian and
Vietnamese governments. I record the gratitude of the Australian government to the Vietnamese government for its assistance. I want to thank, on behalf of the government and the House, Operation Aussies Home, the ADF, the Department of Defence, the Department of Foreign Affairs and Trade, our Ambassador to Vietnam, Bill Tweddell, and the Defence Attache, Captain John Griffith, for their dedicated pursuit of the remains of our missing countrymen.

Four Australian servicemen are still missing in Vietnam. We are doing all that reasonably can be done to fully account for their remains. That is of great importance to their families, those who served with them, the broader defence family and all of the people of Australia. The repatriation of the remains of Lance Corporal Parker and Private Peter Gillson, attended with appropriate solemnity and dignity in a very proper Australian way, brings to an end the search that has been conducted for so long for them. We hope that in the fullness of time a search for the remains of the other four who are still missing can be brought to a similar conclusion. But it is important that we again record our great respect for those who served their country in Vietnam, indeed for those who serve their country in any theatre of battle, and also at a time like this we think of those thousands of Australians who are risking their lives in many battlefields at present in our name, on our behalf and for the values that we all hold dear.

I again express on behalf of the government and the House sincere condolences to the families of Lance Corporal Parker and Private Gillson. The repatriation ceremonies and the funerals this week, although very sad events, will be of immense importance to them and will be of immense comfort and solace to people who have waited so long to be reunited with the remains of their loved ones.

Honourable members—Hear, hear!

Ms GILLARD (Lalor) (2.17 pm)—Once again on indulgence, I associate the Labor Party with the Prime Minister’s remarks. Of course this nation always mourns its dead lost in battle, lost in defence of the nation, wherever they have served. We are here to mark the passing of Lance Corporal Richard Parker and Private Peter Gillson and the return of their remains to this country. I understand that the member for Bendigo, Steve Gibbons, and Graham Edwards were in attendance when the remains were brought back home.

As the Prime Minister has indicated, Richard Parker and Peter Gillson were both of A Company, 1st Battalion, the Royal Australian Regiment, and they were both killed on 8 November 1965. These men, whose remains were recovered in the most recent operation, were killed in a fierce battle. Their comrades were unable to recover the bodies as a result of the intensity of enemy fire. But in a tireless effort since that time, Mr Jim Bourke, a Vietnam veteran himself, established Operation Aussies Home to bring closure by finding and returning the bodies of those missing from the Vietnam War. He did this together with his fellow veterans Gordon Petersen, who was Parker’s acting platoon commander; Trevor Hagan, his acting platoon sergeant during the battle; and Clive Williams, who was Gillson’s platoon commander. In what can only be described as an extraordinary extension of duty and loyalty, Jim Bourke and his mates led an investigation of the possible burial locations in 2005 for Lance Corporal Richard Parker and Private Peter Gillson. With help from Vietnamese authorities and veterans, the burial sites of these two soldiers were established earlier this year.

I acknowledge the Australian government’s financial assistance and also its dip-
lomatic assistance to Operation Aussies Home. I refer in particular to the Ambassador to Vietnam, Bill Tweddell, and Defence Attache Captain John Griffith. We also acknowledge the Vietnamese government, Vietnamese veterans and local people who facilitated the recovery and the handover of the remains. The information provided by Vietnamese veterans of the battle and by locals was crucial to the discovery of the remains, as was the information provided by Australian veterans of the battle. Our gratitude goes to Jim Bourke and his team at Operation Aussies Home, but I also specifically acknowledge and pay tribute to the families of the two men whose remains were recovered. These include Private Gillson’s widow, Lorraine Easton, and her sons Robert and Craig, and Lance Corporal Parker’s former partner, Wendy Mudford.

On another matter, I also join with the Prime Minister in congratulating the Clerk, Ian Harris, on the good news from yesterday. Ian serves this parliament; he serves every member within it. The opposition relies on his services and advice, as does the government. It is a difficult job and one that does not bring day-to-day recognition, so it is terrific for the parliament to be able to mark this moment. Thank you very much, Ian.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Fuel Prices

Ms GILLARD (2.21 pm)—My question is to the Prime Minister. I refer the Prime Minister to his Treasurer’s statement on 11 December 1996 that the government would abandon petrol prices surveillance because it would reduce regulation, promote competition and ‘put downward pressure on petrol prices to the benefit of consumers’. Can the Prime Minister confirm that the government abandoned prices surveillance of petrol on 1 August 1998? Prime Minister, after 11 years, when will the Treasurer’s downwards pressure on petrol prices kick in?

Mr HOWARD—I am certainly aware of the remarks of the Treasurer and, as so often happens, the member for Lalor has misquoted my colleague. The Treasurer, of course, can speak for himself, and very well, in relation to those matters. While people are being reminded of matters could I remind the member for Lalor of the remarks of the member for Rankin on this subject. The member for Rankin wrote a very good article on this subject in which he pointed out that, in effect, those who sought to pretend that the price of petrol in Australia was determined by other than world market forces were deluding themselves.

Employment

Mr MICHAEL FERGUSON (2.23 pm)—My question is addressed to the Prime Minister. Would the Prime Minister update the House on how many jobs have been created in Australia over the past year? Prime Minister, what is the reason for this jobs growth? Are there any risks to this growth?

Mr HOWARD—I thank the member for Bass for his question. He asked me to inform the parliament, which I happily do, of how many jobs have been created in Australia over the last year. I can inform the member for Bass that, since May 2006, no fewer than 309,900 jobs have been created in Australia. I am also pleased to tell him that no fewer than 359,000 jobs, of which 94 per cent have been full time, have been created since the major amendments to the government’s workplace legislation which came into operation on 27 March last year.

The member for Bass also asks me why there has been such spectacular growth in jobs. There has been spectacular growth in jobs in this country because we now have a government and a labour market that are employment friendly. We have a labour market
that actually encourages people to take on more staff. We have a labour market which particularly encourages small business to take on more staff. In relation to a threat of higher unemployment, the greatest threat of higher unemployment contained in Labor’s policy is the promise to bring back the dreaded unfair dismissal laws. Those unfair dismissal laws, for more than a decade, discouraged small business in Australia from taking on people. Everyone knows that what used to happen was that frivolous claims were made: small business was encouraged to pay $30,000 or $40,000 ‘go away money’ to somebody who had made a frivolous claim. They paid the money and then got back to their business, but they got back to their business vowing never again to take a risk about employing more staff than they thought they might need.

That atmosphere has changed completely, and I would have thought that the Labor Party would try to be friendly to small business, that they would stand up to the union bosses and say, ‘Look, we’ll have to go along with certain things, but don’t you people understand that bringing back the unfair dismissal laws is going to stifle job growth in the small business sector?’ But they did not have the courage to do that. This is not just a piece of mere fantasy on my part. The Sensis business index of small and medium enterprises released on 6 May has very positive results on SME employment. The key message from that report is that, of those small businesses that have reported changes in their business arrangements following the introduction of workplace relations changes, no fewer than one in five—that is, 20 per cent of the 1.9 million small businesses in Australia—have reported taking on new workers as a result of the changes that we have made and that Labor opposes. No less than 20 per cent of the total of small and medium businesses in Australia are saying, ‘We are employing more people because of the Howard government’s workplace changes.’ All of that will come to a shuddering halt if the Labor Party wins the next election and is able to introduce its policies.

So I say to the member for Bass: yes, we do have a 33-year low in unemployment—a fact that union bosses might want to keep not only from Australians but from the world, but we might deal with that in another context—and one of the major reasons that unemployment is so low in Australia at the moment is that small business once again has the climate and the courage to take on more staff. That is a great thing for the workers of Australia and it is a great thing for small business. It will be a terrible thing if Labor gets the opportunity to bring all that to a halt.

Ms GILLARD (2.28 pm)—My question is to the Prime Minister. Does the government have a target for the percentage of the Australian workforce to be covered by Australian workplace agreements? Specifically, does the government have a plan to use the federal-state healthcare funding agreements to force the offering of Australian workplace agreements to Australia’s 250,000 nurses?

Mr HOWARD—I am not aware of that. I do not have a target and I am informed by both my Minister for Employment and Workplace Relations and my Minister for Health and Ageing that there is no such target.

Mr BROADBENT (2.29 pm)—My question is to the Treasurer. Treasurer, would you inform the House of recently released economic data? Are there any threats to the Australian economy?

Mr COSTELLO—I thank the honourable member for McMillan for his question. I can inform the House that since the House
rose, the week before last, we have had two very good pieces of economic news. The first was that unemployment has fallen to 4.2 per cent in Australia, the lowest rate since November 1974, and the second was that the national accounts showed that economic growth had accelerated and grown 1.6 per cent in the March quarter to be 3.8 per cent higher than a year ago. I am sure all members of the House will welcome that news. Even ex-members of the House welcomed that news. I saw Labor hero Paul Keating come out on Lateline. I knew the accounts must have been good because Paul Keating came out of retirement to claim credit for them! After 11 years, it was all his good work. He not only had some advice for the government; he had some—

Mr Hatton interjecting—

Mr COSTELLO—He had lots of advice, as the member for Blaxland reminds me. He had some advice for the Labor Party. I have made the point over and over again in this House that you do not become an economic conservative just because a focus group tells you that is what the public wants to hear and that you do not become an economic conservative just because you cut an advertisement to that effect. Politics is about substance; it is not about focus group and poll driven advertising agencies. That is the way I make the point. I must say Mr Keating made the point in a far more colourful way. He said:

The Labor Party is not going to profit from having these proven unsuccessful people around who are frightened of their own shadow and won’t get out of bed in the morning unless they’ve had a focus group report to tell them which side of bed to get out.

Of course, we know he was speaking about none other than the member for Lilley, who, Mr Keating says, cannot get out of bed in the morning until the focus group says the left or the right. Half the time, he tries to get out on both sides of the bed in the morning. With an economy which has grown at 1.6 per cent in the March quarter, with unemployment low at 4.2 per cent, you cannot afford to make errors and mistakes. This is now a supercharged economy. It is like a Formula One racing car. It is highly calibrated. If a driver in this highly calibrated Formula One racing car takes a bend at six inches or six centimetres too wide, he is going to have a crash. This is not the time to be experimenting with the L-plate drivers of the Australian Labor Party. This is a time when you need experience. This is not a time to go back to union control in the labour market because all of that could unsettle this economy. Now more than ever, in a highly calibrated economy, you need strong economic management—the economic management of the coalition.

Workplace Relations

Ms GILLARD (2.33 pm)—My question is for the Prime Minister. Prime Minister, is it not a fact that in early May the Department of Employment and Workplace Relations circulated a request for tender to economic research consultancies for economic modelling? Will the Prime Minister confirm that the tender documentation requests modelling based on Australian workplace agreement coverage increasing from ‘around five per cent of all employees to 20 per cent of all employees’? Prime Minister, does this document not reveal your government’s plan to force 1.5 million Australians onto Australian workplace agreements?

Mr HOWARD—The answer is no.

Workplace Relations

Mr HARDGRAVE (2.34 pm)—My question is to the Prime Minister. Is the Prime Minister aware of recent criticisms of Australia’s labour market in international fora? Is the Prime Minister aware of the motivation for these attacks? What is the Prime Minister’s response?
Mr HOWARD—I thank the member for Moreton for his question. He asks me whether I am aware of criticism of Australia’s labour market policies in international fora. The answer is yes, I am, but more seriously than that, I am aware of the fact that a person holding a very prominent public position in Australia—namely, the presidency of the Australian Council of Trade Unions—has broken one of the unwritten laws of Australian political combat; that is, that no matter how strongly you feel about something, you do not blacken the name of your own country overseas to score a domestic political point. That is what Sharan Burrow does. However I might disagree with Sharan Burrow, it is all right for her to try to argue the case against us here in Australia, but to go overseas and blacken the name of her own country in order to score a domestic political point is, in my view, breaking an unwritten law of Australian political combat. Not only did she blacken the name of Australia, but also she encouraged the blackening of Australia’s name. On 5 June, the Australian said Ms Burrow was:

... lobbying furiously by telephone from Melbourne to Geneva over the past week to have Australia included on the ILO’s list of 25 at Colombia’s expense. They murder trade unionists in Colombia. Colombia is a foul, authoritarian country. For the President of the ACTU to be part of a process that replaces a country with an appalling human rights record and—no matter what she might think of me or our government, or any prominent official—to use an international forum to blacken the name of her own country is to break one of the unwritten laws of Australian political combat.

Not only was the ACTU engaged in that exercise; it was also engaged in the exercise of trying to suppress knowledge of how successful this country has been in reducing unemployment. I would have thought that if there was one thing that the ILO would be interested in, it would be how low unemployment is in Australia. I would have thought that the one great human dividend of labour market policy would be to give a job to as many people who wanted one as was humanly possible. I would have thought that that exceeded anything else—that it was more important than any ideology and that how many people you had in work was more important than whether it was this or that ideology. But it is not when it comes to the ACTU and its mates in the Australian Labor Party.

What they were doing was trying to suppress data about our unemployment level. The employer delegate reported that the union representatives actually tried to prevent data on unemployment being made known to the ILO. There is a very telling article by Peter Anderson in the Australian newspaper this morning, in which he reports having been at a meeting where the union delegates tried to stop news of the low unemployment being admitted into the debate before the committee. Mr Anderson states that he went back to his hotel room and said: ‘Thank heavens for CNN. I flick on CNN and I see that Australia has a 33-year low in unemployment.’ So—no thanks to the ACTU, no thanks to Sharan Burrow and no thanks to their friends in the Australian Labor Party—it has taken the reach of CNN to bring home to international people just how successful this country has been in reducing unemployment.

I simply say that it is one thing to attack me; it is one thing to attack the government. By all means, have open season on us here in Australia. But, when you go overseas, do not blacken the name of your own country in order to score a domestic political point.
Workplace Relations

Ms GILLARD (2.39 pm)—My question is again to the Prime Minister. I again refer to the Department of Employment and Workplace Relations request for tender for economic modelling issued in early May and presented to economic consultancies. Prime Minister, doesn’t this document reveal your government’s plan to force Australians off awards and onto Australian workplace agreements to achieve ‘award coverage dropping from 19 per cent to 10 per cent’?

Mr HOWARD—With the greatest of respect to the Acting Leader of the Opposition, it does not prove anything of the kind. Can I say that I note with enormous interest that the Acting Leader of the Opposition is taking advantage of the absence of the Leader of the Opposition to reinforce her visceral hatred of AWAs. I notice that she is taking advantage—

Mr Albanese interjecting—

Mr HOWARD—Confected laughter from the member for Grayndler proves my point. We all know that on a scale of 10, when it comes to hatred of AWAs, the member for Lalor is at about 10½ or 11. And every time there is a tiny little bit of light, a tiny opening of the door on some possible, little, teeny-weeny bit of preservation of AWAs, she comes in and says: ‘No. Lock, stock and barrel, they’re going.’ I say to she who hates AWAs: no. You have been engaged in too many Labor Party conspiracies. You misread that document. It does not prove anything of the kind.

Mr VASTA (2.41 pm)—My question is addressed to the Treasurer. Would the Treasurer inform the House of the fiscal outcomes of recent state government budgets? What do the growing deficits and debt levels at state government level say about economic management?

Mr COSTELLO—I thank the honourable member for Bonner for his question. I think I can say without a shadow of doubt that he is the greatest member for Bonner that this House has ever seen. It is probably known in this House that the Commonwealth in its most recent budget balanced the budget, cut tax and further reduced debt. In fact, the Commonwealth is now building a net asset position. Now that we have had all of the states except for New South Wales deliver their budgets, we can say that collectively the Labor states have left their budgets in deficit, have increased tax and are building up debt—the very reverse of what the Commonwealth is doing. For example, Queensland will increase its vehicle registration duties from 1 January 2008; Western Australia announced increases in water, electricity, public transport and motor vehicle registration costs; South Australia announced increases in compulsory third party premiums, motor vehicle registrations and water; and Victoria announced increased taxes on poker machines and that it would abolish its petrol subsidy by 0.429c a litre.

Ms King interjecting—

Mr COSTELLO—I want members of the House—and the member for Ballarat, who is interjecting, in particular—to focus on this. A moment ago Labor was complaining about the price of petrol. I point out to the Labor Party that the Victorian Labor government withdrew a petrol subsidy in its recent budget. And the Tasmanian government did the same thing. It withdrew a subsidy of 1.95c per litre on petrol and 1.99c per litre on diesel. So it would be very interesting to know whether the Labor Party has criticised any of the state governments that have recently withdrawn petrol subsidies and put prices up as a consequence. If any of them
have, they can speak now or forever hold their peace. They have held their peace. In addition to that—

Mr Howard—The priest normally gives you longer than that!

Mr Costello—Yes.

Government member interjecting—

Mr Costello—No, you do not get a second chance at that one. A lot of marriages would fail if you had two chances to speak! Not only has Labor increased all those taxes but the Labor states are not balancing their budgets as a whole. They are budgeting for deficits of 0.3 per cent of GDP and—get a load of this—as a whole, building up debt over the next three years by $58 billion. Over the next forward estimates, the Commonwealth will save $50 billion and the states will borrow $58 billion. This is the difference between Liberal federal government and state Labor government. With state Labor government, you get increased taxes, budget deficits and a build-up of debt. With the coalition federal government, you get tax cuts, balanced budgets and a reduction of debt. If you want the Labor way to spread from the states to the Commonwealth, you have a great opportunity. You have Mr Rudd and his focus group driven advisers and the Deputy Leader of the Opposition or you could have real economic management in the coalition government.

Workplace Relations

Ms Gillard (2.45 pm)—My question is again to the Prime Minister. I refer again to his government’s request for tender for economic modelling. Prime Minister, doesn’t this document reveal your government’s plan to force Work Choices on 100 per cent of working Australians—up from 85 per cent—meaning that 1.5 million employees such as nurses and firefighters will be at risk under your extreme industrial relations laws?

Mr Howard—Let me take the deputy leader very quietly through this. I ask her to listen very quietly. Let me just point out to her that it does not prove anything of the kind. What our policy demonstrates is that people can have choice. The difference between us and the Labor Party is that, if the Labor Party wins the election, collective agreements will rule the day. They will completely remove the option of AWAs. What we are witnessing—

Ms Macklin interjecting—

Mr Howard—is the member for Lalor, the Deputy Leader of the Opposition, grabbing hold of the unexpected opportunity of speaking for the Labor Party—and she has taken every question and directed all of them to me. What she is really doing is saying to the world—

Ms Macklin interjecting—

The Speaker—The member for Jagajaga is warned!

Mr Howard—that, as far as she is concerned, there will be absolutely no backsliding on AWAs. Gary Gray—you all know who Gary Gray is; certainly the former Prime Minister does—may be going around the mining companies in Western Australia—

Mr Albanese—Mr Speaker, I rise on a point of order with regard to standing order 104. It is a very specific question.

The Speaker—The member will resume his seat. The Prime Minister was asked a fairly lengthy question. He is certainly in order. I call the Prime Minister.

Mr Howard—People like Gary Gray and others may be going around saying, ‘There is a way through on this, comrade,’ but while the leader is away in Brisbane the acting leader is taking every opportunity to nail her colours to the anti-AWA mast. She speaks for the Australian Labor Party, she speaks for Greg Combet and she speaks for...
Sharan Burrow. Every question she asks is a further illustration of her visceral hatred of AWAs. I would invite the Acting Leader of the Opposition to explain to those hundreds of thousands of Australians who are far better off under AWAs—

Mr McMullan—Mr Speaker, I rise on a point of order. This question specifically referred to the extension of Work Choices—

The SPEAKER—The member will come to his point of order.

Mr McMullan—I am, Mr Speaker; it relates to relevance. This question related to the extension of Work Choices to 100 per cent of employees.

The SPEAKER—The member for Fraser will resume his seat. The Prime Minister was asked a question on AWAs. The Prime Minister is answering the question, and the Prime Minister is certainly in order.

Mr Abbott—Mr Speaker, when it comes to being out of order, first of all, we have these constant, confected points of order and the Acting Leader of the Opposition, who is constantly interjecting and holding up a document and pointing to it in ways that—

The SPEAKER—The Leader of the House will resume his seat. I have already ruled on that point of order. The Prime Minister is in order.

Mr Abbott—Mr Speaker, I rise on a further point of order. Is it in order for the Acting Leader of the Opposition to constantly hold up a document and point to it? Perhaps she should table it for us.

The SPEAKER—The Leader of the House would be well aware that it is not against standing orders to display documents. However, if it is done excessively, as he would be aware, I have taken action. The Prime Minister is in order. I call the Prime Minister.

Mr HOWARD—I resume the invitation I extended to the Acting Leader of the Opposition. Instead of reinforcing her visceral dislike of AWAs, perhaps she ought to go to Western Australia and to other parts of this country and explain to people who are thousands of dollars a year better off under AWAs why she wants to destroy their living standards. Perhaps she could explain to the many tens of thousands—

Mr Swan—Mr Speaker, I rise on a point of order on relevance. It was about nurses and firefighters.

The SPEAKER—The member will resume his seat. That is not a point of order. The Prime Minister is in order and the Prime Minister will be given a chance to answer the question. I call the Prime Minister.

Mr HOWARD—I invite the Acting Leader of the Opposition and I also invite the shadow Treasurer to explain to people who are on AWAs why their freedom of choice should be destroyed under a Labor government.

Employment

Mr BRUCE SCOTT (2.51 pm)—My question is addressed to the Deputy Prime Minister and Minister for Transport and Regional Services. Would the Deputy Prime Minister inform the House how coalition policies are driving employment growth in regional areas and, in particular, how are they driving growth in my electorate of Maranoa?

Mr Crean interjecting—

Mr VAILE—I am pleased that the member for Hotham is looking forward to it. I thank the member for Maranoa for his question. He would be aware that since the coalition government has been in office unemployment in the electorate of Maranoa has fallen from 6.3 per cent to 3.4 per cent. It is actually lower than the national average of
4.2 per cent, so in the electorate of Maranoa they are leading the way. It is as a result of coalition government policies that that has indeed taken place. The overall national level of unemployment at 4.2 per cent is a 33-year low within the Australian economy and something that should be celebrated by all Australians, particularly all those Australians that have got jobs now who did not have them back then. They are the people that have been forgotten by the President of the ACTU, Sharan Burrow, in trying to conceal these fantastic statistics about the Australian economy.

On Sunday I was in the electorate of Maranoa with the member when we announced one of the projects that will continue to strengthen and grow employment opportunities in central-western Queensland. We were at Longreach at the airport where the Qantas Founders Museum has just taken delivery of the 707 that is an historic aircraft in Australian aviation history. At the same time we announced a grant of $6.6 million to the Longreach Shire Council for the upgrade of the airport so that tourism can be further developed off the back of great opportunities like the Qantas Founders Museum—the Longreach Shire Council that today still exists but which Premier Beattie wants to do away with. We will continue to support local government in Queensland as they make their way forward, developing job-creating opportunities in the future, even if the Queensland Labor government wants to make them extinct. I give full credit to the Mayor of Longreach, Pat Tanks, for the way he is leading his council in the fight against forced amalgamations in Queensland and we will continue to support them.

That is just one of the ways we have been trying to assist the development of employment opportunities in regional Australia, in supporting programs like the Sustainable Regions Program. We believe we can continue to drive unemployment down in Australia. We believe we can continue to put the downward pressure on unemployment to find more jobs and make a more flexible labour market.

We know there is one side of politics that does not believe that. I was interested to read a transcript of the Leader of the Opposition on the John Laws program on 26 April. Mind you, it was a transcript that is not available on his website; we had to go looking a little bit further—it has been airbrushed off the website. He was talking about unemployment levels and the fact that if Chinese demand slowed he said it would lead to more normal levels of economic activity. He went on to say, ‘And if that happens you start to return to more normal levels of economic activity, more normal levels of employment and unemployment—well, normal in the sense that it will be higher levels of unemployment and lower levels of employment.’ This is the Leader of the Opposition on air with John Laws talking about what he thinks are more normal levels of unemployment and more normal levels of employment. Now we know that the Australian Labor Party led by the member for Griffith believes that more normal levels of unemployment are probably going to go back up to 11 per cent where they used to be. Is that their description of more normal levels of unemployment? It is not ours. We want to normalise levels of unemployment at 4.2 per cent or lower. That is what the coalition government believes in. We do not believe in seeing unemployment going higher; we want to continue to work in the Australian economy to force unemployment down. We know that the Leader of the Opposition is comfortable and happy to see unemployment normalised at a higher level.

**Capital Gains Tax**

Mr WINDSOR (2.56 pm)—My question is to the Minister for Revenue and Assistant
Treasurer and relates to the government’s statement last Friday on compensation for those who have given up groundwater entitlements for the public good in the six valleys across New South Wales. Could the minister clarify the contradictory announcements, one from the minister and the other from the member for Gwydir, in terms of the triggering of a capital gains event and how capital gains taxation will apply to the compensation payments both pre and post the introduction of the capital gains tax provisions?

Mr DUTTON—Firstly, I begin by thanking the member for New England but saying how disappointed I am that he has been playing political games on this issue. This is an issue of great importance to those Australians, those farmers, who are affected by it. I take the opportunity to thank the member for Gwydir for the assistance that he has provided to those farmers and the direction that he has offered to the government. There was no contradictory statement issued last week. What there was was a clever, tricky political situation conjured up by the honourable member.

Mr Crean interjecting—

Mr DUTTON—It is an unfortunate development because—

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

Mr DUTTON—the government have offered considerable assistance to those farmers who are in need and we have been working with the irrigators to make sure that we provide for an equitable outcome. Capital gains tax does not apply to an asset such as a statutory licence where the licence was issued before 20 September 1985. Even where a pre-CGT licence is replaced by another statutory licence, that replacement licence is not subject to CGT when it is eventually disposed of. In the case of the Namoi Valley irrigators, many groundwater licence holders have received replacement licences. Where the licence holder receives cash as well, the cash is not subject to CGT because it relates to the disposal of a pre-CGT licence. The result of my announcement of 8 June 2007 is that the acquisition date of the original licence is rolled over to the replacement licence and so any gain on the replacement licence will be disregarded.

Coming to licence holders who acquired their original licence after the CGT date in 1985, a rollover occurs when they are provided with a replacement groundwater licence. This means that the disposal of the original licence is disregarded for CGT purposes and it is only when the replacement licence is disposed of that CGT may be payable. Importantly, the CGT rules apply by taking the acquisition date and the cost of the original licence into account when the replacement licence is disposed of.

If cash is also offered to the licence holder in conjunction with the replacement licence, the announcement I made on 8 June 2007 indicates the replacement of the original licence with the new licence will still be eligible for rollover. The cash, however, will be subject to CGT in the year it is offered. The amount of the cash capital gain is determined after prorating the cash to the value of the replacement licence. The cash capital gain may be eligible for the CGT 50 per cent discount provided the original licence had been held for at least 12 months prior to its replacement.

This is a technical issue. The member asked for a technical response. I am happy to provide him with any further response that he may require. But I do say to all those irrigators who are nervous about the loss of their water rights that they can be assured that the Howard government are providing them with assistance. We offered $25 million
more to those farmers. People should not be playing political games with these issues; they should be looking to the leadership being provided by the former Deputy Prime Minister, the member for Gwydir, who has brought very ably the interests of those irrigators to my attention and the attention of the Prime Minister and the cabinet. I can provide them with an assurance that we will continue to provide them with the best outcome possible.

**Japan**

**Dr SOUTHcott (3.01 pm)**—My question is addressed to the Minister for Foreign Affairs. What is the significance of the first ever Australia-Japan Foreign and Defence Ministerial Consultation? Is the minister aware of any policies that may pose a threat to this important bilateral relationship?

**Mr Downer**—I thank the honourable member for Boothby for his question and for his interest. The defence minister and I were in Tokyo last week for two-plus-two—

**Mr Tanner interjecting—**

**Mr Downer**—that is, the foreign and defence ministers on both sides—talks with the Japanese government. This is a round of discussions which followed the conclusion of the Joint Declaration on Security Cooperation between Japan and Australia by our Prime Minister and Prime Minister Abe of Japan. That was signed in March. These are the only talks of this kind that Australia has with any country, with the exception of the United States and the United Kingdom. As far as Japan is concerned, it only has two-plus-two talks with the United States and Australia. It is an opportunity for us to work through with the leadership of Japan not only issues such as North Korea, counterterrorism and counterproliferation but also, and very importantly for Australia, the South Pacific and developments in South-East Asia.

Fifty years ago, Black Jack McEwen, the leader of the then Country Party, now the National Party, negotiated the historic commerce agreement. Fifty years later Prime Minister Howard and Prime Minister Abe have concluded a security cooperation declaration demonstrating a substantial step forward, yet again, in one of the most important of all bilateral relationships. It does demonstrate a point that we have made in all our years in government, and that is that one of the keys to Australian diplomacy in promoting our national interest—that is what we do on this side of the House—is to build strong bilateral relationships with key countries: the United States, Indonesia, China, Japan and India. That is, if I may say so, one of the core strategies of an Australian foreign policy.

The honourable member asks whether this approach is threatened in any way. The opposition’s approach is somewhat different. I noted in the *Australian Financial Review* this weekend an interview by Geoffrey Barker with the member for Barton about foreign policy. I wondered at first why the member for Barton would be interviewed but I discovered on reading the article that he is the spokesman for foreign affairs. The member for Barton said that he would take a completely different approach. He said he opposed the coalition’s embrace of predominantly bilateral foreign relations in favour of a shift to what he described as a ‘liberal multilateralist agenda’. All of these great things that we have been doing bilaterally with the key countries in the region apparently—

**Mr Tanner interjecting—**

**The Speaker**—Order! The member for Melbourne is warned!

**Mr Downer**—are of little importance compared to the so-called ‘liberal multilateralist agenda’. The opposition wants to downgrade the American alliance—apparently these key bilateral relationships are not so
important anymore—and instead wants to play some sort of parlour game with a hodgepodge of like-minded international activists.

This kind of hazy lazy commitment to liberal multilateralism is of course very popular with the Labor Party. But on this side of the House we are guided by a different principle; we are guided by the principle of promoting Australia’s national interest. Actually, on this side of the House we are on Australia’s side; and on that side of the House you are liberal multilateralists, apparently. That is yet another reason why staying with the stability and certainty of the coalition government is the wise thing to do.

Liberal Party

Mr ALBANESE (3.05 pm)—My question is to the Prime Minister. Can the Prime Minister confirm that the Australian Public Service Commission’s ministerial conversations event held in the Great Hall on 12 August 2005, which featured the Prime Minister, cost taxpayers $60,000 for two hours, including venue hire? How much did the Liberal Party pay for the hire of Kirribilli House for a similar period from the $8,250 per head charged?

Mr HOWARD—I cannot confirm the cost of the Public Service Commission event to which the member refers without getting advice, but I will get that advice and I will be happy to provide it to him. In relation to the event at Kirribilli House, as I have indicated previously, all of the additional costs, which were in the order of $5,100, were paid by the Liberal Party.

Opposition members interjecting—

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

Workplace Relations

Mr CAMERON THOMPSON (3.07 pm)—My question is to the Minister for Employment and Workplace Relations. Would the minister inform the House of how employees can be well represented in negotiations to improve their pay and conditions? Are there any alternative policies that would reduce this freedom?

Mr HOCKEY—I thank the member for Blair for the question and note that, in 1996, the unemployment rate in Blair was 9.4 per cent; today it is 5 per cent—nearly halved. That is a great outcome for the people of Blair. This government has enshrined in law the right of employees to be represented by a trade union, and of course during employment negotiations they can be represented by anyone that they want.

Mr Melham interjecting—

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

Mr HOCKEY—Importantly, we have also enshrined in law the right for someone to choose not to be a member of the union, so nobody can be bullied or forced into joining a union under our workplace relations laws.

Ms Owens interjecting—

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

The member for Parramatta then left the chamber.

Mr HOCKEY—This is a fundamental difference between the Labor Party and us. We believe—

Mr Brendan O’Connor interjecting—

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

The member for Gorton then left the chamber.

Mr HOCKEY—This is a fundamental difference between the coalition and the Labor Party. It is enshrined in the Labor Party’s
industrial relations policy that every employer has to give a prospective employee an invitation to join the trade union movement when they apply for a job. That is Labor Party policy. It is written and enshrined in their policy that they issue an information statement to any new employee to give them an invitation to join the trade union movement. On the weekend, the Leader of the Opposition said that union bosses are just another voice. He declared on Sunday—it was classic Kev—that union bosses could ‘jump in the lake’ if they had a problem with what he had to say. You can imagine Kevin Reynolds and Joe McDonald shaking in their jackboots as Kevin Rudd says to them—

The SPEAKER—Order! The minister will refer to the Leader of the Opposition by his title.

Mr HOCKEY—As the Leader of the Opposition says, ‘I’m going to force you to jump in the lake if you don’t agree with what I have to say.’ They would be shaking in their boots. You would even have Joe McDonald’s braces pop up—‘No ticket, no start’ and away they go.

You would have thought that, at the same time as the Leader of the Opposition saying he was not going to be controlled by the union bosses, he would have stood up for one of his senators that was being knifed in the Senate. I picked up the Australian and the Age and they were a great read. In the Age Senator Linda Kirk, who has only been a Labor Senator for South Australia for a short period of time, said:

The trade union vote is such that they can get up their own...

If you don’t have a good trade union base, it is impossible to get into a winnable position, even with branch support—

in the Labor Party. Senator Kirk was disendorsed by the Labor Party because Joe de Bruyn did not like what she had to say. She says in the Australian today:

Joe de Bruyn said that if I did not vote against the stem-cell legislation I could not expect support from the union for preselection.

He singled me out ... I wasn’t prepared to toe the union line.

Yes, I have lived by the union and died by the union.

I went back to the Leader of the Opposition’s interview on the Sunday program when he was asked about a shoppies union official, Mr Farrell, who was coming into replace Senator Kirk. He said:

He’s a very effective, very effective person who will actually bring a lot of experience and a lot of balance also in to the ranks of the Parliamentary Labor Party...

Balance! Another union official coming into the Labor Party in the Senate to deliver balance! I thought to myself, ‘Hang on, how many senators from South Australia representing the Labor Party are former trade union officials?’ Sixty per cent. This takes it up to 80 per cent. If that is balance in the way the Leader of the Opposition says he wants balance, there is no room for any dissenting voice from the trade union bosses when it comes to Labor Party preselection. We should not forget, and the Australian people will not forget. Every member of the parliamentary Labor Party is a member of the trade union movement and now they are getting rid of people of conscience and replacing them with more union bosses so that they can toe the union line.

Liberal Party

Mr ALBANESE (3.15 pm)—My question is to the Prime Minister. I again refer to the Liberal Party function at Kirribilli House—which included fine wine, oysters and prawns—overlooking the magnificent Sydney Harbour. Can the Prime Minister...
guarantee today that the total bill of $5,100 charged to the Liberal Party from the $8,250 charged per head covers the costs of all catering, alcohol, food, security, insurance, cleaning and the hire of the venue—as is required for community organisations which hire rooms in this Parliament House?

Mr HOWARD—I can confirm that the figure I have given—and the precise figure is $5,186.78—includes all of the additional costs of the function. The food and beverage served at the function was purchased separately for the function; existing stock was not used. There was an audiovisual cost for the function, and this was billed directly to the Liberal Party. The situation is that all of the additional costs—

Mrs Irwin interjecting—

The SPEAKER—Order! Mrs Irwin interjecting—

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

Mr HOWARD—Obviously any additional staff required are included in the cost, and that is a figure of $829.57. Clearly the existing staff would have been on duty and paid anyway, so that is not part of it. I know that the Labor Party find the amount involved rather low, but perhaps their lifestyle is a little more extravagant than mine.

Macular Degeneration

Mr FAWCETT (3.16 pm)—My question is addressed to the Minister for Health and Ageing. Would the minister advise the House of the government’s decision to list Lucentis on the Pharmaceutical Benefits Scheme? How will this listing help people at risk of going blind from macular degeneration?

Mr ABBOTT—I thank the member for Wakefield for his question. I appreciate just how concerned he is about this issue and I am grateful for the representations he has made to me on this topic. Macular degeneration is the principal cause of blindness in this country. It affects about 130,000 Australians and every year about 17,000 new patients are diagnosed with what is called wet age-related macular degeneration. But now there is hope for these people. A new drug, Lucentis, can arrest and, in some cases, even reverse the progress of this disease in about 80 per cent of patients. Last week the government announced that Lucentis would be listed on the Pharmaceutical Benefits Scheme from 1 August. This will cost $630 million over the forward estimates period, but it is worth it because it enables these people to continue to lead fully active lives and to remain fully involved members of the community—people like Bill Milton, of Two Wells in the electorate of Wakefield, who has already explained to his local member just how beneficial this drug has been to him. Of course, being an outstanding local member, the member for Wakefield has passed that on to me.

I would like to thank the officials of the Therapeutic Goods Administration and of the Pharmaceutical Benefits Advisory Committee for the expeditious way in which this matter has been handled. But I do say to everyone who has welcomed this listing that the government can only afford to put new drugs like this on the PBS because we have a strong economy. The listing of drugs like Lucentis is the social dividend of a strong economy. I say this in conclusion: if you cannot trust people to run the economy, you certainly cannot trust them to run a health system either.

Liberal Party

Mr ALBANESE (3.19 pm)—My question is again to the Prime Minister. Can the Prime Minister confirm that attendees at the Liberal Party fundraising drinks function at Kirribilli House on Friday, 1 June 2007 were
met by people wearing badges from the Department of the Prime Minister and Cabinet?

Mr Ticehurst interjecting—

The SPEAKER—Order! The member for Dobell is warned! The Manager of Opposition Business has the call.

Mr ALBANESE—How many people from the Prime Minister’s department were at the function, and what were their roles?

Mr HOWARD—I am informed that the people attending the function—it was not a Liberal Party fundraising function—were met by members of my staff wearing a badge with ‘Prime Minister’s staff’ on the badge.

Disability Services

Mrs GASH (3.20 pm)—My question is addressed to the Minister for Families, Community Services and Indigenous Affairs. Would the minister update the House on the progress of the negotiations with the states and territories on a new disability agreement? Minister, how important is this agreement to Australia and to the people in Gilmore?

Mr BROUGH—I thank the member for Gilmore for her particular interest in this subject. She has previously had members of Anglicare try to establish a specific facility in Nowra. Through her, I thank them for the efforts they have made. She, along with most members of this House, would probably be aware that the current disability agreement between the Commonwealth, the states and the territories expires on 30 June—just on three weeks from today. She would be interested to know that the Commonwealth currently spends about $12.8 billion every year on disability services. That includes the disability support pension and other payments, support to carers through the carer allowance and carer payment, respite, and also through specific initiatives such as for the younger people in nursing homes, trying to get young people out of inappropriate care—that is, aged-care facilities—and putting them into places where they can have a better quality of life.

I had a normal meeting with all of the other ministerial colleagues in Brisbane on 3 April. At that meeting I confirmed that the Commonwealth was very keen to enter into another Commonwealth state disability agreement for another five-year period. We offered the same amount, plus $400 million worth of indexation at that time. There were four parameters that we put around that new agreement. They were ensuring (1) that Indigenous Australians had access to disability services, (2) that the unmet need for supported accommodation was acknowledged and that there was a plan going forward to address it, (3) that we would have external validation of services—and I ask the House: would anyone realistically accept today, in aged care or child care, there not being external validation of those services? Yet today most state run supported accommodation for our most vulnerable in society does not have any form of external validation and we in the Commonwealth believe that that is an absolute necessity. And (4) we also require real transparency and real accountability by the states.

Having put that offer on the table on 3 April I then made a separate offer, which the cabinet had authorised me to take forward, and that was that each state and territory collectively or individually come forward to the Commonwealth with a plan to meet the unmet need for supported quality accommodation places and that the Commonwealth would match it dollar for dollar. In other words, every dollar the state puts in the Commonwealth will match dollar for dollar.

What happened at that meeting was quite disgraceful. All Labor state and territory ministers briefly stopped the meeting, ad-
journed outside, caucused, came back in, read from a written statement and declared the meeting closed without further discussion. I subsequently wrote to state and territory ministers again outlining the Commonwealth’s generous offer of a dollar for dollar proposal to meet unmet needs. I gave them until 8 June. On 7 June I received a complete offer from the ACT, and I thank them for that. The Commonwealth is now considering that offer. I then received a letter, jointly signed by all other state and territory ministers, giving a commitment that they would consider it by 30 June and that they expect to be able to provide details of their capacity to respond. That is the most bureaucratic mumbo-jumbo, gobbledygook, you will ever get. There was no commitment of one dollar, no commitment of one place for additional supported accommodation for our most vulnerable in society. That is simply not good enough.

If you think that this is just the Commonwealth government, let me read to you from a letter I received on 22 January from Minister Della Bosca, then representing all state and territory disability ministers. He states:

We are asking the Commonwealth to match our investment in Australian families. We are of the view that a multi-lateral, matched funding strategy similar to that of the Young People in Residential Aged Care and Older Carers Respite initiatives will make a real difference.

That is exactly what the Commonwealth put on the table, and as of today not one state and only one territory—the ACT—has responded. This is not good enough for the disabled, who are the most vulnerable in our society. The Howard government will stand by these people. We ask those opposite to call on their state colleagues to start doing something positive about meeting the unmet needs of our disabilities groups in Australia.

Liberal Party

Mr ALBANESE (3.25 pm)—My question is again to the Prime Minister. Can the Prime Minister confirm that the price charged for the Liberal Party fundraising function at Kirribilli is based on the same pricing principles that apply to community groups hiring the Great Hall here in Parliament House? Will the Prime Minister now table the full costings billed to the Liberal Party for the 1 June fundraiser at Kirribilli?

Mr HOWARD—It was not a fundraiser—and you know that. Let me very simply tell you why: the amount of up to $8,000 was a fee charged to business observers for attending the federal council of the Liberal Party, which I am told is approximately the same as the top charge made for the Labor Party federal conference.

Opposition members interjecting—

Mr Howard—Of course you did not. This demonstrates that the basis of your claim is completely wrong.

Mr Albanese interjecting—

The SPEAKER—The member for Grayndler is warned!

Mr HOWARD—I have indicated that the costs are $5,186.78—that is, food $2,128.50, beverages $1,476.52, casual staff $829.57 and hire charges $752.19, making a total of $5,186.78. Every last cent of that was paid for by the Liberal Party of Australia.

Workplace Relations

Mr BAKER (3.27 pm)—My question is addressed to the Minister for Small Business and Tourism. Will the minister inform the House of the findings of the latest Sensis small business survey? What does this survey show about the support for the government’s workplace relations reforms?

Mr Downer interjecting—
Mr Albanese—I ask the Minister for Foreign Affairs to withdraw the statement he made across the chamber, which was exactly the same as the statement which the Deputy Leader of the Opposition withdrew last week.

The SPEAKER—I did not hear the minister, but I call the minister.

Mr Downer—I am happy to withdraw.

FRAN BAILEY—I thank the member for Braddon for his question and for his very strong support for the 10,500 small businesses that he has in his electorate. Those small businesses understand and appreciate the value that the Howard government has delivered—a strong economy, low interest rates and a flexible workplace. That has been reflected in the latest Sensis business index, which has small business increasing their support for the Howard government by 14 per cent. That is the second highest level ever. The only level that was ever higher was when the Howard government was elected. It is no wonder that small business appreciate this. In fact, they nominated that it has been stable economic management that they have most appreciated. Obviously the opposition is not interested at all in small business.

Mr Howard—They are not the party of small business.

FRAN BAILEY—They certainly are not.

Mr Adams interjecting—

The SPEAKER—The member for Lyons is warned!

FRAN BAILEY—Not only did this survey indicate the very strong level of support for the Howard government—which of course has led to increased confidence by small business people to employ more people, enabling them to grow their businesses and give jobs to more people—but also it indicated a very real concern by small business about the Rudd alternative, which they know is simply doing the union bidding. They are right in their concerns. They know that the Rudd alternative—

The SPEAKER—Order! The minister will refer to the Leader of the Opposition by his title.

FRAN BAILEY—I was actually speaking about the Rudd alternative, Mr Speaker.

The SPEAKER—The minister will refer to the Leader of the Opposition by his title.

FRAN BAILEY—Small business is very concerned not just about the Leader of the Opposition but about the entire policy of the opposition because it knows that every single one of those sitting opposite will do the bidding of the unions before they will ever consider the needs and aspirations of small business people. Small business understands that the opposition’s alternative is to reinstate unfair dismissal and to get rid of AWAs. Small business does not want the clock wound back to the 1970s alternative. It understands that the Howard government has delivered and will continue to deliver in future.

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

QUESTIONS TO THE SPEAKER

Parliamentary Zone

The SPEAKER (3.31 pm)—On 23 May this year the member for McMillan asked me a question about external water features in the grounds of Parliament House. The external water features were turned off as one of the measures to meet stage 3 water restrictions which were applied in December 2006 and required a reduction of 35 per cent in total water use at Parliament House. While water restrictions beyond stage 1 remain in force in the ACT, the water features should not be operated. At this stage the ACT water authority is giving consideration to moving from stage 3 to stage 4 water restrictions in
July. Stage 4 water restrictions would be likely to continue for some time unless there is very good winter and spring rain this year. The water authority has indicated that combined storage levels in the ACT’s dams of about 50 per cent would be necessary before water restrictions could be reduced to stage 1. Combined storage levels are now at 31 per cent.

Parliament House: Energy Use

The SPEAKER (3.32 pm)—During the last sittings the member for Calare asked questions about energy use at Parliament House. I can advise the member for Calare that the Department of Parliamentary Services now buys 25 per cent green energy for Parliament House, of which 15 per cent is hydro power and 10 per cent is from renewable resources, such as solar and wind. Since Parliament House was opened, energy consumption has been reduced significantly. Current figures are that electricity consumption has been reduced by around 40 per cent and gas consumption by around 73 per cent. The Department of Parliamentary Services is currently developing an energy strategy that will focus on new ways of reducing energy consumption in Parliament House, but I expect that it will also consider the options for increasing the proportion of energy derived from renewable resources.

Questions in Writing

Mr KELVIN THOMSON (3.33 pm)—Mr Speaker, I have a question to you under standing order 105(b). On 14 June 2005, two days short of two years ago, I asked the Prime Minister question No. 1673 on notice seeking to know how many National Water Initiative projects had been approved at that time. Could you write to the Prime Minister seeking reasons for the delay in answering this question? Could you also write to the relevant ministers seeking reasons for the delay in answering the 37 questions which I asked nine months ago on 12 September 2006 and the 171 questions which I asked on 14 September 2006, which remain unanswered? It may suit the convenience of the House if I provide details of these questions to the clerks rather than identify each of them now.

The SPEAKER—I thank the member for Wills. I would be happy to follow up his request.

Parliamentary Language

Parliament House: Water Use

Mr NEVILLE (3.34 pm)—Mr Speaker, I have two short questions to you. I would ask you to reflect on your last ruling. If it is in order, on both sides of the House, to refer to the Howard government, how can it be wrong to refer to the Rudd alternative, or the Rudd opposition? I also ask: where is the stormwater from Parliament House stored? I have a number of schools in my electorate that now have underground storage tanks taking the stormwater and watering their gardens and ovals. Has this been considered here?

The SPEAKER—I thank the member for Hinkler. In response to his first question, I listen carefully to the context in which such expressions or names are used and endeavour to rule according to the standing orders. I will follow up the second question he asked and get him a response.

Question Time

Mr TANNER (3.35 pm)—Mr Speaker, I have a question to you. For many years it has been customary for government members, when asking questions, to ask ministers whether there are any alternative policies, or words to that effect. I think that occurred on at least three occasions today. It has also been common when that has not been appended to a question that Speakers have ruled out of order any attempt by ministers to
stray into commentary about opposition policies. Today the Acting Leader of the Opposition asked the Prime Minister a question about the government’s policies and actions with respect to Work Choices. He did not respond to the detail of the question about the government but in fact responded with criticism of the opposition’s policies. Several points of order were taken by opposition members and you ruled that the Prime Minister was in order. My question on this matter is whether it is no longer necessary for government members to append to their questions to ministers whether there are alternative policies—if they wish the ministers to comment on opposition policies—or whether in fact the position is that there is one rule for government members and another rule for opposition members.

The SPEAKER—I would say to the member for Melbourne in response to the first part of his question that, as he said, for some years now, going back quite a while, questions have sometimes included the final line ‘are there any alternatives’ or words to that effect. In relation to the second part of his question, the interpretation of standing order 104, in my view, has not altered. I refer him to House of Representatives Practice, which makes it quite clear what successive Speakers have ruled on the question of what is relevant. On the last point, that was rather offensive and the member for Melbourne should be careful if he starts to reflect on the chair.

AUDITOR-GENERAL’S REPORTS

Document No. 42 of 2006-07

The SPEAKER—(3.37 pm)—I present the Auditor-General’s Audit report No. 42 of 2006-07 entitled The ATO’s administration of debt collection: Micro-business: Australian Taxation Office.

Ordered that the report be made a parliamentary paper.

DOCUMENTS

Mr McGauran (Gippsland—Deputy Leader of the House) (3.37 pm)—Documents are tabled as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings and I move:

That the House take note of the following document:

Debate (on motion by Mr McMullan) adjourned.

MAIN COMMITTEE

Mr Bartlett (Macquarie) (3.38 pm)—by leave—I move:

That unless otherwise ordered, at the resumption of the Main Committee meeting at approximately 4 p.m. today, the first item of business shall be Members’ statements, each for no longer than 3 minutes, with the item of business continuing for 30 minutes irrespective of suspensions for divisions in the House.

Question agreed to.

MATTERS OF PUBLIC IMPORTANCE

Broadband

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

The Government’s failure to develop a comprehensive plan to deliver a national broadband network, and the impact of this on regional Australia

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

More than the number of members required by the standing orders having risen in their places—
Mr CREAN (Hotham) (3.39 pm)—On indulgence, Mr Speaker, before I commence could I join with others in congratulating the Clerk of the House, Ian Harris, on what is a well-deserved honour. He has been a wonderful servant of this place, and I have had the opportunity over the 17 years that I have been in it to avail myself of his assistance. So, well done, Ian, and congratulations.

Today we got another reminder of how abysmally this government has failed the nation in terms of Broadband Connect—the front of the Sydney Morning Herald: ‘Australia left for dead, says net guru’. It is another wake-up call about the need to deliver real broadband to all Australians regardless of where they live, not just those in the capital cities, as you would well appreciate, Mr Deputy Speaker Adams. It is another indication of the government’s policy failure, another example of the squandered opportunity to invest in this nation’s prosperity—a government awash with money in what is arguably one of the longest resources booms in our history and it still cannot connect the whole of the nation in terms of vital access to this infrastructure.

In the Sydney Morning Herald article, Professor Larry Smarr, the Director of the California Institute for Telecommunications and Information Technology, says that Australia’s internet infrastructure has not kept up with international standards and that, if this is allowed to continue, we will be ‘left out’ of existing and emerging business opportunities. It does not matter what grading of Australia against international standards you look at, in terms of broadband Australia is well down the list, with slow connections across all parts of Australia, even in centres within major cities, restricting businesses—restricting not only economic connectivity but social connectivity as well.

This is a problem that, as bad as it is for the nation, is even worse when it comes to regional communities. Hundreds of thousands of people in businesses in those areas are still waiting to be connected—to step over the digital divide and join the 21st century. The benefit of connecting our regions is monumental for this nation. High-speed broadband is the great enabler for this country, enabling in terms of infrastructure not only for economy purposes but also for social and community purposes. It is what will connect this nation to the information superhighway. Put simply, those regions that have access to fast-speed broadband over the internet are the ones that go ahead; those that do not have it fall behind.

We did not need the good professor today to tell us of this problem because indeed last year the Australian Local Government Association presented its latest State of the regions report, which showed the cost to this nation of failing to connect our regions. In 2006 alone, just one year, the cost of that failure to this country was $2.7 billion in forgone gross domestic product and almost 30,000 regional jobs. Regions such as Wide Bay stand to benefit from an estimated $78 million in additional revenue and 1,000 jobs. Another example is the Mackay region—over $100 million and 1,000 jobs. Gippsland in my home state of Victoria is missing out to the tune of $170 million and 1,500 jobs. In fact, I have a table which I am prepared to present to the House which indicates the costs, broken down, throughout the whole of the country, and I seek leave to table that, Mr Deputy Speaker.

Mr McGauran—No. I haven’t seen it. I don’t know—

Mr CREAN—You haven’t seen it? This is a person who represents the National Party. He is the Deputy Leader of the National Party and he has not seen—
Mr McGauran—It’s your document. It’s your document.

Mr CREAN—It is not our document; it belongs to the Australian Local Government Association.

Mr McGauran—Show it to me. Bring it around and show it to me. No, you’re not throwing it. Bring it around and show it to me.

Opposition members interjecting—

Mr CREAN—You said you wanted to see it. I can’t bring it around to show it to you.

The DEPUTY SPEAKER (Hon. DGH Adams)—Order! The honourable member for Hotham has the call.

Mr CREAN—I think the contempt that the Deputy Leader of the National Party is showing his constituency on this very important issue is an indication as to why the regions are not connected. They are not connected because this government does not care about them. That cost, $2.7 billion—that is 30,000 jobs—is the cost for one year alone. Just imagine how much the regions have been missing out since this government has been in office!

It is not, as I said, just about how businesses can take the opportunity. Just think about it: why would businesses set up in the regions if they cannot get the same speed of access to the internet as you get in the capital cities? Where is the encouragement to decentralise? Where is the encouragement to home based industries? Where is the ability for people looking for markets to access this information readily? Where is its ability to make the tenders and make the offers? That is what the regions are missing out on. But it is not just businesses.

Think about it in terms of educational opportunity for young kids growing up in the regions. If they cannot get the same access to the internet as their contemporaries in the capital cities, just imagine what they are missing out on in terms of their learning opportunities. And what about entertainment, the cultural dimension, for people who make the choice to live, grow up and develop in regional communities? They cannot get the same entertainment. And what about the cultural connectivity? This is why this is such a fundamental investment that needs to be made.

I note that Professor Smarr said in the article today that it was encouraging that this debate was being had in this country today. The only reason we are having the debate in this country today is that Labor has put out a plan to connect the nation—a plan that is costed, a plan that is funded, a $4.7 billion plan that will enable the rollout of a new fibre-to-the-node network across the whole of the country. It will connect, through fibre to the node, 98 per cent of Australians to high-speed broadband services at a minimum speed of 12 megabits per second, a speed almost 40 times faster than most current speeds. The remaining two per cent—

Mr Ciobo—That’s it!

Mr CREAN—No, it is not. That is not it, and this is where the leader of the National Party has misrepresented our position: 98 per cent is all that can be done on known technology today, fibre to the node. We have committed to ensure that the other two per cent get the equivalent access through alternative technologies, and we have funded and built that into our program. The Leader of the National Party said the other day that 400,000 Australians will miss out—that is the two per cent. He has not even bothered to read the policy. But then he goes on to assert that even the 98 per cent fibre-to-the-node connection cannot be made. Well, he is wrong on that count too, because Telstra itself has said it is capable of connecting 98 per cent with fibre to the node. What it is not
prepared to do, though, is what this government leaves it to do, and that is make the investment where there is market failure.

The simple fact remains that, if it is left to Telstra or the G9 group, they will only connect where it is economic to do so. That is the capital cities. The regions will be left behind. That is what is called market failure. That has always been the case in this country. It always will be, in my view, because of the vastness of our size and the dispersal of the population. There is market failure when it comes to telecommunications, and that is why you need a government in there in partnership with the private providers, connecting the nation—the whole of the nation: all of the regions, not just the capital cities.

We have heard in this House that the government say they can do it without any public expenditure. That is what we have heard the smug Treasurer say: that their proposal to connect fibre to the node will be done without any public expenditure. But what then, I ask, has been the need for the $4 billion in public expenditure that this government has put into programs since it came to office—$4 billion ostensibly to connect the nation? They have criticised us for our $4.7 billion plan, essentially implying that you do not need any public money, when in fact they have spent $4 billion since they came to office but have failed to connect the regions at all. It has been a complete waste of money. We know they have had the money, of course, because they have sold Telstra. In fact, the only telecommunications plan the government have had has been to sell Telstra, not to connect the nation. But the simple fact remains that from all of those proceeds they have failed dismally to connect the nation. They have gone about from election to election offering more suggestions, more pork barrels, but they have not connected the nation.

Professor Smarr has also said that we need a fibre network because the copper network is not fast enough. We agree. But that is what our commitment is. We are the only party with a commitment to forge the partnership that will offer that fibre network, a network which can be continually upgraded so that the investment we make today can be built on for the future. The $4.7 billion that Labor have committed to is funded from existing government investments in telecommunications, including the $2 billion Communications Fund and through the Future Fund’s 17 per cent share in Telstra, which will earn dividends and be sold down to normal levels after November 2008. I ask the House: why should the proceeds of the further sale of Telstra simply be used to go to pay off the superannuation liabilities of Commonwealth public servants? Why shouldn’t there be a preparedness to use the nation’s earnings on its investment to reinvest in the national interest, for all Australians? In essence, what Labor are proposing to do is to use the proceeds from the nation’s past investment to reinvest in the nation’s future. That is a smart way to do things. It is the Labor way to do things. It is not the way this government is going.

In essence, Labor will do more with the remaining 17 per cent share of Telstra to connect the nation than the government has done by flogging off the other 83 per cent. The government’s sale of Telstra has been a disgrace in terms of reinvestment back into much-needed telecommunications infrastructure in this country. They talk about the need to have a community service obligation when it comes to standard telephone services, but why not a commitment to guarantee standard access to fast broadband over the internet? They will not do it. Only Labor is prepared to make that commitment. Only Labor is prepared to address the market failure. As usual, we see the government panic-
They know that Labor’s initiative has real traction. They are now trying to pretend that they really are committed to connecting the nation, but not so long ago the minister was saying, ‘No-one is complaining about broadband speeds in metropolitan Australia.’ I do not know who she has been listening to; there are parts of my electorate that still do not get broadband, and I know that other seats that we represent do not get it.

Ms Kate Ellis interjecting—

Mr CREAN—Altona, of course. These are all areas in metropolitan Australia that, like regional Australia, are missing out because of the government’s flawed approach. The government have no plans and no costings. They have made no commitment to roll out 12 megabits per second. Labor is the only party to have made such a commitment. On the one hand, we have the Treasurer saying that no public money needs to be committed and, on the other hand, we have other ministers telling us how they are going to find additional funds to meet regional Australia’s needs. Why would we believe them now? They have been making these claims for the past 11 years and they have failed to deliver.

This country needs a party that is committed to addressing the market failure and committed to ensuring that the whole of Australia is connected and that the regions are not left behind. The only party with such a plan is the Labor Party, and the sooner we have an election to give us the opportunity to implement it, the better off this country will be.

Mr McGAURAN (Gippsland—Minister for Agriculture, Fisheries and Forestry) (3.54 pm)—The government welcome this debate on broadband and we are delighted that the opposition—although late to the discussion—has been prepared to list it as a matter of public importance. I am a little surprised, though, that there has not been the traditional focus or attention placed on the matter of public importance during question time. Invariably, the practice is that questions are asked of the Prime Minister or relevant ministers in the lead-up to a matter of public importance immediately following question time—building expectation, creating a sense of drama and setting the scene. But there was not a single question to the government today about broadband. This issue is of such biting importance to the Labor Party that they did not ask a single question about it. I stand to be corrected, but it has been many weeks, if not months—I will go through the Hansard records—since a question was asked in this House by the Labor Party on the broadband issue. This is very much a filler. The Leader of the Opposition is not here at this moment; consequently someone has to take up the matter of public importance, and it has fallen on the former Leader of the Opposition, the member for Hotham.

The government have been rolling out broadband policies and programs since 2002, and it was only a few months ago that the Leader of the Opposition launched a new program which, if you look carefully, is a rehashed Beazley—the member for Brand—policy of about four years ago. There is very little to distinguish it from the earlier version. But no matter; we welcome the Labor Party’s interest. This is an issue of critical concern to all Australians—wherever they live—in economic, social and cultural terms. It goes to the heart of our international competitiveness. That is why the government have invested so much time and so much money into bringing Australia up to a high world standard. We know that a great deal more needs to be done, and there will be announcements before very much longer. In fact, I even chance my arm to say that it is likely that the government will have another major announcement before the week is out.
as we further develop broadband policy and invest heavily in it.

The member for Hotham was at pains to stress the Labor Party’s credentials on broadband with its recently released policy. The problem is that the policy ignores regional Australia—for two reasons. The first reason is that it abolishes the regional Communications Fund established by the government—$2 billion—to pay for a policy that is city-centric. There are many areas of Australia that miss out under the Labor Party’s program. A number of regional centres, such as Ballarat, will not be serviced. Traralgon will not be serviced. Wollongong, Canberra, Townsville, Burnie, Geelong and Cairns will not be serviced, and the list goes on. The Labor Party’s policy is for metropolitan centres or capital cities. To help fund its policy, the Labor Party will abolish the regional Communications Fund, which was established by the government to invest directly in regional areas.

We believe that where there is market failure in non-metropolitan areas the taxpayer has a responsibility and will fund it. I noticed that the member for Hotham was critical about the roughly $4 billion that we have already invested in broadband. I think that is something that should be recorded for later reference. He is critical that we have already invested so heavily in regional and rural Australia. That is because there is market failure. That will always be government’s responsibility, but we do not have to invest in metropolitan Australia, because the private sector wants to. Both Telstra and the group of nine telecommunications companies have taken out full-page advertisements saying that they do not need government funding and that they will invest themselves. What they want is for the regulatory regime to be right—and that is what we have to concentrate on. I have heard of suckers before, but I have not heard of a whole political party committing itself to spending $4.7 billion that the private sector has offered to spend.

The second reason that Labor’s policy ignores regional Australia is, of course, that the plan does not work. The plan does not make sense, even leaving aside the financial considerations, which are, firstly, that the private sector has offered to pay the money and, secondly, to help pay for the plan—which they do not have to pay for in the first place—they will abolish the $2 billion regional Communications Fund and, to top it up, take the remaining $2.7 billion from the Future Fund, which is a guaranteed payment for retirees and superannuants. So they will burden future generations for their immediate political purposes and concerns.

Moreover, shockingly, the Labor Party’s plan is hopelessly unambitious: firstly, because it does not reach so many Australians; secondly, we do not believe that the speeds the Labor Party has set are fast enough; and, moreover, it cannot be afforded. It is the laughing stock of the telecommunications industry. A significant number of independent commentators have said the plan as outlined by the Labor Party is unaffordable. The Labor Party says it will connect broadband for $4.7 billion, although you will need another $4 billion according to Senator Conroy, the shadow minister for communications, but that will come from the private sector. So, as I understand, it is a total plan, and it is very difficult to get some consistency in its explanations of $9 billion. We know already that, according to the telecommunications provider PIPE Networks, it would cost at least $16 billion. Telstra has said that it could cost up to $30 billion. Telecommunications analyst Market Clarity has added that the Labor Party’s cost estimates lack detail required to build any sort of realistic network cost model. It is just absurd that firstly the Labor Party would be using $4.7 billion of Australian taxpayers’ funds, stored in the regional...
Communications Fund and in the Future Fund, to contribute towards a $9 billion program that will not even begin to achieve its objectives. But not to worry: the private sector will pay for the capital cities and the government of the day should help to a greater extent to connect broadband to non-metropolitan, regional and rural areas. The Labor Party is just being reckless.

Our proposal is in stark contrast to that of Labor. Quite frankly, the Labor Party is being economically irresponsible in abolishing a regional Communications Fund and raiding the Future Fund. The Labor Party has no answer for the real issue here, which is the regulatory regime. The government has been in discussions with both Telstra and the group of nine about addressing this issue. Neither will the government dictate the type of technology that an investor has to put its money into because these are decisions best left to the marketplace. The Labor Party’s proposal has no dialogue; it has no detail. The Labor Party’s policy has been exposed as being very light, shallow and thin on detail. It has been discredited because it is uncosted, untested, unworkable and undeliverable. The industry and the public want more detail in regard to the Labor Party proposal.

I issue an invitation to the member for Hotham to start providing detailed costings. How would this joint venture between the government’s $4.7 billion and the private sector’s $4 billion actually work? Moreover, when are we going to get the details? Before the election? I doubt it. In fact, I think it is safe to say now that we are not going to hear another word in regard to this policy in providing further details. I do not believe we are going to see a single question answered. When is the Labor Party going to provide some substance to its generalised assertions? It is simply a cop-out. Despite the regulatory issues being cited by Telstra as the reasons it is yet to invest in fibre, there are no details of Labor’s regulatory regime or system. Labor is afraid to release any more details.

In contrast, the Howard government is committed to providing all Australians with access to high-speed broadband, regardless of where they live. Look at the things we have done in remote Australia and anywhere a broadband service is not available. We have the $163 million Australian Broadband Guarantee program. That is a guarantee that Australians can access a broadband service with a $2,750 subsidy per household. Look at what the government is doing in rural and regional Australia with the $878 million Broadband Connect program, which assists the delivery of a new high-speed national wholesale broadband network. We also have e-health and online education services in regional areas with the $113 million Clever Networks program, which is harnessing smart solutions such as interactive distance education and real-time medical diagnosis, which can save lives. The community is already benefiting from the Howard government’s policies on broadband.

Under the coalition government, 4.3 million Australians have gained access to broadband services and the average price paid by consumers has dropped by 64 per cent since 2000. Today, 90 per cent of Australian premises can access speeds of between two megabytes per second and eight megabytes per second and more than 50 per cent of metropolitan areas can access even faster speeds through ADSL2+ and cable broadband platforms.

We can do better, much better. We are going to do better. An announcement shortly will build on the government’s already huge investment in infrastructure. The Labor Party needs to realise that you do not need to waste billions of dollars of taxpayers’ funds for the telecommunications industry to invest in highly commercial areas like Sydney and
Melbourne. There is critical mass. That is a commercial decision and investment that the telcos are happy to make—they have told us. Telstra and G9 are both prepared to roll out a fibre broadband network in the capital cities and major regional centres without a red cent from the taxpayer. They must have seen you coming with your $4.7 billion offer and thought, ‘All of our Christmases have come at once.’

Both Telstra and the G9 have run full-page advertisements recently and both advertisements highlight the folly of Labor’s broadband policy. For instance, Telstra’s advertisement said this:

Telstra needs no money from Canberra to build a world-leading broadband network.

Then, in another swipe at Labor, the group of nine telecommunications companies advertisement said this:

The group of nine plan does not require taxpayer funds. It will be independently financed.

So why spend $4.7 billion on something the private sector will take up for themselves? It is total recklessness. Instead, the government has an integrated strategy that will provide all Australians with access to high-speed broadband—and especially taking into account where they live, because we do not discriminate between city and rural Australians. But you need a responsible and measured approach. If you try to do this on the run or do it on the back of a serviette, which the Labor Party’s policy, most kindly, can be described—

Mr Baldwin—Or the back of a union ticket.

Mr McGauran—Or the back of the union ticket—that is an even smaller space to scribble your ramblings on telecommunications. Instead, you have got to have a broadband policy that is multidimensional and keeps ahead of the game in a sector such as telecommunications. The government’s incentiv programs, such as HiBIS and Broadband Connect, have resulted in over a million premises gaining access to terrestrial services and over 250,000 customers taking up these subsidised services. The programs have resulted in increasing competition amongst providers, and over 1,500 exchanges have been enabled for ADSL.

The Labor Party’s policy is a sham: it does not work, it lacks detail, it has been ridiculed by the industry as being technically deficient, and it is financially reckless. The government, on the other hand, has the building blocks in place. We have invested heavily for many years in rural and regional areas and we will continue to do so. We will enlist the private sector to the greatest extent possible and will shortly be making announcements that provide the way forward for broadband connections in this country.

Mr Windsor (New England) (4.09 pm)—On indulgence, Deputy Speaker Adams, on behalf of the Independent members of the House, I would like to congratulate Ian Harris on his recent nomination. I thought both the Prime Minister and the Acting Leader of the Opposition summed up well the contribution that Ian and his colleagues have made to the wellbeing of this chamber. I am very pleased that the member for Hotham has raised this matter of public importance, because I think it is an issue that needs to be brought before the public once again and particularly in relation to the debate that is going on at the moment with the G9 group, the Telstra arrangements—or disarrangements and disarray with the minister’s office—and a whole range of other events that are happening out there, not the least of which is the changeover from CDMA to Next G and the broad policy issues that are being confronted there. You may remember, Deputy Speaker Adams, I asked the Prime Minister a number of ques-

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tions in relation to the process last week, and I might, if time permits, speak briefly about that in a moment.

The issue of broadband that is before the House is a very important and complex issue. It is definitely in my view the most important piece of infrastructure that this nation is going to embrace during the early part of this century. There has been a lot of talk about $3 billion going to a railway line in inland Australia. When you look at the maths of that particular railway line—and I do not disagree with the railway line—it is talking about three trains a day between Melbourne and Brisbane, or 0.6 trains per day you are talking about 8,000-tonne trains. But if you get back to a reasonable tonnage, the tonnage that is being explored through the Ernst and Young consultancy document on small trains, it would be about three trains a day.

The government is quite prepared to spend $3 billion on that sort of infrastructure. I would suggest that infrastructure that negates distance as being a disadvantage for regional Australia, as well as our city cousins, is the most important piece of infrastructure that we can invest in in this decade and most probably decades to come. I agree with the member for Hotham when he said, ‘What is wrong,’—and I do not mean to verbal him—‘with investing the proceeds of the sale of Telstra in that very important piece of infrastructure?’ It would deliver equity of access, and hopefully pricing, to all Australians, including those Australians in Tasmania, Deputy Speaker Adams.

The member for Hotham raised a couple of other issues as well, one being market failure. The minister, who has just spoken, also talked about market failure and the role of government in relation to that failure. I would like to give an example, if I could, of a small community on the Queensland border called Yetman. Yetman is a very progressive small community. It does not have CDMA and broadband coverage to the extent that it would like. There have been a number of representations made to the minister and others and Telstra Country Wide and Telstra itself in relation to the people of Yetman and their facility. The Treasurer, when this general issue has been raised with him, retreats to the argument that competition will provide it. The minister says a similar thing, along lines that Telstra is a commercial operation and it will make commercial decisions. Where does market failure fit into these sorts of operations?

The people of Yetman have been told by Telstra, and the government has not stepped in to override this with any amount of money, that if they want equity of access to CDMA services—which are going to be in a short period of time superseded by Next G, and I presume it applies to Next G as well—and if that community of some hundreds is prepared to find some land that is suitable for a tower, provide a road that would get to the tower, provide the tower which would be placed on that land and maintain that land as a community, Telstra Country Wide would have a look at putting an aerial or an antenna on top of the tower.

I recently went to a public meeting in Yetman, and a similar situation has developed on Acacia Plateau. Acacia Plateau is in the eastern part of my electorate—again, near the Queensland border—where there is a beautiful site for a tower. But the market has failed because there are not enough users there to pay back the capital requirements for a tower in the three-year period that Telstra now says it requires in terms of its accounting procedures because it is a commercial entity. When I went to the public meeting, I did not see all the competitors competing to get this tower up. I saw one provider, who was suggesting to the community that they should do the work, which would reduce the capital costs. Therefore, at a certain figure.
they would look at putting up an aerial which would give them some return on investment. I did not see any government involvement. My concern about those two instances is about what happens with broadband in the future in terms of access to regional Australians.

I do not have a problem with parts of the sale of Telstra—I was opposed to that sale to start with—and I do not have a problem with government investment in infrastructure into the future.

*Mr Ciobo interjecting*—

*Mr WINDSOR*—It does not have to be sale proceeds; it can be government moneys, taxpayers’ money. There is $2 billion in the Communications Fund. There were commitments given by the government on the sale of Telstra about equity of access. We would all remember Peter Corish, the President of the National Farmers Federation, when he made these comments. Barnaby Joyce, a senator from Queensland, said on those comments that there would be equity of access to broadband and basic telephone services. He said that the sale could go through and there would be future proofing for any new technology. Well, look at the shemozzle that is developing with the conversion from CDMA to Next G. Where is the future proofing in relation to the provision of that equity?

On the changeover from CDMA to Next G—and I raised this with the Prime Minister last week—there is a term ‘equivalence of service’ that is being bandied about. It is a bit like ‘up to scratch’, which was bandied about previously in relation to the sale. I asked the Prime Minister to define what ‘equivalence of service’ means. I have since found that the definition of ‘equivalence of service’ between the two networks, Next G and the old CDMA, will be determined by a truck driving around for eight days assessing the reception in various locations to see whether there is equivalence of service. You would be very interested to know, Mr Deputy Speaker Adams, that that truck will not be going anywhere near Tasmania, but I am told it will go to New England. Presumably they will draw some analogy from New England and transfer it to Tasmania to see whether Tasmanians have any equivalence of service. That truck will not be going to Western Australia or the Northern Territory either. You can imagine how far it will go in eight days in terms of equivalence of service.

I think most of us lived through the Keating induced arrangements for analog into CDMA. I know the government has made great sway of that over time, and I have too because I thought it was badly done. But we have to make sure that with these very important pieces of infrastructure, whether for the future technology of Next G or for broadband facilities across the nation, the government plays a role, because I think that with the CDMA-Next G changeover the government has very little power through the licensing arrangements to change the timetable, irrespective of any equivalence of service. So I would like the next speaker to explain, if he would, what he understands to be equivalence of service for country and city people. *(Time expired)*

*Mr CIODO* (Moncrieff) *(4.19 pm)*—I feel a little as though I am the dark rain cloud that is going to rain on the ALP parade or, perhaps, the Labor Party picnic day, because we have heard from the opposition about their big, bold plan to roll out a national broadband fibre-to-the-node network across Australia. It almost harks back to the glorious days of the seventies and the eighties during the Cold War period, when they would have stood shoulder to shoulder with their communist and socialist friends from the Eastern bloc countries, with their great plans for nation building. That is what we
have heard from the ALP. But I have to say that in this day and age it is perhaps a little understandable that they get a bit excited about being able to go back to the days when the Labor Party could stand up in front of the Australian people and say, ‘Comrades, we have a plan to build our nation.’ As I said, I feel a bit like that dark rain cloud that is slowly coming across to rain on their parade. And the reason why their parade should be rained upon is that it is absolutely reeking of financial irresponsibility. Let us get to the central issue of the Labor Party proposal of fibre to the node for Australia. The central issue is this: the Australian Labor Party say they are going to invest $4.7 billion of Australian taxpayers’ money to build a fibre-to-the-node network across Australia, and they are going to make up the $4.7 billion by smashing and grabbing $2.7 billion from the Future Fund, money that we have quarantined and set aside to pay off debt for superannuation liabilities owed to public servants, owed to the Defence Force—owed to hardworking Australians who have toiled and have a right to know that their retirement will be funded. That is why we have set up the Future Fund. We have put some $150 billion in there, and the Labor Party now say they are going to smash it and grab from it to pay for this proposal. That is how they are going to pay for approximately half their plan. The other $2 billion is coming out of consolidated revenue, out of an expending program. The concern is that the $4.7 billion that the Australian Labor Party say they are going to waste Australian taxpayers’ money on is happily going to be paid for by either Telstra or by the G9. It begs the question: why would you use Australian taxpayers’ money to build something when you have the private sector willing to expend the money to build it, knowing that they are going to get a commercial return? It beggars belief.

Only about 20 minutes ago, the member for Hotham conceded that Telstra or the G9, irrespective of which is successful, would be providing a commercial opportunity. The opportunity would go along these lines: they would build fibre-to-the-node networks in the capital cities and, most probably, in my city on the Gold Coast as well as other regional centres, and I would hazard a guess that would include, for example, Wollongong and Newcastle, larger urban regional centres. They are prepared to build these networks at no cost to Australian taxpayers with a commercial return for those providers. The concept is really quite simple and it is a concept which this coalition government is putting forward. The proposal is: great, let the private sector go ahead and build the commercial networks where it is commercial for them to do so, without using Australian taxpayers’ money; using their own money to develop a commercial return on that money. Then, where it is uncommercial, we will use Australian taxpayers’ money to make it a commercial case to continue investment. That is the proposal of this coalition government. We do not spend money where it is commercial to develop a return but we do expend money to make sure that those areas where it is uncommercial are serviced in exactly the same way as metropolitan markets. That is the proposal on this side of the House. It is logical, it is financially responsible and it makes sense.

It stands in stark contrast to the rubbish that is the proposal of the Australian Labor Party, a proposal that would see the expenditure of $4.7 billion for no reason other than to be able to hark back to the great Soviet days. That seems to be the only rationale that the Australian Labor Party can come up with: the opportunity to have command and control of the Australian economy and say, ‘Comrades, look at what we have done and isn’t it great!’ The only ones that are excited
about the Australian Labor Party proposal are the Australian Labor Party. There has been a flurry of emails between members of the Australian Labor Party and some of their contacts in the Soviet Union and in China saying: ‘Look at the great things we are building in Australia. Fly over and we will show you.’ No doubt that is why they are all excited over there. But the fact is that the private sector does not share that excitement. We all know in the private sector and on this side of the House that it is a ridiculous and financially irresponsible plan that does not deserve the light of day.

So what are people saying about the Labor Party plan? We know that the Independent member for New England, Tony Windsor, agrees with the member for Hotham—and I really have to question why on earth that would be. I guess he has very limited knowledge, as does the member for Hotham, on this issue, so I suspect that that is the reason why they would be agreed there. Let us have a look at what the private sector says about the Labor Party plan. ABN Amro—pretty well respected in the financial markets and one of the country’s leading financial houses—declared that Labor’s proposal would take industry ‘back 20 years to government provision, gold plating, restricted rollout’ and that it failed to ‘resolve access regulation issues but entrenches them and adds new inefficiencies’. That was the ABN Amro report from 21 March this year. That is what ABN Amro said about the Australian Labor Party proposal. I have no doubt that the Labor Party members were saying in response to that quote, ‘Well, of course it does.’ The notion of government provision, gold plating, restricted rollout—these are all the things the Labor Party stands for. No wonder you are all scratching your heads and saying, ‘Of course it does.’ You fail to see the problem. But I think that most other people see the problem with this.

Importantly as well, let us not lose sight of the fact that the Labor Party proposal is predicated upon an $8 billion rollout cost. Knowing the Australian Labor Party’s form when it comes to major projects like this, we would really have to question whether that $8 billion cost that the Labor Party has put forward is likely to be the cost at the end of the day. We know that PIPE Networks, a network infrastructure specialist, released what it termed a ‘conservative estimate’ of the cost of Labor’s proposal. Their conservative estimate was that it would cost approximately $15 billion to $16 billion—not $8 billion as the Australian Labor Party says, but double that. That is how much an independent provider says the Labor Party proposal will cost on a conservative estimate—double the Labor Party proposal. So you can already see the Australian Labor Party—they will be running around saying: ‘We need to raid the Future Fund again. We need to go and get more Australian taxpayers’ money to put into our marvellous Soviet network. If we do not do that, we have got a chance that it will not roll out.’ That is a major concern. It would not be $8 billion as the Labor Party proposes, but $16 billion on a conservative estimate, not by this government but by PIPE Networks, a specialist provider in the area. That is what they had to say about the Australian Labor Party proposal.

A telco analyst Market Clarity also slammed Labor’s costings as ‘insufficient’ and said that their cost estimates lacked the details required to build ‘any sort of realistic network cost model’. So we get these back-of-the-envelope calculations from the Australian Labor Party that it is going to cost $8 billion. We have already got a major infrastructure supplier saying that it will cost more than double that and we have Market Clarity questioning the cost rationale and the cost formula that the Australian Labor Party are using. That is what Market Clarity is say-
ing in the marketplace. ABN Amro criticises it as a ridiculous proposal and one that would take industry back 20 years. So what is very clear is that not only have you got Telstra willing to invest the money, not only is the G9 willing to invest the money; you have got ABN Amro saying, ‘Please, don’t do it,’ and you have got PIPE Networks saying that it would cost at least $16 billion—not $8 billion—and you have got Market Clarity questioning the cost basis for determining the $8 billion. All of this adds up in a very straightforward way to show that the Australian Labor Party broadband dream is nothing but that: an illusory dream that does not deserve the light of day.

Mr Wilkie (Swan) (4.30 pm)—As a past pig farmer, I have heard squeals like those coming from the members opposite before. They remind me of pigs waiting to go to market—squealing and whining but not understanding the fate that awaits them. In this case, what is coming up for this lot opposite is the next election. Because when it comes to the need for a fast broadband service they just do not understand what Australia needs. Australia deserves better.

The importance of broadband to Australia’s future economic prosperity cannot be overstated. The presence of a world-class broadband network is fast becoming the litmus test of a developed country’s economy. We are engaged in a race where economic progress is now measured in megabits and gigabits of data; it is a race Australia is losing—a race in which we cannot afford to fall any further behind our global competitors. Broadband is the transport infrastructure of the knowledge economy. It will open new markets for Australian business and drive our future productivity growth as our population ages. Just as highways, rail lines, ports and energy grids were the foundations of Australia’s economic prosperity in the last century, a world-class broadband network will be the foundation of Australia’s prosperity in this century.

The statistics on Australia’s current broadband performance are damning. The OECD ranked Australia 17th out of 30 countries for the take-up of entry-level broadband, the World Economic Forum ranked Australia 25th in the world in terms of available internet bandwidth and the World Bank last year ranked Australia 23rd out of 30 OECD countries for relative broadband speeds. Most damning is the fact that Telstra estimates that it rejects more than 100,000 applications for a broadband connection each year.

Mr Ainslee Arnott is a resident of Kewdale. He lives no more than five minutes from the city and he has no access to broadband. He has applied for broadband many times with several internet service providers, only to be told that he lives too far away from the Ascot exchange. However, the Kewdale exchange is only 900 metres from Mr Arnott’s house. He told me at the broadband forum held in Belmont last month that not one single internet service provider is able to give him a straight answer as to why he cannot get access to broadband. My office continually receives similar complaints from constituents unhappy at being unable to obtain broadband access.

Adil Safdar is an engineer from Rivervale. He says he feels like a ‘football being thrown around from here to there’ trying to find answers as to why he and other residents in his street are unable to get broadband access. Peter Bull is a business owner from East Cannington who, despite living a mere kilometre from the Perth CBD, cannot get broadband access. He has been told he has to wait at least 10 weeks for a broadband service. What, he says, should have been a painless process has turned into an ongoing saga of phone calls and misinformation.
The inability of Australians to access high-speed broadband will have dire economic consequences now and into the future. This is particularly the case in education, as around the world broadband is revolutionising the way students learn. It is only Labor that has a plan for a national fibre-to-the-node broadband network, a plan that will drive an education revolution in Australia. By providing access to the world’s finest museums, libraries and institutions, high-speed broadband brings the very best of educational resources into universities, schools and homes. According to a detailed survey conducted in Britain, broadband is having a marked impact on children’s education. Ninety-seven per cent of children in the study reported that they used broadband internet connections to help them with their homework, and 58 per cent believed that their schoolwork would suffer without it.

In remote areas of regional Australia, improved broadband services will enable students and teachers to participate in virtual classrooms while being physically separated by hundreds or thousands of kilometres. Yet it is a sorry fact that, due to this government’s neglect of broadband infrastructure, our students are unnecessarily suffering and falling behind. A number of Curtin University students living in my electorate of Swan have no access to broadband. This is simply an unacceptable state of affairs for students at any university, let alone one of Australia’s premier learning institutions. Yet where is the government on this issue? The Minister for Communications, Information Technology and the Arts, Senator Coonan, is content to fiddle while Rome burns.

Thousands of Australian families are being left in the digital Dark Ages because this government cannot get the policies in place to deliver a world-class broadband network. Only Labor’s policy will open the broadband bottleneck and deliver the vital investment in broadband infrastructure Australia desperately needs. Labor gets it. We know the importance of broadband for Australia’s future. Labor’s plan provides the needed infrastructure while the government is still living in the Dark Ages of the past. It is time for the Prime Minister to realise that the abacus is out, that slide rules were phased out years ago and that calculators are there but not quite. It is the computer that you need. (Time expired)

Mr TICEHURST (Dobell) (4.35 pm)—For many years the Central Coast has suffered as a rural area and we have had problems with telecommunications infrastructure. However, the Australian government’s $878 million Broadband Connect and the $50 million Metro Broadband Connect have been assisting people on the Central Coast to get access to broadband. The recently announced $162.5 million Australian Broadband Guarantee builds on the success of these programs. It will fill remaining broadband black spots across Australia. Broadband is, of course, offering substantial benefits to local small businesses by helping to improve productivity, save money, provide greater flexibility for workers and allow businesses to better explore the benefits of having an online presence. It is also providing families with better and faster access to a range of services from news and entertainment to education and government services. That is why, as the federal member for Dobell, one of my priorities is to assist communities, small businesses and constituents in my electorate to gain access to these services. I have been lobbying for several years to sort out the problems with these black spots.

We hear Labor talking about fibre to the node as though that is the only technology available. We saw what happened when Labor were in government and they picked winners. They dumped AMPS because they are only interested in capital cities. AMPS
worked in rural areas and they adopted the GSM system, which is solely based on European technology. Once you got 32 kilometres from the cell you had no mobile phones. It was only with the advent of the CDMA, which was introduced by the Howard government, that rural constituents got access to mobile phones. Now, of course, Telstra has come in with the Next G, which is a wideband CDMA network, and when it is rolled out correctly, when it has run its full distance, we will find that broadband will actually be available on the Next G network. In many areas around Australia you can access broadband now on your smart phone.

I have invited Senator Helen Coonan, the Minister for Communications, Information Technology and the Arts, to come to my electorate on a number of occasions. Some years ago, we had a roundtable to discuss these issues with the providers: Telstra Country Wide, Business Central Coast, Connect IT and then local internet providers Cirrus and Central Coast Internet. These are wireless providers who have been offering wireless broadband to residents for a number of years.

The Australian government is committed to bringing broadband to the Central Coast and solving black spots. For the electorate of Dobell, the benefits of the guarantee have been increased up to $2,750 per connection. This is a five-fold increase on previous commitments from the federal government. Areas such as Bateau Bay, Wyoming, Warnervale, Wyong and Tuggerah will be able to receive this subsidy for connections to new services. Some parts of the electorate, including east of Cedar Brush Creek and of Central Mangrove, were eligible for subsidies under the Broadband Connect incentive scheme.

Anyone on the Central Coast who is unable to gain a reasonable level of broadband service at their principal place of residence or small business will be able to receive a subsidised broadband. It is as simple as that. The guarantee will be very similar to the Australian government’s popular and highly successful $878 million Broadband Connect program and the guarantee will continue to give eligible consumers—

**The DEPUTY SPEAKER (Hon. IR Causley)**—Order! The time allotted for this discussion has concluded.

**TAX LAWS AMENDMENT (PERSONAL INCOME TAX REDUCTION) BILL 2007**

**TAX LAWS AMENDMENT (2007 BUDGET MEASURES) BILL 2007**

**RETURNED FROM THE SENATE**

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

**GOVERNANCE REVIEW IMPLEMENTATION (TREASURY PORTFOLIO AGENCIES) BILL 2007**

**ASSENT**

Message from the Governor-General reported informing the House of assent to the bill.

**COMMITTEES**

**Intelligence and Security Committee**

**Report**

Mr JULL (Fadden) (4.39 pm)—On behalf of the Parliamentary Joint Committee on Intelligence and Security, I present the committee’s report entitled *Review of the re-listing of Ansar al-Sunna, JeM, LeJ, EIJ, IAA, AAA and IMU as terrorist organisations*.

Ordered that the report be made a parliamentary paper.

Mr JULL—by leave—I present the report of the Joint Committee on Intelligence and Security on a review of the re-listing of seven terrorist organisations. The committee first considered the listing of these organisa-
tions in 2005. The inquiry was advertised in the *Australian* newspaper on 18 April 2007 and information regarding the inquiry was then placed on the committee’s website. No submissions were received from the public. In the absence of submissions and, given that these are second re-listings of organisations which did not raise controversial issues, the committee resolved to assess the merits of the re-listings on the papers without holding a hearing.

The seven organisations covered by this review are diverse in their geographical location, ranging from the EIJ, which began in Egypt, to organisations that began in the Yemen, Lebanon, Pakistan, Iraq and Uzbekistan. The EIJ, members of which have been dispersed from Egypt, became central to the development al-Qaeda through the role of Ayman al-Zawahiri. To some extent its existence is not easily separable from that of al-Qaeda. As the report notes—quoting the US state department—there have been:

... no activities in Egypt after 1993 and no international acts after the disrupted attack in 1998.

However, Janes believes that the EIJ leader—al-Zawahiri—‘remains a potent symbol of resistance for thousands of sympathisers across the world’ and that ‘numerous cells remain at large’. Ansar al-Sunna is active in Iraq as part of the insurgency there. Lashkar-e-Jhangvi and Jaish-e-Mohammad are both part of the dispute over the IAK, or Indian administered Kashmir. Jaish-e-Mohammad is described as active, well resourced, well trained and motivated.

Many of the regional organisations are, despite splintering and disagreements, connected. Asbat al-Ansar operates in southern Lebanon but has begun to support the insurgency in Iraq. The Islamic Army of Aden seeks the overthrow of the local government and the establishment of an Islamic state, and the release of prisoners from Yemeni jails. However, the statement of reason attributes little activity to it in recent times and, in 2003, its leader cooperated with authorities and received a presidential pardon. Nevertheless, many of these organisations with their separate objectives appear to have developed links. The committee concluded:

... all of these organisations have been localised groups growing out of specific grievances or particular conflicts. For most, it has been the advent of the war on terrorism that has extended their reach and their objectives – to the establishment of a regional caliphate, to providing fighters into other fields of battle, to cross funding through the al-Qa’ida network. Individual conflicts are now seen as part of a larger conflict and they appear to feed on and re-enforce each other, bringing experience and skill learned in one place to other disputes. And, with wars in Iraq and Afghanistan, the focus has broadened from opposition to local ‘apostate’ governments to a larger enemy in the West.

The committee concluded that, if this is the case, proscription could play only a limited role and that other approaches, such as the settlement of longstanding disputes, might more effectively undermine support for the violence that has become part of these disputes. Nevertheless, each organisation met the definition of a terrorist organisation in the Criminal Code. Therefore, the committee concluded, on the basis of the statement of reason and other open source information, that it would not recommend disallowance of any of the organisations.

In conclusion, I would like to thank members of the committee who continue to undertake their duties in a bipartisan fashion and who recognise the need to put the national interest and effective parliamentary scrutiny of highly sensitive matters before any partisan political interests. The work of the committee continually presents the members with the challenge of reconciling the demands of national security with parliamentary and public scrutiny. May I also extend
my thanks to the secretariat of the committee for their continued hard work. I recommend the report to the House.

Mr Byrne (Holt) (4.44 pm)—by leave—I certainly echo the speech that has been given by the Chair of the Joint Committee on Intelligence and Security. I am happy to rise as deputy chair of the same committee to speak on this particular report. With respect to the tabling of this report, the Review of the re-listing of Ansar al-Sunna, JeM, LeJ, EIj, IAA, AAA and IMU as terrorist organisations, I will not go into the reasons why they have been relisted—the chair has basically done that. But it is interesting that the proscription of these organisations is being conducted in an environment where the committee is currently conducting a full review of the operations, effectiveness and implications of proscription powers, and we expect to report as a committee on this matter later in the year. A number of approaches to the proscription process are being examined in the course of this review and it is hoped that procedures may be refined as a result.

In particular, an issue that concerns the committee, and that has concerned the committee on numerous occasions with respect to the numerous reports that it has tabled on the proscription of organisations, is the criteria that have been basically stipulated by ASIO to select an organisation for listing. Those criteria are: engagement in terrorism, ideology and links to other terrorist groups or networks, links to Australia, threats to Australian interests, proscription by the UN or by like-minded countries and engagement in peace and mediation processes. This has been an issue that the committee has dealt with, as the chair of the committee knows, on several occasions—and not to the satisfaction of the committee, because as a committee we believe that these benchmark criteria have not been consistently addressed by ASIO or the Attorney-General’s Department in its statement of reasons.

When you proscribe an organisation it can affect a very large number of people. We had the recent listing of the PKK, for example, where a number of Australian citizens may be affected. There may be other diasporas that are affected by future proscriptions. Therefore, one would imagine, notwithstanding the fact that our committee receives classified briefings and holds private hearings about some of the reasons why some of these organisations need to be listed, there needs to be very clearly defined benchmarks that are adhered to when the public examines the reasons why an organisation is being listed. If the committee has had some level of difficulty with some of the proscriptions in addressing those benchmark criteria, when a listing comes before the committee that may affect a very large number of Australian citizens, it is absolutely imperative that we can provide a public justification as to why the organisation needs to be listed.

The other thing I would mention with respect to that is the need for community consultation. As the chair knows, on numerous occasions, on virtually every report, we have been given assurances that the Attorney-General’s Department is developing a response to the committee’s recommendation on community consultation. Not only has this not happened but, as I understand it, the level of communication with the public has been diminished by the removal of the statement of reasons from the Attorney-General’s media release and website. It remains again the committee’s view that it would be most beneficial were a community information program to occur prior to the listing of the organisation under the Criminal Code. The question will be addressed more fully in the current review of the proscription power. But it is my belief and the belief of the committee that that is absolutely essen-
 Illegal fishing within Australia has been a problem, with illegal fishers appearing too often in local courts charged with poaching. For example, three men who were convicted in the Rockingham courthouse south of Perth were ordered to pay almost $19,000 in fines and forfeit a large quantity of abalone, an aluminium dinghy, a 15-horsepower outboard engine, a fuel tank and two hand-spears. In fact, recently a fairly prominent WA Labor member of parliament was apprehended for doing much the same thing. The Howard government has moved decisively to tackle both fish poaching and overfishing in Australian waters. As a result of the Australian government’s tough approach, sightings of foreign fishing vessels in Australia’s northern waters in 2006 were down over 40 per cent compared with the number in 2005, despite an increase in surveillance flights. In addition, a record 365 vessels were apprehended and destroyed. This trend continues in 2007, with sightings in the first few months of the year down 68 per cent compared with 2006.

On the domestic front, this year’s total allowable catch set by the Australian Fisheries Management Authority as a result of a ministerial direction in late 2005 will see wild catches brought within scientifically sustainable levels. Improvements to the management of Australian fisheries will continue under the Howard government.

In summary, the Fisheries Legislation Amendment Bill 2007 will amend the Fisheries Management Act 1991, the Fisheries Administration Act 1991, the Torres Strait Fisheries Act 1984 and the Surveillance Devices Act 2004. In conjunction with the Fisheries Legislation Amendment Bill 2007, the Fisheries Levy Amendment Bill 2007 will amend the Fisheries Levy Act 1984. Together, these amendments will: improve the management of the Torres Strait and Commonwealth fisheries; combat illegal, unre-
ported and unregulated fishing; better monitor fishing activities within Commonwealth jurisdiction fisheries; and facilitate a whole-of-government approach to law enforcement. Overall, the suite of changes will ensure that the Australian government is equipped with more robust enforcement, compliance, administrative and fisheries management tools.

In relation to the background of these two bills, they primarily focus on amending the Torres Strait Fisheries Act 1984 to ensure that the Torres Strait fisheries can be managed consistently with contemporary Australian government fisheries policies and to better position Australia to meet its rights and obligations under the Torres Strait Treaty with Papua New Guinea. The key amendments are: firstly, to the Fisheries Administration Act 1991 and the Torres Strait Fisheries Act 1984 to clarify the role of the Australian Fisheries Management Authority in the management of these fisheries; and, secondly, to the Torres Strait Fisheries Act 1984 to improve the management of rights and obligations under the treaty. The Torres Strait Protected Zone Joint Authority is developing management plans for the three commercial fisheries and establishing a total allowable catch, or total allowable effort, in each fishery. This will better enable Australia to allocate a share of the catch or effort to PNG, to manage the Australian share of that allocation and to maximise the economic value of the resource whilst managing it sustainably.

The third key amendment is to the Torres Strait Fisheries Act 1984 to facilitate the introduction of output controls and better fisheries management practices in fisheries and the introduction of new powers, with related offences: to issue licences that will enable persons to commercially fish without a boat; to regulate fish receivers through a licensing regime to ensure the total allowable catch is maintained under the output controls; to facilitate Indigenous commercial fishers’ compliance with the output control systems by requiring them to hold a master fisherman’s licence in certain circumstances, as is currently required for non-Indigenous commercial fishers; and to facilitate better compliance with output controls by permitting an infringement notice and demerit point scheme to be introduced by regulation.

The fourth amendment is to simplify the delegations in the Torres Strait Fisheries Act 1984 to reflect current practice, to improve the licensing regime and to introduce identity cards for officers. The fifth amendment is to improve consistency with other legislative regimes including by introducing new search warrant procedures, a new power requiring a vessel to stop and developmental permits. The sixth amendment is to the Fisheries Levy Act 1984 to facilitate cost recovery against management plans consistent with Australian government policy. As levies are a form of taxation these amendments appear in a separate bill, as required by the Australian Constitution, which I will address later in this speech.

The seventh amendment is to the Torres Strait Fisheries Act 1984, the Fisheries Management Act 1991, the Fisheries Administration Act 1991 and the Surveillance Devices Act 2004 to bolster compliance and enforcement procedures. In relation to the improved fisheries management tools, the Fisheries Legislation Amendment Bill also amends the Fisheries Management Act 1991 and the Fisheries Administration Act of the same year to allow for more cost-effective monitoring of the fishing industry’s compliance with fisheries and environmental obligations. The amendments will complement the Securing our Fishing Future initiative and will assist the Australian Fisheries Management Authority to implement the ministerial direction made in November 2005.
The key amendments are: firstly, to the Fisheries Administration Act 1991 and the Fisheries Management Act 1991 to provide a clearer legal basis for the current observer program by expanding the Australian Fisheries Management Authority’s functions to cover the placement of observers on both Australian and foreign commercial fishing boats; and, secondly, to the Fisheries Administration Act 1991 and to the Fisheries Management Act 1991 to widen the Australian Fisheries Management Authority’s functions to enable the collection of information in addition to that required for the management of fisheries and as an adjunct to the Australian Fisheries Management Authority’s observer and compliance activities. This will facilitate improved information sharing between agencies engaged in compliance and law enforcement involving serious criminal activity. The type of information and who it can be shared with will be subject to a regulation made by the minister.

The Australian Fisheries Management Authority plays a key role in protecting Australia’s vast fishing zone from illegal foreign fishing, including conducting deterrence and apprehension activities in tropical, temperate and cold water regions. As such, the Australian Fisheries Management Authority is a major client of Coastwatch and works closely with the Australian Customs Service and the ADF. The Australian Fisheries Management Authority’s main program areas are in the northern regions, where Australia has adjoining marine interests with Indonesia and Papua New Guinea. In Northern Australia, incursions are largely made by fishers from Indonesia—the majority of whom are targeting shark, with a small number targeting reef fish and trepang. A small number of incursions have been made by vessels from Taiwan and PNG in the past.

In the Heard and McDonald Islands area, where Australia has a patagonian toothfish and mackerel icefish fishery, patrols have been conducted using a civil charter vessel—or, more recently, the Oceanic Viking, a Customs funded vessel—to provide surveillance coverage to deter illegal fishing operations by foreign vessels. The officers who patrol Australia’s fishing zone in tropical, temperate and cold water regions are to be commended for their effort in circumstances that can be exceedingly dangerous.

Indonesian fishing incursions in the Australian fishing zone result from a number of entrenched factors, including heavy fishing pressure in Indonesian waters resulting in stock depletion and loss of marine habitats. This has made fishing in Australian waters increasingly attractive to Indonesian fishers. Also, high international prices for fresh and live reef fish, among others, have resulted in unsustainable fishing practices by these villagers, including the destruction by blasting and poisoning of reefs. Returns from illegal fishing are high in comparison to those available to most local villagers in eastern Indonesia.

Interdepartmental discussions led by the Department of Foreign Affairs and Trade have recognised the need to address the issue, which is a long-term risk, whilst continuing to maintain traditional enforcement action in Australia’s boundaries. Initiatives that have been implemented and/or planned include the printing and distribution of free maps and maritime boundaries, and working on AusAID and world development bank programs for developing alternative fisheries projects in Indonesia.

Other initiatives are visits by Australian Fisheries officers to Indonesian ports to advise on Australian measures and to discourage incursions, continued funding of visits to Australia by Indonesian officials to discuss bilateral approaches to the problem and new Australian initiatives such as propeller en-
In the longer term Australia will be seeking to strengthen Indonesia’s commitment to these bilateral agreements to take sanctions against operators who commit fisheries offences in Australian waters.

The Heard and McDonald Islands region is important both as a potentially long-term commercially valuable fishery for Australia and because of its international significance as the only unmodified example of a sub-Antarctic ecosystem in the world. Illegal fishing activity in the region threatens the established management regime, which is designed to achieve responsible fishing and to minimise the impact of fishing on the sensitive Antarctic marine ecology of the region and a direct challenge to Australian sovereignty over fisheries and protected heritage areas.

Illegal fishing boats are not fishing in accordance with requirements set down under the Convention on the Conservation of Antarctic Marine Living Resources. This could lead to long-term depletion of the stocks unless preventative action is taken. In addition, illegal boats could introduce diseases, exotic vegetation or animals that would devastate the pristine environment and adversely impact on Australia’s Heard and McDonald Islands listings.

In respect of the Convention on the Conservation of Antarctic Marine Living Resources, illegal fishing in the southern oceans for patagonian toothfish increased dramatically during the late nineties and early noughties. With an increased Australian and French patrol presence over the last few years, illegal fishing in the Australian and French exclusive economic zones has been significantly reduced. The convention estimates that illegal, unregulated and unreported catch for all areas of the convention area in 2001-02 was 10,898 tonnes, compared with 7,599 tonnes in 2000-01 and 6,546 tonnes in 1999-2000.

One of the convention’s conservation measures adopted by member countries is the catch documentation scheme. The catch documentation scheme, as contained in the conservation measure, became binding on all Convention on the Conservation of Antarctic Marine Living Resources members on 7 May 2000. This enables the commission to identify the origin of toothfish entering the markets of all parties to the scheme and helps determine whether toothfish taken in the convention area were caught in a manner consistent with the convention. Specifically, the catch documentation scheme conservation measure requires vessel operators to complete a form which sets out certain information relating to the location of catches, amount of catches, ports of landing and transshipment.

In relation to combating illegal, unreported and unregulated fishing, illegal fishing in Australia’s northern waters continues to pose serious threats. The Fisheries Legislation Amendment Bill 2007 further develops the regime by strengthening the forfeiture of provisions in the Fisheries Management Act 1991 and the Torres Strait Fisheries Act 1984 so that the boat, catch and all equipment on foreign fishing boats engaged in illegal fishing in Australian waters are forfeit. The amendment also clarifies that the forfeiture may include any fish caught or equipment, including fuel and provisions, placed on board the boat after that offence. This amendment is a greater deterrent to illegal foreign fishers and will make it more difficult for foreign fishing boats to profit from illegal fishing.

The Fisheries Legislation Amendment Bill 2007 further develops the regime to enable Australian authorities to more effectively prosecute new custodial offence provisions
for illegal foreign fishing, which were introduced by the Fisheries Legislation Amendment (Foreign Fishing Offences) Act 2006, and by amending the Surveillance Devices Act 2004 to ensure that these foreign fishing offences can be effectively investigated and prosecuted using surveillance devices.

In respect of transitional governance arrangements, the amendment to the Fisheries Administration Act 1991 will give the minister a temporary power to appoint Australian Fisheries Management Authority directors for up to nine months at a time. It is intended that this power will be used to extend the terms of existing directors, which will expire on 30 June 2008 if the Australian Fisheries Management Authority does not become a commission on 1 July 2008.

In relation to the financial impact of the amendments, they are expected to involve additional administrative costs to the Australian government. Those costs relating to the Torres Strait fisheries are subject to cost-sharing arrangements with the Queensland government. No additional costs will be imposed on the Torres Strait fishers as a result of the amendments. Some additional costs and savings to fishers in the Australian fishing industry. Those fishers in fisheries for which observer coverage will be introduced or increased will incur this fee. As is current practice, the fees will be based on budgeted unit costs.

The streamlining of information-sharing provisions will improve administration, reduce duplication and avoid additional costs associated with the establishment of marine parks. A move towards cost recovery is consistent with Australian government and Torres Strait Island Protected Zone Joint Authority policy. These bills were developed by the Department of Agriculture, Fisheries and Forestry in consultation with all relevant Australian government agencies. Amendments that have an impact on the Torres Strait Fisheries Act 1984 and related legislation were developed through extensive and detailed consultation with Torres Strait fisheries licensees, native title prescribed bodies and industry. (Time expired)

Ms LEY (Farrer—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (5.08 pm)—in reply—I thank my colleague the member for Tangney, who has just concluded his remarks on these bills for the government, and also the member for Lingiari, who spoke earlier. They have both made contributions to the debate on the Fisheries Legislation Amendment Bill 2007 and the Fisheries Levy Amendment Bill 2007. These bills contain important amendments to Commonwealth fisheries legislation, and I look forward to their passage through this House.

Given that there are other important bills that need to pass today, time is limited. But there were a couple of claims made by the member for Lingiari that I would particularly like to address. The member for Lingiari spent a good deal of his time criticising the Howard government for its efforts on illegal fishing. But, as Australians know, we have taken a tough approach to border security, and illegal foreign fishing is no exception. In the past three years alone, this government has committed over $800 million in new money—an absolutely unprecedented amount—to tackle illegal foreign fishing and the very serious threat that it poses to our fish stocks, our biosecurity and our national sovereignty. As a result, in the first four months of this year, sightings of illegal foreign fishing vessels in our northern waters were down 90 per cent on the same period in 2006—and 2006 was already 40 per cent down on 2005. We have achieved these results not only through the additional funding and hard work of our very efficient and effective border security agencies but also be-
cause the Howard government is prepared to take innovative approaches.

The introduction of the *Triton*, Customs new 98-metre armed trimaran, is one such example. Many Australians saw it cleaning up trochus poachers on Australia’s Ashmore Reef with clinical effectiveness on *A Current Affair* recently. I hasten to say that I do not really watch that program. I record here my congratulations to the men and women of the *Triton*, as well as all our border protection agencies, for the enormously important and difficult work they do. Speaking of the *Triton*, I was reminded during the member for Lingiari’s contribution of his now infamous press release following the government’s announcement of the tender for the *Triton*. He said of the vessel whose effectiveness has been so graphically displayed on *A Current Affair* that it showed a desperate lack of imagination on the part of the Australian government and was yet another admission of failure. He went on to say:

... they seem to think making over our highly professional Customs Service into a bunch of floating prison goons is going to do the trick.

I can tell you that what the Australian public saw the other night on national television was not a bunch of goons, as the member for Lingiari described them. The Australian public saw a bunch of dedicated and professional Australian officers doing very important work, very efficiently, in a dangerous environment, using the innovative assets that the Howard government has supplied them with. So on the one hand we have the Australian public seeing graphic evidence of the real contribution the *Triton* is making to the border security of this country and on the other we have the member for Lingiari, who thinks it is a failure and, presumably, that we should do away with it. It is no wonder that Australians are concerned about the consequences for border security should the Labor Party be elected.

I am pleased to report that in our southern waters the results are even better. As a result of the Australian government’s visionary $217 million Southern Ocean patrol program and our joint patrols arrangement we have been able to negotiate with the French, there has not been a single sighting of illegal patagonian toothfish poachers for at least two years in the case of our Macquarie Island exclusive economic zone and three years in our Heard and Macquarie islands exclusive economic zone. While the Howard government is very encouraged by these results, there is still much work to do. We are not about to rest on our laurels. We know the fight against illegal foreign fishing is an ongoing one and we need the strongest possible options available to us to defeat this international scourge. That is why we are introducing these laws to further strengthen our regime of deterrence against illegal foreign fishing.

I will also pick up on another point made by the member for Lingiari. At one point in his speech he made the rather bizarre claim that the Howard government is unfair and uncaring because $27 million from our unprecedented $220 million Securing our Fishing Future package has been scheduled to be spent in the 2007-08 financial year and not in 2006-07. I would like to inform the member for Lingiari that this shift in funding was actually in response to a request from industry that we extend the closing date for our onshore business assistance and fishing community assistance schemes. ‘Unfair and uncaring’? Is it unfair and uncaring to put aside $149 million to assist industry to adjust to difficult economic circumstances beyond their control? Is it unfair and uncaring for government to set aside almost $50 million to assist onshore businesses and communities to adjust to reduced fishing activity? Is it unfair and uncaring to provide $15 million in levy subsidies to the Commonwealth fishing
fleets? The answer, of course, is no. An unfair and uncaring government would not have set aside $220 million in the first place.

The reality here is that the industry approached us, saying: ‘We are struggling. We know there are too many fishermen in some fisheries. We know that fish stocks need rebuilding in some fisheries. We know that there is no legal obligation on the Australian government to fund a restructure, but we are in desperate need of a restructure. We have no capacity to fund it ourselves and we would like you to fund it.’ An unfair and uncaring government would have said: ‘Go away. It is not our responsibility’—but not this government. The Howard government said to the industry: ‘We will help you. We know this kind of restructure money has never been offered before, we know it is unprecedented, but we will help.’ We set aside $220 million—the largest structural adjustment package ever offered to the Australian fishing industry—to decisively tackle the problem of too many fishermen chasing too few fish. We allowed those who wanted to get out to do so with some dignity, and we better positioned those who remained to be profitable. We did not do so because we were required to by law; we did so quite simply because we think the Commonwealth fishing industry has a fantastic future and it was the right thing to do.

I am pleased to say that the package has been almost universally welcomed. I say ‘almost universally’ very deliberately, because one group has conspicuously failed to support the package. The commercial fishing industry welcomed it, the recreational fishing industry welcomed it, the scientific community welcomed it, and the conservation sector welcomed it. I understand that even the Greens may have said positive things about it. But, quite conspicuously, there was one group that did not support it, and that was the Labor Party. Here we had the most important reforms in the history of Commonwealth fisheries to end overfishing, an unprecedented sum of money to assist the industry to restructure, everyone else thinking it was a great idea, and the Labor Party never even supported it.

Let me return to the substance of this legislation. As I informed the House when the bills were introduced, commercial fishing is a key economic activity for Torres Strait communities. This legislation will facilitate the resolution of longstanding concerns held by Torres Strait Islanders about resource allocation in the Torres Strait Protected Zone fisheries. It will enable the Protected Zone Joint Authority to establish management plans under which all parties will have a clear understanding of their access rights. Provisions in this legislation affecting the Torres Strait Protected Zone fisheries were drafted after an extensive process of consultation with all of those with an interest in the Torres Strait Protected Zone fisheries. This included the provision of comprehensive information to Torres Strait Islanders, especially those who hold a licence to fish for commercial purposes, to their representatives on the community fishers group, to Torres Strait native title prescribed bodies corporate—including relevant entities in the northern cape area—and to non-Indigenous commercial fishers and their representatives.

When I introduced this legislation into the House, I mentioned the importance of Queensland and the management of the Torres Strait Protected Zone fisheries. I can assure the member for Lingiari that the Queensland Department of Primary Industries and Fisheries, which administers various aspects of the Torres Strait Fisheries Act, has been comprehensively briefed and has provided valuable advice and comment. Unnecessary delays to the implementation of these bills will only serve to prolong the uncertainty for
The legislation will enhance the monitoring of fishing activities in Commonwealth fisheries and facilitate the effective collection and sharing of information with environment and law enforcement agencies. This will be achieved through the introduction of a general head of power into the legislation. The details of how this exchange of information will occur will be provided in regulations, which will be the subject of consultation with the industry and are disallowable instruments and therefore subject to parliamentary scrutiny. These amendments will better protect Australia’s fisheries resources and will assist investigations concerning serious crime, border security, fisheries and wider marine monitoring and enforcement.

Additionally, the bills contain measures to deter illegal foreign fishers. Strong forfeiture and offence provisions in our fisheries legislation reflect the Australian government’s commitment to border protection and recognise the inherent violation of sovereignty caused by illegal fishing activities. These amendments will ensure Australia can continue to give strong messages to foreign fishers about the consequences of fishing illegally in our waters. The legislation also contains amendments which will complement the decision to make the Australian Fisheries Management Authority, known as AFMA, a commission in line with the outcomes of the Uhrig review. One of the key aims of this decision was to ensure that the new arrangements improve the governance of AFMA with minimal disruption to the fishing industry. The current amendments support those aims and will provide the minister with a temporary power to appoint AFMA directors for up to nine months at a time without running a selection process. This amendment will have no financial or operational impact on the fishing industry and will provide greater certainty over AFMA’s ongoing management during its transition to a commission.

In closing, can I clearly say to the opposition: this legislation is important. It will ensure that the Australian government is equipped with modern fisheries management tools as well as more robust enforcement, compliance and administrative systems to secure sustainable fisheries for future generations. It is necessary to progress reforms to ensure the sensible management of Torres Strait fisheries which the Queensland government and the Torres Strait Regional Authority have been actively involved in. It is also necessary to further strengthen Australia’s border protection regime against illegal foreign fishing. I thank members for their contribution to the debate and I urge the swift passage of this legislation through both houses.

Question agreed to.
Bill read a second time.

Third Reading

Ms Ley (Farrer—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (5.20 pm)—by leave—I move:
That this bill be now read a third time.

Question agreed to.
Bill read a third time.

FISHERIES LEVY AMENDMENT BILL 2007

Second Reading

Debate resumed from 23 May, on motion by Ms Ley:
That this bill be now read a second time.

Question agreed to.
Bill read a second time.
Ms LEY (Farrer—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (5.20 pm)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

EVIDENCE AMENDMENT (JOURNALISTS’ PRIVILEGE) BILL 2007

Second Reading
Debate resumed from 31 May, on motion by Mr Ruddock:
That this bill be now read a second time.
upon which Mr McClelland 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 regrets that while the bill confers protection in respect of journalists, the bill fails to acknowledge the need for appropriate protection for whistleblowers and other persons who provide information to journalists”.

Mr BROADBENT (McMillan) (5.21 pm)—Mr Deputy Speaker Causley, you were in the chair when I was speaking previously on the Evidence Amendment (Journalists’ Privilege) Bill 2007. I had just finished summarising the provisions of the bill as outlined by the Attorney-General in his second reading speech when the debate was interrupted. I was amused and rather confused that the member who preceded me, the member for Wills, who is from Victoria, had not realised the seriousness of this debate and used it to have a crack at the government as if it were an ordinary debate. I noticed, Mr Deputy Speaker, that you drew him back to the debate several times. What I am putting to you today is that this is a very important bill. It is about how journalists operate in this country. It is about protecting the freedom of journalists to operate in a way that protects the public, protects journalists and protects this nation. It is a very serious bill. Bills like this do not come before the House very often. Many bills are technical omnibus bills which change parts of legislation. But this is a very serious bill about freedom in Australia—the freedom for the public to receive as much information as they possibly can, having regard to an orderly society.

I would like to turn to some considerations that have given rise to this particular piece of legislation. Almost all of those who spoke before me referred to the most recent and celebrated case involving journalists and contempt proceedings. That involved Melbourne Herald Sun journalists Michael Harvey and Gerard McManus. We have all referred from time to time to the parliamentary press gallery journalists as being members of the fourth estate. It is interesting to reflect on how the journalistic profession acquired this title. Journalists have come to accept that it refers to the profession’s relationship with the traditional British concept of the three estates of the realm, the lords spiritual—the bishops and clergy; the lords temporal—the aristocracy; and the commons. Since the early part of last century, the media has been portrayed as forming a fourth estate of the realm in acknowledgment of its role as a counterbalance to the power of the government of the day—in this particular case, the Liberal and National parties—and also as a watchdog over whether the opposition is doing its job or not. It is not just about keeping an eye on the government of the day or an individual member. There is not a member in this place who has not been made uncomfortable by the fourth estate.

The recognition of the role of the media in governance is often attributed to 19th century Scottish historian Thomas Carlyle. However, he was quoting an even earlier Anglo-Irish politician and thinker, Edmund
Burke. According to Carlyle, Burke made this observation:

There are Three Estates in Parliament; but, in the Reporter’s Gallery yonder, there sits a Fourth Estate more important than they all.

Burke was a leading figure, as you know, in British politics at the time of the American War of Independence, so this notion of the value of a free and independent media and its scrutiny of government actions has a long history. His thoughts were echoed by an American contemporary and one of the authors of the Declaration of Independence, Thomas Jefferson, who declared:

Were it left to me to decide whether we should have a government without newspapers, or newspapers without a government, I should not hesitate a moment to prefer the latter.

From the time of the circulation of the first news sheets to when mass produced newspapers were developed to today with our sophisticated electronic media, every tyrant, despot and dictator has realised that their greatest enemy is the free flow of information. Their first moves are inevitably to seize control of television and radio stations, the printed media and any other form of media—for example, the internet—that they can close down. In this way, they can stifle that free flow of information and force-feed the public with their own particular brand of propaganda. That is why we have to ensure that Australia continues to have a free and robust media as one of the pillars of our democracy. This bill will contribute to this ideal by removing some of the constraints that might deter journalists from reporting in a manner that the public expects.

The opposition has qualified its support for the legislation, however, by claiming that it does not go far enough and should contain protections for so-called whistleblowers. The government recognises the need for some protection for whistleblowers—however, only when it can be demonstrated that it is in the public interest. It has built some of these protections into recent legislation, including the Trade Practices Act, the Corporations Act and the Workplace Relations Act. You could add this legislation to that list. Simply providing a measure recognising the need for journalists to protect their sources in appropriate circumstances will provide some protection for those very sources. Like much of the legislation that comes before this House, this bill seeks to achieve a balance between competing interests. In this case, it involves striking a balance between the right of the public to know and the entitlements of governments, corporations and individuals to confidentiality. We have enacted legislation to protect the privacy of individuals, governments and corporations as a means of restricting access to what they regard as sensitive information. But there is no doubt that from time to time these protections are outweighed by the public interest. By providing the protections for journalists contained in this amending legislation, we will see that this public interest is served. I will conclude on this point: if we come to this place and can do one thing in the time that we are here that strengthens the freedoms enjoyed in this nation—which is freer than other nations—we have played the role that we should have played as legislators. There should be freedom under the law. This nation should be free.

Mr Kerr (Denison) (5.28 pm)—I thank the honourable member for McMillan for the sentiments he has expressed. Mr Deputy Speaker, ask him to remain for a moment so that I can explain to him why some of the larger sentiments that he has expressed, which I think would be held by most members of the House, are not given effect by the Evidence Amendment (Journalists’ Privilege) Bill 2007. It is true that this legislation mirrors, to some extent, legislation passed in New South Wales, but its deficiency is that it
does not pick up the protections for public interest disclosures that that state has parallel to its legislation, and that means that the principal objectives that the member for McMillan understands the legislation is seeking to achieve will simply not be achieved. I will go through the logic later about why it does not do this, but there are two possible explanations. One is that the government is content to put forward a regime that does not effectively address journalistic reportage and to extend privilege in those instances where it champions the right—in other words, it is a deliberate deception—or that it is an unintended deception of the parliament, the community and the fourth estate that we speak for in this debate.

The reasons for my concern are that the confidential relationship that is protected by this legislation, again in a balancing exercise where the judge has to consider whether the public interest is such that it should be extended in any particular case to a journalist, does not apply where the communication to the journalist was in furtherance of an offence. In almost all instances where a journalist will be the subject of a claim of the nature that we would seek to protect—that is, the publication of a document that has been leaked or provided to them in relation to government conduct—they will be excluded from the operation of this act. The motivating factor for this legislation is said to arise out of the prosecutions of McManus, Harvey and Kelly, who would not be covered in this instance because, clearly, divulging cabinet documentation would be covered by the exclusion of the entitlement of any public servant or any other person holding that documentation to release it to anybody beyond their official duties. The act of disclosure to the journalist would be the commission of an offence under Commonwealth law. Section 126D clearly says that, in that instance, the umbrella that we have intended to shield journalists against the stormy consequences where the law would compel them to testify against their professional ethics or face the possibility of a contempt proceeding or a prosecution would not apply.

I want to draw the attention of the honourable member to this, because he and members of the House may have been misled by it. There is an erroneous statement in the Parliament of Australia’s Department of Parliamentary Service’s brief in relation to this legislation. The law and Bills Digest documentation on the Evidence Amendment (Journalists’ Privilege) Bill 2007 contains a provision on page 10 which says:

It may be significant to note here that proposed ss. 126F(4) contains a provision which would allow the court to extend the privilege to situations which are not directly covered by the provisions in the relevant division. This could presumably mean that, entirely at the Court’s discretion, it could cover situations where some illegality had tainted the communication.

If the honourable member understood that to be the case, I do not suggest that he would be acting from any ill motive, because that plainly is the documentation provided by the Parliamentary Library, and he is entitled to rely on it—but it is wrong. If you go to the second reading speech of the Attorney-General or if you look at the terms of section 126F(4), the language of the provision does not have that effect, and page 5 of the explanatory memorandum, which sets out the materials upon which the court could interpret that provision, says:

Subsection 126F(1) is a transitional provision and provides that the privilege does not apply to proceedings if the hearing began before commencement of the new Division 1A. However, subsection 126F(2) provides that the privilege applies to confidences made before or after the commencement of Division 1A.

Subsection 126F(4) provides that the professional confidential relationship privilege is not affected by, and does not affect, claims for any
other privilege under Part 3.10 of the Evidence Act.

That is fine. That means that a journalist can rely on any of the other provisions in part 3.10 of the Evidence Act, but none is material to this. In those very circumstances where journalists are going to be exposed by acting in the public interest to disclose wrongful conduct by government, this shield does not apply. We have the smokescreen that says the government has been so responsive to the circumstances facing journalists who are now facing trial—McManus, Harvey, and Kelly—that it has brought before this parliament legislation that would have no consequence whatsoever in relation to those journalists. In fact, there is a risk that a judge addressing this might say, ‘The parliament has considered this matter in terms which expressly excluded the intended privilege to the circumstances of McManus, Harvey and Kelly.’ The judge might say that that shows that parliament intended that they face the consequences that they currently face.

I think that is a very real prospect, because this legislation does not cover those circumstances which the honourable member for McMillan—for perfectly understandable reasons—understood it to cover. It does not do it. And, of course, it would certainly not cover circumstances such as those of Chu-love, Porter and Kessling. Kessling is the poor public servant currently facing imprisonment because of the disclosure of a matter that ultimately compelled this government to review security at airports and the like and prompted a massive address by serious intelligence personnel from outside Australia. It also prompted a large investment to upgrade and upscale the security weaknesses that had been put out into the public arena, which no doubt would not have been addressed but for that disclosure. In that instance, Chu-love was not called as a witness, but had he been called and been requested under subpoena to provide the source of his information and had he refused, that refusal would not have been covered because, again, the divulgence of that information to that journalist would have been an offence under Commonwealth law.

So, in the very area of public policy that this legislation is supposedly intended to cover, it fails to do the trick. I do not know whether this is a deliberate smokescreen, an act of malice, to con those who are concerned about this—as the honourable member for McMillan plainly is and as so many of our colleagues in this House and in the fourth estate are—that there will be an effective regime that enables judges to apply discretionary considerations in relation to disclosures of that kind, or whether it is simply that the government itself does not understand what it has done. I suspect the latter is improbable. I suspect the minister is well advised and understands well what he has done—and hopes to skinny through with this. Without the parallel legislation that is in New South Wales that protects public interest disclosures, those disclosures remain criminal offences under Commonwealth law and are thereby taken out of the umbrella for this protection. The protection will apply only in a very limited area. It will apply, for example, where a person is given information by a criminal about some matter or other and will not disclose the criminal's identity. But it will not apply where we think it is intended to apply—that is, where a journalist discloses some act of wrongful conduct by government. The very release of that information from the source within government to the journalist would be a breach of a Commonwealth law and therefore would be caught by the provisions of section 126D, which says that there is then a loss of the confidential relationship privilege in relation to that matter. And the division does not pre-
vent the educing of evidence in those circumstances.

I do not want to take a long time to speak—I am due to chair the Main Committee and have no doubt overstayed my welcome—but I did want to make those very strong points. The second reading amendment moved by the shadow minister is of substance. I think that those in this House who are concerned about journalistic privilege—as is, I am certain, the member for McMillan, for whom I have the highest regard, and others making contributions in this House—actually believe that this legislation does the job. It does not. It does not do the job they understand it to do. There has been a fudging and an incorrect illusion allowed to run out there to the media and to other organisations that are concerned about this that the government has picked up concerns about protection of journalists in those circumstances that are currently faced by journalists such as McManus and Harvey. If after the passage of this legislation McManus and Harvey were in exactly the same position, they would not have the protection of it because it simply does not apply to them in those circumstances.

I think it is pretty important that we realise that this legislation does give some journalists some protections but not in areas where the concern originated from, and it does not cover those instances which the honourable member for McMillan has properly highlighted, where journalists are doing their largest public duty; that is, revealing the scandals we do not wish to be revealed. Journalists do many public duties, but their largest public duty is speaking the truth about matters which governments do not wish to be revealed. That is precisely where this legislation is deficient and precisely why the criticisms made of it by those who have examined it closely—and I do not wish to take members through the range of those who have articulated such criticisms—are well founded. I thank the honourable member for McMillan. I understand his passion about this matter—I share it; I think most members of this House do—but my regret is that, in giving lip-service to that passion, the government has failed to act consistently with it.

Mrs MIRABELLA (Indi) (5.43 pm)—I rise to support the Evidence Amendment (Journalists’ Privilege) Bill 2007. This bill amends the Commonwealth Evidence Act 1995 to allow confidential privileges at trial and pre-trial proceedings for communications between a journalist and his or her source. Where appropriate, this legislation allows for much enhanced legal protection of sensitive and confidential communications between members of the journalistic profession and their sources. There is something of a conspicuous omission in the current legislative regime as it impacts on journalists and their communications with sources. As we know from the Attorney’s second reading speech on this matter, the current situation is that—save for New South Wales, which has an existing professional confidential relationship privilege in division 1A of part 3.10 of the New South Wales Evidence Act 1995—if a court compels a journalist to produce evidence about a confidential source or information gained from a source then the journalist has no legal right to refuse. Much commentary in recent times has centred on this pivotal point.

The high-profile case mentioned on both sides of the House in this debate to date and previously, involving two News Ltd journalists, is a startling reminder of the need for reform in this area. We debate this legislation in the context of their current trial, and I pay tribute to Mr Harvey and Mr McManus for the way in which they have approached this matter throughout their trial. As members on both sides of the House have noted, they are
journalists of integrity and fine repute. The fact that this cannot be said of all those who go by the title of ‘journalist’ does not diminish the need in any way whatsoever for legislative reform in this area. These two journalists wrote of the government’s alleged rejection of benefits for the veterans community. We know that with the assistance and intervention of the Prime Minister a greatly enhanced veterans package was announced. Fair enough—it was a story of interest to the community.

My colleague the member for Kooyong put it quite well when he wrote in an article in the Age in 2005:

No one is above the law. But if Harvey and McManus are punished for protecting their sources then the law is a bad one.

On this occasion, I would have to say that I do agree with the member for Kooyong. It is difficult to accept that two upstanding members of the journalistic profession can be threatened with jail for doing their job, protecting their sources and reporting a story that had no implications for national security. The role of the media in reporting politics and political events at a time of a weak and ineffective opposition is even more important because in those circumstances the media is largely the one available, and able, to hold any government or any other political organisation to account. And that is a very valuable role to play.

Unfortunately, this bill will not assist Harvey and McManus, but we should do whatever we can to ensure that journalists do not have to endure legal coercion to breach their own ethical code and reveal confidential sources. There is an unbridgeable disparity between what is essentially a legal reality and what might loosely be termed as a journalistic ethics register which has produced dispiriting outcomes for those journalists who are serious enough to protect their sources whilst at the same time facing a contempt-of-court charge. Journalistic integrity requires the management of possible ethical dilemmas in day-to-day encounters. For example, there might be a delicate or classified matter with defence or national security implications which needs to be balanced against other countervailing factors like selling copies of a publication and the community’s right to know about a situation, event or scandal.

It can be a very difficult balancing act, indeed. As the preamble to the code of ethics of the American Society of Professional Journalists states:

The duty of the journalist is to further those ends by seeking truth and providing a fair and comprehensive account of events and issues.

This bill strikes a more realistic and acceptable balance between those two competing ideals. It introduces a trial and pre-trial privilege in criminal and civil proceedings for communications that are made confidentially to journalists. These changes stem from recommendations made early last year by the Australian, Victorian and New South Wales law reform commissions. This will allow for greater uniformity between states and territories, an objective we are forever seeking in this great federated nation of ours. All three law reform commissions recommended this amendment, which is in line with the current situation in New South Wales. This very important refinement by the Commonwealth in federal proceedings will ensure greater uniformity, as the protection of members of the journalistic profession and their sources is not an issue that should be defined by state boundaries or borders. Importantly, the Standing Committee on Attorneys-General is looking at further ways to achieve more uniformity in the area of the law of evidence.

Australia’s great democracy rests on the bedrock of three institutional pillars: our par-
liament, with its tradition of robust debate within the Westminster tradition; a free judiciary; and a free press. The Prime Minister quite rightly called this trilogy:

... the real title deeds of our democracy, a political inheritance that has given us a record of stability and cohesion that is the envy of the world.

Of course, a free, robust and sceptical press is one of this country’s greatest democratic beacons.

We as members of parliament—or, in colloquial terms, as politicians—can recount all the times when we feel that we may have come under unnecessary attack or media bias. My colleague the member for Barker spoke in defence of journalists in a way that many in this place might think romanticised their vocation beyond recognition. The member for Banks promptly disagreed with him. None of us believe that this area of employment is perfect or that any journalist is above criticism. But most of us on both sides of the House agree, at the very least, on a journalist’s ability to protect his or her sources when reporting a story of interest to the community that goes to the heart, I presume, of their passion for their profession. Indeed, we have come a long way since Napoleon’s groundbreaking prognosis:

Four hostile newspapers are more to be feared than a thousand bayonets.

I note from the previous contributions of Labor Party members to the debate that the opposition support the thrust of the legislation and that they have some additional issues and contributions to make. If that is still the case, I welcome that. The significant amendments to the Evidence Act that this bill will achieve go a long way towards enhancing and protecting free press and free speech in Australia. For those reasons, I commend the bill to the House.

Mr ANDREN (Calare) (5.52 pm)—As a former member of the journalistic profession, the Evidence Amendment (Journalists’ Privilege) Bill 2007 holds more than the usual interest for me. The arrival of this particular piece of legislation and the Attorney-General’s professed concern for ensuring a free press are more than interesting because they coincide with the launch of a campaign by leading media executives, representing a broad cross-section of our media, who are concerned at the squeezing of Australia’s right to know. These executives representing News Ltd, Fairfax, ABC, Free TV, SBS, Commercial Radio Australia, AAP and Sky News are deeply concerned by the state of free speech in Australia. In a joint statement, the eight media leaders say:

Our freedom to express an opinion, honestly and openly, is under threat.

Equally, our ability to report to Australians facts about how they are governed and how our courts are administering justice is being severely hampered.

They state that the latest worldwide press freedom index rates Australia 35th, behind Bolivia and South Korea, and equal with Bulgaria.

The group intends to commission an independent report to show Australians how much they are not allowed to know. This will cover freedom-of-information laws—almost an oxymoron, according to the group—and will look at the tendency of courts to restrict access; the risk of journalists facing jail even when acting in the public interest; the impact of new sedition laws on freedom of expression and the performing arts; the risk of Australians being detained without trial and the reporting of such being illegal; and whether defamation laws achieve the right balance between disclosure and protection of individuals. That is just some of the brief for that study.

How did we get to this point? I believe much of it is due to the web woven by this
government and this Attorney-General post September 11, beginning with the disgraceful *Tampa* episode. Then began a quite deliberate construction of not a security alert but an insecurity alarm that quickly influenced all government responses to the post September 11 environment. Asylum seekers arriving by leaky boat became likely terrorists. From that point, there was no going back and Australia became an epicentre of the war on terror. Fridge magnets put neighbours on edge about neighbours. Sedition was dusted off and applied as in wartime. The end result of all this is the concerns I have detailed and the reality of a public servant being convicted for leaking information about serious lapses in airport security—lapses that led to a $22 million upgrade of Sydney airport. The man should have received an OAM last Monday.

Another result of this exploiting of insecurity was a raid on a Sydney newsroom by federal agents trying to trace a leak to a journalist. In that respect, it is difficult to reconcile the concern of News Ltd about suppression of coverage and opinion and threats to journalistic silencing with its lead editorial yesterday in the *Australian*, in which it made an attack on those who dared question other silencings of dissent. It said:

… claims that Australia is becoming an increasingly authoritarian state where dissidents are silenced …

…

… would seem difficult to sustain at a time when the marketplace of ideas has never been so crowded.

It goes on:

Blogs and internet chat rooms … The *Monthly*, New Matilda and The Australian’s own Australian Literary Review are providing new platforms for discussion while established journals such as Quadrant and the Griffith Review are reaching new readers … The queues outside venues at this year’s Sydney Writers Festival, record attendances at similar writers festivals around the world … are public expressions of a confident, mature democracy in which informed debate flourishes.

It goes on to criticise Robert Manne:

In his contribution to *Silencing Dissent*, Robert Manne claimed the nation was headed on the “increasingly authoritarian trajectory of the political culture” under Mr Howard.

Some of that may be regarded in many quarters as an exaggeration, yet the sort of tones and sentiments expressed by News Ltd executives in the group of eight who have voiced these concerns about the suppression of free speech and are seeking a proper investigation of it would seem to be having a bet each way when it suits—when it becomes a political debate. But whether it is left, right, centre or whatever, the fact remains, and it has been quite openly stated by those respected media leaders, that we face a threat in this country, and I would say it has been born of the climate of insecurity that has been built around the very convenient war on terror, which is never ending, all embracing and all threatening, and the danger is that it is all silencing in its extreme manifestation.

Apart from security issues or insecurity-exploiting issues, we have seen the raid on an Indigenous newspaper by Federal Police seeking information about a public servant, and a story on Indigenous community violence. Moving to state governments, the New South Wales government will not release information on how much water it allows Lake Cowall goldmine to take from the Murray-Darling aquifer. Going back to the federal government, it will not release information on the First Home Owners Scheme, including on wealthy people who fraudulently claim the $7,000. Of course, in the micromanagement of our real involvement in the war, the military will only cooperate with embedded journalists. On this latter point, media operators should refuse to cooperate
in any blatant propaganda exercises. It is as simple as that.

In general, the public right to know must always be tempered by the need to protect the individual, and this extends to the absolute requirement that the media not stir racial vilification. It is one thing for the media to protest about all of the concerns outlined by the ‘Media Eight’, but I would argue the Cronulla riots stand as a monument to the abuse, by elements of the media, of the racial vilification statutes that we have on the book—state and federal—in this country.

This bill introduces a privilege that will protect confidential communications between journalists and their sources. We are told that the legislation will require courts to give consideration to the protection of interests, including freedom of the press and the public’s right or need to know. Why do we really have to legislate for this protection? Surely it only underlines the need for constitutional recognition of the right to free press and free speech. The fact that we need to legislate here suggests how dangerously balanced our freedoms are and how challenged they have been in recent times, especially in the past decade and more especially post September 11 in the age of insecurity and on the never-ending war footing in the fight against terror. And there is the risk of a never-ending generalised vilification of Moslems and the Moslem faith by some sections of our community, including some so-called community, media and political leaders.

This bill is really about commonsense when it comes to most legal matters, including its family law ramifications. The greatest weight a court will give in deciding what is allowable and what is not relates, of course, to national security. Under post September 11 circumstances that would be easily understood; but, given the restraints on freedom to know detailed by the media organisations, we come back to square one: just what is national security?

The minister assures us that this bill represents a significant amendment to the Evidence Act and will assist the courts to balance the interests of justice in needing to make evidence available with the public interest of ensuring a free press. This sounds fine in its reading, but, as they say, the proof is in the pudding. There are many in the media and the public who doubt this will lead to a real addressing of the concerns expressed so clearly by those media organisations who grieve over recently legislated constraints in this country that have harnessed free speech and a free media. Yet, in supporting them in that, I say that they cannot afford to apply double standards, as I think they have done in articles like that Australian leader yesterday, where they pick and choose just who is allowed to have free speech, perhaps who is allowed to grieve the loss of free speech and who is allowed or not allowed to be concerned about the very suppression of free speech that they are arguing about. I am not talking about all media leaders; I am particularly referring in this case to the article in the Australian.

We cannot pick and choose our morality on this. Having two journalists facing jail over publication of information on veterans affairs matters is absolutely outrageous, but the so-called and all-embracing war on terror will no doubt test the extent to which this and any future government is really serious about the public interest and a truly free media.

Mr Griffin (Bruce) (6.03 pm)—I rise today to speak on the Evidence Amendment (Journalists’ Privilege) Bill 2007. I have some brief comments to make on this bill in my role as shadow minister for veterans affairs. Labor support this bill. Our view is that this is a welcome bill but that it does not go...
far enough. For this reason I am happy to support the amendment moved by the member for Barton.

This bill amends the Evidence Act 1995 by introducing a privilege, at the trial and pre-trial stages of civil or criminal proceedings, for communications made in confidence to journalists. The bill gives the court discretion in this matter, requiring it to exclude evidence where the nature and extent of the likely harm to a protected source outweighs the desirability of the evidence being given. This is an important reform that helps address the conflict that journalists may at times be forced to face. Currently there is a conflict between their ethical and professional duty to not disclose their source and their legal duty to assist the court.

The bill is modelled on the New South Wales Evidence Act 1995. However, there is a big difference in that the New South Wales act allows for a general scheme of protected confidence, while this bill is limited to journalists only. The bill, in focusing on only journalists’ privilege, does not offer any other protections for confidential communications among other groups or professions. Broader reforms are still needed in this area in order for increased transparency of government actions. However, as this government has shown in the past, unless it suits its specific political agenda, it is extremely averse to introducing any reforms that would allow for greater transparency of its actions.

The bill has been introduced by the government following recommendations from the Australian Law Reform Commission, the New South Wales Law Reform Commission and the Victorian Law Reform Commission in the report entitled Uniform evidence law, which was tabled in this place on 8 February 2006. In their report, under paragraph 15.15, the commissions had the following to say on journalists’ sources:

Since the publication of DP 69, the issue of protection of journalists’ sources has received significant media attention. Under the common law, courts have consistently refused to grant journalists a privilege or lawful excuse under which they can refuse to reveal their sources. The journalists’ code of ethics prohibits a journalist from revealing a source once a commitment to confidentiality has been made. At the time of writing, legal proceedings had commenced against two Herald Sun journalists for protecting the source of leaked government documents regarding changes to veterans entitlements. The Attorney-General of Victoria has indicated his support for a uniform national approach to journalists’ sources. The Australian Government Attorney-General has also announced that the issue would be considered by the Government.

The specific reference made to the two Herald Sun journalists in this paragraph is extremely relevant to the bill we are considering today. The journalists are Michael Harvey and Gerard McManus. They are being prosecuted for contempt of court for refusing to answer questions relating to their publication of material from a source within the Department of Veterans’ Affairs. The case relates to an article they wrote on 20 February 2004 entitled ‘Cabinet’s $500 million rebuff revealed’. In that article they reported on confidential documents that showed that the government had agreed to just five out of the 65 recommendations for change produced by the Clarke review of veterans entitlements. The case relates to an article they wrote on 20 February 2004 entitled ‘Cabinet’s $500 million rebuff revealed’. In that article they reported on confidential documents that showed that the government had agreed to just five out of the 65 recommendations for change produced by the Clarke review of veterans entitlements. It was an article that exposed this government’s measly response to this report—a response that had been signed off by the Prime Minister, the Treasurer and the then Minister for Veterans’ Affairs. Their article and the public backlash that followed helped to result in some government backflips.

I have every respect for both Michael Harvey and Gerard McManus for breaking this story. This was a story of national significance and one that was extremely important for the veterans community. The public
interest in this story was clear. However, for doing their job, these two journalists are now potentially facing a jail term. This bill will, hopefully, help us to ensure that we do not have another situation arise where two highly respected and professional journalists are threatened with jail for breaking a story of significant public interest and choosing on ethical grounds to maintain the confidence of their source. In respect of Gerard McManus and Michael Harvey, I hope this bill sends a clear and unequivocal message to the courts about the Commonwealth parliament’s intention in relation to a privilege being applied to journalists.

It would be remiss of me if I did not say a few words here about the fate of Mr Desmond Kelly, the senior public servant from the Department of Veterans’ Affairs who was alleged to have leaked the confidential material to Harvey and McManus. Mr Kelly was pursued with great zeal by a government that had been fully exposed and rightfully embarrassed by its shameful response to the Clark report. Mr Kelly was suspended without pay and spent two years in courtrooms until he was acquitted by the Supreme Court of Victoria Court of Appeal on 17 October last year. Following his acquittal, Mr Kelly’s pay was reinstated, but he remains suspended from the department. He was informed that the department would still be undertaking a code of conduct investigation. Following this, Mr Kelly decided to terminate his employment with the department in February of this year.

Despite being acquitted by the courts, Mr Kelly has never been paid the money he would have been earning from the Department of Veterans’ Affairs during the two years he spent in court. Instead, he has now resigned from the department. He has been left with no money for those two years and with significant legal bills, all despite being acquitted.

Labor are committed to greater transparency and accountability in government. At the recent national conference, our national platform was amended to include the following:

Labor will:

- Legislate for proper freedom of information laws that enable Australians to access appropriate information about government activities
- Move to implement the ALRC recommendations on sedition laws
- Provide shield laws for protecting confidential sources and whistle blowers
- Review laws that criminalise reporting of matters of public interest

The last of these obviously relates most directly to the bill we are considering today and the specific case that I have been discussing. I sincerely hope that the passage of this bill will help to ensure that situations such as the one that both Gerard McManus and Michael Harvey face can be avoided in the future. While noting that the bill does not go far enough, I commend the long-overdue reforms contained within this bill to the House and I wish it a speedy passage to the other place.

Mr RUDDOCK (Berowra—Attorney-General) (6.10 pm)—I thank the members for Barton, Barker, Banks, Kooyong, Wills, McMillan, Denison, Indi, Calare and Bruce, who have contributed to this debate. The Evidence Amendment (Journalists’ Privilege) Bill 2007 amends the Evidence Act and introduces protection for journalists and their sources. The amendments will ensure that a judge will have the ability to exclude evidence which would otherwise disclose information communicated to a journalist in confidence. In reaching such a decision, the judge will be required to consider a number of factors detailed in this bill.
It is important that members are aware that the amendments are based on a model recommended by the Australian, New South Wales and Victorian Law Reform Commissions. These commissions undertook an 18-month review of the law of evidence and undertook consultations with a wide range of stakeholders. I understand that submissions were received from key media groups including the Australian Press Council as well as public interest groups, legal bodies and the judiciary. I endorse the comments made by the member for Banks on the excellent work undertaken by those commissions.

There has been, of course, as is often the case in relation to these matters, some misinformation in recent days—that the introduction of this bill would mean that the Commonwealth is backing away from its commitment to Uniform evidence law. Let me say that the reason for this bill is to ensure that the court knows—as has been represented by the Solicitor-General—as it is considering penalties in relation to the journalists that are before it, that the Commonwealth’s view is that a judge ought to have a discretion to ensure that, in an appropriate case, broader public interest factors are entertained which might mean that a penalty, particularly one of penal servitude, will not be imposed.

I might say that, given that the matter of the two journalists is before a Victorian court, where the Victorian Evidence Act is dealing with the issue, it is equally important that the Victorian government demonstrates its commitment to this change by legislating quickly. The Commonwealth’s intention is clear, but the matter needs to be dealt with expeditiously so that the court is aware that the matters that have been represented as to our intention to legislate are known by the fact that the legislation has in fact secured successful passage. I welcome the assurances that have been given by the opposition that in the other place they will assist in securing effective and rapid passage.

This does not mean that model evidence laws are not to proceed. The fact is that this matter is being addressed in the context of the Standing Committee of Attorneys-General. It is desirable that laws in these areas be uniform in character. It is more likely that we are going to achieve that outcome if the standing committee’s approach is followed—that is, it has had consideration by an expert reference group, that group is making comments, the standing committee will be informed by its advisers and that information will assist in ensuring that the standing committee is well informed. I hope that we will see the Standing Committee of Attorneys-General reach an agreement shortly, in relation to the wide range of other issues that have been canvassed in this debate, on where it is of the view that some form of privilege ought to be available.

I might say that there is separate from a broader range of other issues relating to legal professional privilege which are before the Law Reform Commission at this stage. However, as I have stated in this place, the issue of protecting journalists was too important to wait, given the potential for further delays in the SCAG process—that is, the standing committee process. Yet, as I have also made clear in my second reading address, it remains my hope that I will be bringing forward a second bill which will implement the remainder of the government’s response to Uniform evidence law when we have had an opportunity, in the standing committee process, to fully consider it. I told my state and territory colleagues when I met with them last April that this was the approach that we would be adopting. So this bill is in no way a reflection on SCAG; they were aware that the government’s view was that this matter ought to be dealt with by
legislation, in isolation from the other factors, as early as possible.

I am disappointed that the member for Barton, notwithstanding Labor’s support for the bill, felt it necessary to move a second reading amendment which is beyond the scope of the issues to be addressed in this bill and the recommendations made by the law reform commissions. I draw the member for Barton’s attention to the Public Service Act 1999, which, in relation to whistleblowers, already protects from discrimination and victimisation federal public servants who report breaches of the Australian Public Service code of conduct. There are also mechanisms in place for complaints to the Commonwealth Ombudsman about actions or decisions of Commonwealth agencies. In other words, if whistleblowers, in the public sector role that they are fulfilling, believe that something has been dealt with inappropriately, they have appropriate mechanisms to be able to report on those matters to the Public Service Commission or to take the matter to the Ombudsman if they believe that people have been derelict in their responsibilities as public servants.

It is not a question of saying, ‘I can get a cheap headline in a newspaper one day.’ The question of the conduct of officers is not such that they have a broad discretion to wake up one day and say, ‘Today, I feel like I want to be a whistleblower, and I’m going to leak a whole lot of material’—material which it may not be in the public interest to disclose in that way. I make the point that the disclosure of information is not always in the public interest. In some instances, disclosure may be an infringement of an individual’s privacy. It can damage reputations. It can be prejudicial to national security. If it relates to budget issues, it would be quite irresponsible to put information of that sort out into the public arena on the basis that you think you have a cause. For that reason—because there are appropriate steps that can be taken by a public servant who is legitimately concerned about issues to explore those issues—the government will not be supporting the proposed second reading amendment.

I am aware that members of the opposition have used this debate to make a wide range of claims about a wide range of other issues. In what was meant to be a bipartisan issue, it is disappointing that that has been the case, but I do not suppose that I should have been at all surprised. As mentioned earlier, I do welcome the opposition’s support for the bill in principle. It is a significant amendment to evidence law, and it will provide an avenue to protect confidential communications between journalists and their sources. I commend the bill to the House.

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

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

Third Reading

Mr RUDDOCK (Berowra—Attorney-General) (6.19 pm)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

MIGRATION AMENDMENT (STATUTORY AGENCY) BILL 2007
Second Reading

Debate resumed from 24 May, on motion by Mr Andrews:
That this bill be now read a second time.
Mr BURKE (Watson) (6.19 pm)—There are moments in this parliament when we deal with legislation of great moment and have debates that grip the nation. This is not one of those moments. The Migration Amendment (Statutory Agency) Bill 2007 contains but one clause on a simple administrative matter. It is an important clause but it has taken the government some years to bother to draft it. The bill simply formalises the existing administrative arrangements between the two main merit review tribunals for immigration cases—that is, the Migration Review Tribunal and the Refugee Review Tribunal. The one clause in the bill amends the Migration Act to provide that the principal member of the Refugee Review Tribunal together with the registrars, deputy registrars and other officers of the MRT and the RRT who are employed under the Public Service Act will become a statutory agency for the purpose of the Public Service Act 1999. The bill makes the principal member of the Refugee Review Tribunal the head of this statutory agency.

For quite some time the two tribunals have been gradually amalgamating their administrative arrangements in order to save money and improve efficiency. The tribunals used to operate as two quite separate and independent tribunals, but increasingly they have been integrating into a single unit. The tribunals’ offices have already co-located in both Sydney and Melbourne. They share common registries and common administrative facilities, and members and staff have for some time been cross-appointed to both tribunals. The two tribunals are also prescribed as a single financial entity for the purposes of the Financial Management and Accountability Act 1997. There is a single payroll and set of financial statements. The tribunals have also combined their case management systems. This bill formalises the existing arrangements and makes clear the legal basis on which those tribunals have been operating as a single statutory agency.

One of the main legal effects of the bill is that the principal member of the RRT will have the legal authority as the agency head to employ staff and exercise Australian Public Service powers. At the moment the principal member acts on the delegated authority of Mr Andrew Metcalfe, the Secretary of the Department of Immigration and Citizenship, in order to make those decisions. This bill will not change the actual work in practice but will shift the legal basis for those operations.

The impetus for this change—when I say ‘impetus’, it sounds like something that provides a big push and a rapid movement, although it was not—comes from some time ago, following the Review of corporate governance of statutory authorities and officeholders known as the Uhrig review. The Minister for Immigration and Citizenship acknowledged this in his second reading speech when he said:

The … bill … will implement the last of a range of minor changes to the legislative framework of the Migration Review Tribunal and the Refugee Review Tribunal recommended in the Uhrig report …

This report was actually handed down in 2003 and, as we have plenty of time, because there is not a lot to talk about in the bill, we will take a moment to look at the chronology of how we actually got here.

This bill comes from a promise back in October 2001, at the height of the election campaign, that the government would review statutory authorities because we were in a climate, as we remember, shaped by the collapse of both HIH and OneTel. The public rightly perceived that there was a lack of accountability mechanisms. In particular, there was concern at the time over the monitoring provided by the ACCC. In 2001, the
promise was made of a review. In 2002, the Prime Minister finally bothered to commission former Rio Tinto and Westpac chairman John Uhrig AO to review the corporate governance of statutory authorities. His report was presented to the Prime Minister and the Minister for Finance and Administration in the following year, 2003. It then took until 2004, having been received in 2003, conducted in 2002 and promised in 2001, before the government decided to publicly release the report. The government truly was taking one step at a time—one year per step.

At the time of the release of the review, the Minister for Finance and Administration, Senator Minchin, stated that all government agencies would be assessed against the templates of the review and those assessments would all be complete by March 2006. So that was another 18 months to figure things out. In an article by Lenore Taylor in the Financial Review on 12 August 2004, the minister acknowledged:

“In our last term, there were some events to cause the business community considerable anxiety, mostly centred around the ACCC, and a general sense that the ACCC and a few others had become laws unto themselves, and the ATO was being seen as not properly accountable to the government and the parliament …”

The quotation continues:

“While the heat has gone out of some of those issues now … we think Uhrig has proposed a good and necessary strategy to ensure accountability in structures that have really built up in an ad hoc manner over the years …”

Waiting for the heat to go out of the issue from 2001, we are then told that the heat has gone out in 2004. We then wait until it gets really cold in 2006 for the last progress report and we are now here in 2007 finally dealing with a one-clause amendment to legislation that came out of a review promised in the election campaign of 2001. Why have we actually even got here now? There was speculation in the Financial Review in an article by Verona Burgess on 18 May 2007. It was a very brief article but obviously there was not a tremendous amount to report on. It says:

“We understand the government intends to issue an overview of the whole thing in the near future, and not before time.

Once the government decided to do an overview of the progress, they realised that progress has been conducted pretty much at a snail’s pace on something that was always going to have bipartisan support. It was never difficult; it simply took time for the government to get around to it. We have the response now and we have legislation which puts in place what is simply prudent policy recommended a very long time ago.

To bring the two agencies under one head as a single statutory agency is sensible. It allows a more logical principle than to have everything operating under delegated authority, which is the way it has been happening so far. The opposition are pleased to have an opportunity to speak to legislation that we certainly hoped we would have been speaking to many years ago. But, notwithstanding that, we are here now. It is hardly controversial, it is sensible public policy, the opposition are very pleased to be finally speaking on the legislation and we certainly hope we vote on it this year—that it is this year when the Senate votes on it and this year when it is proclaimed as legislation.

Mr RANDALL (Canning) (6.28 pm)—I concur with the member for Watson that the Migration Amendment (Statutory Agency) Bill 2007 is a very simple one-item bill which is very simply dealt with. The member has made a succinct summary of the bill. His statement to this House has covered pretty much all of the items that need to be covered in respect of this bill. I am pleased to see that it has bipartisan support and it should go
through the House as soon as possible. In relation to the member for Watson’s issue about when the bill will eventually get through the parliament, I understand the government has decided to have it implemented by 1 July 2007. If he were here, he would know that I believe that is the intention of the government.

I will just briefly mention a few of the issues that have been raised or add to them. This bill provides for the last remaining recommendation of the Uhrig inquiry relating to the MRT and the RRT. Essentially the Migration Amendment (Statutory Agency) Bill, which we are debating today, inserts a new section in the Migration Act 1958 which will establish a single statutory agency for the purposes of the Public Service Act 1999. The proposed agency will consist of a principal member of the Refugee Review Tribunal, RRT, and the registrars, deputy registrars and other officers of both the RRT and the Migration Review Tribunal, MRT, engaged under the Public Service Act. The major change effected by the bill is that under the current statutory arrangements the Australian Public Service employees working at the tribunal are legally employed by the Secretary of the Department of Immigration and Citizenship, and if the bill is passed—and we know it will be, because the opposition have said that they will support us—the APS staff will instead be employed by the principal member of the RRT. The minister stated in his second reading speech that, for practical purposes, tribunal staff will be directed by the principal member, who is the executive officer of both the tribunals, under powers delegated by the secretary. It is a sensible amalgamation because this arrangement has been in place for some time and it will give legal effect to arrangements that have been just a loose agreement until this time. We know that since 2001 both the MRT and the RRT have been working closely together both from co-location and from administrative efficiencies using the same members, resources, structures, operations and procedures. In particular, the principal member of the MRT and the RRT is, as I said, the same person, as is the registrar. The bill will not change the functions of either tribunal but will simply clarify the employment arrangements of the Australian Public Service staff working at both tribunals.

To clarify for the House: the RRT is the body that reviews decisions made by DIAC to refuse or cancel protection visas to non-citizens in Australia. The tribunal also has the power, in respect of certain transitory persons, to conduct an assessment of whether a person is covered by the definition of a refugee in article 1A of the 1951 refugee convention. The RRT was established in 1993. The MRT provides a final independent merits review of visas and visa related decisions made by the Minister for Immigration and Citizenship or, more typically, by officers of DIAC acting as delegates of the minister. The MRT has been operating since 1 June 1999. Decisions to deport a person, decisions refusing or cancelling visas on character grounds under section 501 et cetera are reviewable by the Administrative Appeals Tribunal. I think most people would know that Mr Steve Karas AO is the principal member of both tribunals. He was first appointed to this position in July 2001 and his current appointment is until 30 June 2007.

I will just briefly raise a couple of issues because we are all on the same page on this. One is that, because the functioning tribunals are co-located, I have found it unsatisfactory that when I have had to make representation on behalf of some people from Western Australia there is no permanent officer located in Perth. I believe there is only one part-time officer there. When people have had to have reviews they have had to do it by teleconference, which is highly unsatisfactory given
language barriers et cetera even though there might be interpreters. Also, there was a case I am aware of when one of the review officers—and I will mention his name—a Mr Thomas, was arrogant and gave very little decent support to the person for whom I had written a letter of support. So I am not necessarily happy with all the functions of the tribunal and the way they act. Obviously they are a law unto themselves, but when they receive representations from people such as me and my colleagues I think the representations are dismissed almost out of hand. So I am unhappy from that point of view. As the Chair of the Parliamentary Joint Standing Committee on Migration, I have had a lot of issues involving both the MRT and the RRT. I would like to have a better response when I deal with these bodies because in the past it has not always been satisfactory, from my point of view. Be that as it may, this is a sensible instrument in this House and, as I have said and the member for Watson has said, it is supported and should pass by July this year.

Ms GAMBARO (Petrie—Assistant Minister for Immigration and Citizenship) (6.35 pm)—I have great pleasure in summing up for the Minister for Immigration and Citizenship this evening. In doing so, I want to thank the member for Watson and the member for Canning for their contributions to the second reading debate on the Migration Amendment (Statutory Agency) Bill 2007. I agree that it is not a terribly contentious or exciting bill but, nevertheless, it is a very important one. The bill implements the last of a number of minor changes to the governance arrangements for the Migration Review Tribunal and the Refugee Review Tribunal in accordance with the recommendations in the Uhrig report of 2003. It also gives effect to the administrative arrangements for the tribunals which have been in place for a very long time. I stress that this measure does not in any way affect the employment conditions or the entitlements of the Australian Public Service staff working in the tribunals. Employment responsibility for Australian Public Service staff of the tribunals is simply being transferred from the secretary of the department to the principal member of the Refugee Review Tribunal. The bill will not change the functions of the two tribunals under the Migration Act. As previous members have stated, the Migration Review Tribunal and the Refugee Review Tribunal will continue to operate as separate tribunals, but for practical and efficiency purposes they will continue to share common supporting resources.

A number of issues were raised in the debate by the member for Watson, one of which is that it has taken a very long time for the implementations to come into effect. That is true; there has been a long process, but I just want to take the House through some of the chronological steps and perhaps the House can see why it has taken such a while. It has been a very intensive consultative process.

On 27 June 2003 there was the release of the Review of the corporate governance of the statutory authority and office holders, the Uhrig review. On 12 August 2004 the Minister for Finance and Administration announced the government’s response to the Uhrig review, and the response generally endorsed the governance principles and the templates developed in the report. It also announced that the minister would assess statutory authorities and other bodies with their respective portfolio and identify improvements to be made against the recommended governance principles and templates. In August 2005 we had extensive consultation with portfolio bodies and DIAC completed an assessment report of the governance arrangements of the MRT and RRT against the recommended governance princi-
ples and templates. The report recommended that some amendments needed to be made.

Amendments needed to be made to the Migration Act of 1958 to provide for the purposes of the Public Service Act 1999 that the principal member and the Australian Public Service employees assisting the principal member together constitute a statutory authority and the principal member is the head of that agency. Then of course we had to make amendments to the Financial Management and Accountability Regulations of 1997 to establish a single prescribed agency in respect of the MRT and the RRT instead of having these two separate prescribed bodies and agencies. So the statement of expectation was drafted under the minister’s signature. It was mindful at all times to make sure that we kept the tribunal’s independence as an administrative review body and the tribunals were requested to respond with a statement of intent, which included some of the important aspects of key performance indicators agreed with the department. Also then we needed to have a statement of expectations and a statement of intent released. On 3 March 2006 the then minister for DIMIA, as it was known, issued a statement of expectations. On 11 April 2006 the tribunal responded with a statement of intent and on 1 July 2006 the recommended amendment to the Financial Management and Accountability Regulations of 1997 came into force.

And here we are tonight, because on 24 May 2007 we introduced the Migration Amendment (Statutory Agency) Bill 2007. It has not been a short path but it is one that has got us to where we are this evening debating this legislation. The department has worked consistently to try and develop these templates and principles developed in the Uhrig report and since we announced those endorsements—which actually occurred in 2004—the minister’s predecessor at the time, Amanda Vanstone, issued a statement of expectations for the tribunals and they responded again with a statement of intent. The most important thing is that these tribunals have been made a single prescribed agency for the purpose of the Financial Management and Accountability Act. This bill tonight implements the final change in relation to those tribunals, and all the other recommendations in relation to the tribunals have been implemented.

Merging the tribunals would move beyond the scope of the recommendations and it would also involve an extensive restructuring of the Migration Act, and that is one of the reasons why the tribunals are not being merged. Previous speakers spoke about that tonight. If there is a strong business case for merging the tribunals into one tribunal that will need to be looked at in the future and any proposal regarding merging the tribunals would of course require wide consultation and would have to be managed so as not to disadvantage the merit review applicants. I support the bill tonight and I am very pleased to be speaking on behalf of the minister to the Migration Amendment (Statutory Agency) Bill 2007.

Question agreed to.

Bill read a second time.

Third Reading

Ms GAMBARO (Petrie—Assistant Minister for Immigration and Citizenship) (6.41 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.
FAMILY ASSISTANCE LEGISLATION
AMENDMENT (CHILD CARE
MANAGEMENT SYSTEM AND OTHER
MEASURES) BILL 2007

Second Reading

Debate resumed from 24 May, on motion
by Mr Brough:

That this bill be now read a second time.

Ms MACKLIN (Jagajaga) (6.42 pm)—
The Family Assistance Legislation Amend-
ment (Child Care Management System and
Other Measures) Bill 2007 paves the way for
the introduction of the new childcare man-
agement system. First announced in the 2006
budget, the new management system will
require all childcare service operators to
come online and establish new electronic
reporting arrangements with the Common-
wealth government. The new system will be
rolled out from 1 July 2007 over two years
with a budget of $82.6 million.

Labor supports the new Child Care Man-
agement System and we support this bill. We
believe that the new system has great poten-
tial to provide more accurate and timely in-
formation about the supply of child care in
Australia including usage patterns and va-
cancy information. The system could also
improve information to parents about their
benefit entitlements. Used effectively, the
new management system could bring sub-
stantial benefits to the provision of child care
in Australia. We remain to be convinced,
however, that the government will use the
capacity of the new system effectively. We
are not convinced about the government's
approach to this management system because
of their attitude towards child care, which
leaves much to be desired.

Just six months ago after the Common-
wealth Treasury said that parents were being
too choosy and that child care was afford-
able, the Treasurer’s budget did give belated
and, we would say, insufficient recognition
to the problems that many Australian fami-
ilies have with childcare costs. The govern-
ment has taken no action on childcare access
and has no plans to improve early learning
and development for our children. Given
these shortcomings in the government’s ap-
proach to early childhood development, I
move the opposition 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:

(1) child care out of pocket costs are increasing
five times faster than average prices for all
goods and services;

(2) for the past four years, child care out of
pocket costs have increased by more than 12
per cent each year;

(3) as a result of these increases, child care is
becoming less affordable for Australian fami-
lies;

(4) despite the international consensus on the
benefits of early childhood education, Aus-
tralia ranks last in the OECD on the percent-
age of GDP spent on pre-primary education;

(5) there are currently 100,000 four years olds in
Australia that do not attend preschool; and

(6) the current Government has no policy agenda
to provide preschool to all Australian four
year olds”.

The new Child Care Management System
will significantly change the nature of the
administrative relationship between childcare
operators and the Commonwealth govern-
ment, particularly in relation to the payment
of the childcare benefit. About 96 per cent of
Australian families take that childcare bene-
fit as fee relief paid to their childcare centres.
So while CCB is an entitlement for families,
it is overwhelmingly paid by the government
to approved childcare service operators.

Currently services are paid their CCB fee
relief on an advance and acquittal basis four
times a year with an annual reconciliation.
The new management system introduces a
new payment method for CCB. Under the changes proposed in this bill, payments will now be made weekly in arrears based on a child’s actual attendance in the previous week. Services will now be required to submit attendance records for each child to the Department of Families, Community Services and Indigenous Affairs weekly via the internet. The department will then pay the appropriate amount of childcare benefit to services to pass on to parents as fee relief. This is a very significant change for providers. To help operators with any cash flow issues arising from the change to a payment in arrears system the government has proposed that providers will receive an enrolment advance for each child. This advance, which amounts to one week’s maximum rate of childcare benefit per child, will be required to be acquitted once the child leaves that operator’s care. Labor welcomes the introduction of this advance to help operators with their ongoing cash flow issues.

The new system also requires all communication between childcare providers and the government to be online. It requires providers to have appropriate information and communications technology and to make sure their staff are trained in how to use it. The weekly electronic reporting of attendance might become a significant issue for some providers. The entry and exit times for each child will be required to be entered into a computer either manually or through a swipe card system where parents log every child in and out every time they pick them up or drop them off.

Labor recognises that there is a lack of appropriately qualified and experienced childcare staff. The National Children’s Services Workforce Study of July 2006 found: Overall, there is a projected net shortfall of 7,320 staff by 2013. Long day care has an estimated shortfall of 6,490 staff by 2013, outside school hours/vacation care are projected to have a short-

fall of 1,011 staff, and occasional care services have a projected shortfall of 894 staff.

This study shows that the government needs to act not only on the staff shortages, starting with the development of a workforce strategy, but also on the weekly reporting requirements, which will require staff to do a lot of data entry, and this will provide an extra burden on the staff resources for all childcare providers. We certainly hope that the quality of care our children receive will not suffer as a result.

We know that the minister for families has already floated the idea of using the government’s new access card for this new swipe in and out of services. It is no big leap of logic to see how the government would say: ‘You might as well use the access card system to gather this information. Parents could just swipe in and out with that.’ It is very possible that the government could require that parents of the almost 600,000 children in formal care who receive the childcare benefit each year use an access card every day. We know that the government last week delayed the introduction of the new access card but we also know that this delay is purely political, designed to remove this as a political difficulty before the coming election. All Australian families deserve to know before the election what plans the government have for the access card, and especially what plans they have to connect the access card to this new childcare management system.

One positive for parents in the implementation of the new management system is that it will give parents better information on their benefits. One new function of the system is the provision of an online statement from Centrelink detailing childcare benefit payments made on behalf of families to their childcare service. This should improve information available to parents. We also hope that the move to the payment in arrears system will make sure that CCB calculations are
more timely, accurate and, very importantly, reduce childcare benefit overpayments. Under questioning by opposition senators during recent estimates hearings, departmental officials admitted that in the last financial year around 124,000 families were hit with an average of $309 in childcare benefit debt. That is a total of over $38 million in CCB overpayments. This is in addition to the $140 million overpayments families faced through the family tax benefit system. On this side of the House we certainly understand that family budgets are under significant pressure as a result of recent mortgage increases, spiralling credit card and household debt, rising childcare fees and, most recently, record petrol prices. We certainly support the changed payment arrangements in the new management system and hope that it is able to reduce this overpayment burden on families.

On the question of what benefits the new management system will bring to childcare planning, the government has remained silent. There is concern that the current design of the management system does not provide the government and the childcare sector with the necessary information about childcare demand and does not relate this demand to current availability of places to assist future planning. We would hope to see some further information from the government about how this management system can be better used in that regard. While this bill introduces new fines for services which do not give required information to the childcare access hotline, the government has given no indication that it will use the new information it is gathering quickly and accurately to help better identify present and future needs for child care. The House of Representatives Standing Committee on Family and Human Services recently tabled its report, *Balancing work and family*. The report noted:

Unfortunately, given the economic importance of child care provision, some Australian families are experiencing problems in accessing affordable care.

The government does not seem to have listened to the findings from this House of Representatives report. We have seen the government completely abandon all planning issues in the provision of child care in Australia. It continues to deny that parents are facing any difficulties in securing a place for their child, especially one that might specifically meet their needs.

Labor know that there are significant problems faced by parents. Many parents have very significant challenges in securing a place for their child. We believe that the substantial investment being made in this new management system should, in addition, be focused on gathering and analysing the information necessary to improve the planning and provision of child care in Australia.

Schedule 1 of the bill introduces three new sanctions for failure of an approved childcare service to comply with conditions of continued approval to receive childcare benefit. These new sanctions relate to the new enrolment advance and can require repayment of the advance, suspension from eligibility to receive the advance and suspension from eligibility to receive childcare benefit.

Schedule 2 of the bill introduces a civil penalty and infringement notice system for childcare operators. Family assistance law currently provides for criminal penalties but not civil penalties. These new sections impose, for the first time, a civil penalty system on childcare operators. With the introduction of the new civil penalty provisions, childcare operators and individuals face fines if they breach any of the obligations in these particular sections of the bill. These new civil penalties are currently limited to situations where childcare services fail to give the childcare access hotline information on the
places that they have available within the required timeframe as set down by the secretary. Aiding and abetting the withholding of information also renders an individual liable. These new fines impose an initial layer of sanction upon operators who continually fail to provide information to government on their vacancies. Infringement notices are the first step followed by more substantial fines if the problems continue.

Labor support an infringement regime that introduces this intermediate layer of sanction in between 'no action' and 'complete suspension of an operator'. We know that the suspension of an operator’s approval has a major impact on families and this new fine system will provide an incentive to improve compliance by operators with the requirements under family assistance law.

Schedule 3 of the bill contains a range of other miscellaneous amendments. These include the introduction of a rebuttable presumption that a child is a school child once they turn six for the purposes of family assistance law and childcare benefit. A school child who, generally, is attending outside school-hours care is only entitled to 85 per cent of the relevant childcare benefit.

New provisions give the departmental secretary the power to immediately suspend a childcare service. Under current provisions, the secretary must give notice of sanction, including suspension, to providers and ask them to show cause. The new provisions allow for the immediate suspension when the operator fails to comply with Commonwealth, state or territory law relating to child care—for example, if their licence is suspended by the state. Commonwealth approval is also withdrawn; the departmental secretary believes there is an imminent threat to the health or safety of a child; and, in urgent circumstances, where it is no longer appropriate for the operator to provide care—for example, if it were on contaminated land. Suspension does not result in permanent cancellation of approval to receive childcare benefit. Suspension means that an operator does not receive childcare benefit for the period of the suspension and can no longer provide fee relief to parents.

New amendments also give the secretary of the department the power to inform parents who are using a childcare service that the service no longer complies with family assistance law and is being sanctioned. No such power currently exists. This information sharing is important for parents as they are not entitled to receive childcare benefit in respect of care at a suspended service.

High quality and accessible child care in Australia is of fundamental importance to Australian families. Labor has argued strongly for many years that the government has the responsibility to support families with the costs of caring for their children yet, time and time again, Australian families have been told by this government that there is no problem. As I said before, Treasury has said that families have been too choosy.

The Minister for Families, Community Services and Indigenous Affairs claims that families are spending less of their household income on child care. Families know that they are paying more and more for their childcare costs. At the same time, we have had the Prime Minister telling families that they have never had it so good. This is yet another demonstration of just how out of touch this government has become. Families know how costly child care is, even if the government does not. Childcare costs are rising five times faster than the average cost of all other goods and services. According to the Australian Bureau of Statistics, out-of-pocket childcare costs for families in the last four years have increased by 12.7 per cent,
then 12 per cent, then another 12 per cent and then, finally in the last year, 13 per cent.

Independent analysis by Saul Eslake from the ANZ Bank, undertaken for the Taskforce on Care Costs, shows that child care affordability has declined by 50 per cent in the last five years. This year, after denying there is any problem—and as we have seen so many times from this government—and just five minutes before the election, the government decided to give families a one-off bonus increase. Families know that they have carried very heavy costs for the last four years.

Labor welcome the increase as a belated recognition of the challenges that families face, but we continue to be concerned that the government has failed to provide the ongoing relief that families really need. We are worried that what will happen is what happened four years ago: the bonus will quickly be overtaken by increased costs. It does seem that the minister is also concerned. He was reported on Saturday as saying that if any service operator did the wrong thing by increasing their fees to completely absorb this increase in childcare benefit the government ‘was not going to be a casual bystander’. We certainly hope the minister stands true to his word. I ask that he, when he comes into this House and is summing up this legislation, detail if he has been made aware of any operators increasing their fees in this way and also inform the House of what action his government will take so that it is not just a ‘casual bystander’.

I must say one area where the government most certainly is a casual bystander is early childhood education. The government is doing absolutely nothing for the 100,000 Australian four-year-olds who do not attend preschool. Under this government, Australia spends the least in the OECD on preprimary education. Our spending is just 0.1 per cent of GDP, compared to the OECD average of 0.5 per cent. The government’s whole approach to early childhood is a mess: no coherent policy agenda whatsoever and no clear directions. If anything, it is all about just passing the buck and saying that it is the state governments’ responsibility.

We have heard, though, that the federal Minister for Education, Science and Training does think that early education is important. She says that she wants all four-year-olds to have a preschool education. But, on the other hand, in the same government we have got the Minister for Families, Community Services and Indigenous Affairs saying child care has nothing to do with early education. In his view, all he is responsible for is providing care.

By contrast, the government refuses to recognise what the opposition are putting forward. Labor have put forward fresh policy ideas showing a new direction for early childhood education. The Leader of the Opposition understands the importance of early childhood education and knows, as every parent knows, how critical it is to provide the best future for Australia’s children. Labor have committed to providing all four-year-olds in Australia—that is, each and every one of them—with 15 hours of early learning a week for up to 40 weeks a year. We will provide $450 million each year in new Commonwealth spending to make sure that this occurs and we will also guarantee that this service expansion does not increase fees for parents. Most importantly, we understand—unlike the minister for families—that early education and care should be integrated across all service types. We know, as parents know, that you do not stop learning when you are in a place that the government calls child care. Our children are always ready to learn.

Labor believe that early childhood programs are an opportunity for the founda-
tional growth that all Australian children should have. Our views are backed by yet another study, one published just last month by Professor Robert Lynch, Chair of the Department of Economics at Washington College in the United States, and called *Enriching Children, Enriching the Nation*. I want to finish by quoting him:

... investment in early childhood education, even when its benefits are not fully accounted for, is an effective public policy strategy for generating wealth and achieving a multitude of social and economic development objectives. A nationwide commitment to high-quality early childhood education would cost a significant amount of money upfront, but it would have a substantial payoff in the future as such a program would ultimately reduce costs for remedial and special education, criminal justice, and child welfare, and it would increase income earned and taxes paid.

Labor support these findings. Unfortunately for Australian children, the Howard government does not.

**The DEPUTY SPEAKER (Mr Quick)**—
Is the amendment seconded?

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

**Mr FAWCETT** (Wakefield) (7.04 pm)—I rise to address the Family Assistance Legislation Amendment (Child Care Management System and Other Measures) Bill 2007 as tabled by the minister. As the opposition has outlined, this bill is predominantly meant to make amendments to family assistance law for the purposes of a new online childcare management system. There are a number of reasons for this system and there are a number of benefits that will flow from it. Today I wish to talk through some of the measures that are in this bill, some of the context that has led to this bill and some of the people who have been involved in developing it.

This Child Care Management System will standardise and simplify childcare benefit administration and reduce the time taken for payments. In particular, it will increase the timeliness of information which is provided to the government and parents. This is important for a range of purposes including calculating the amount of benefit that is to be paid to parents and also for planning, to understand in the short term where vacancies are in different childcare centres around the country and in the long term for local government authorities, who determine where centres can be built, to get a feel for the supply and demand factors that are actually taking place.

Amendments are also made to the absence provisions, the provisions relating to the way the hours of care are calculated for childcare benefits, and to the part-time percentage rate component of childcare benefits. Further amendments will introduce three new sanctions for the failure of a childcare service to comply with the conditions of continued approval. There is also a civil penalty and infringement notice system introduced in this bill. Finally, there are some amendments that deal with information-gathering powers and the location of records and further amendments that will reduce the overpayment of childcare benefits. That is of considerable importance to families in my electorate of Wakefield.

I would like to address the context of why this bill is being introduced and, in particular, why child care is important. I had the privilege last year of participating in the House of Representatives Standing Committee on Family and Human Services inquiry into balancing work and family, whose report was tabled in this House on 7 December last year. One of the things that came out of that, in terms of balancing work and family, was that there is a great multitude of factors and that no two individual families face identical circumstances.
One of the themes that occurred time and again in the submissions supplied to the committee—and in fact a whole chapter has been dedicated to it in the report—was choice and flexibility in child care. Some two-thirds of the submissions received made comment on child care, particularly its accessibility and affordability and its impact on the ability of parents, especially women and single parents, to participate in the workforce.

In 2005 the Australian Bureau of Statistics found that in any given school week some 35 per cent of Australian children aged zero to four received formal child care and some 38 per cent received informal care. Those numbers vary a little with age and location, but it gives a very strong sense that the amount of child care has a strong influence on people’s ability to work, particularly when it comes to long day care, family day care, outside school hours care, occasional care and vacation care. The percentage of long day care, family day care, outside school hours care and vacation care that is work related ranges from 88 per cent—which is the lowest amount for family day care—through to 97 per cent for outside school hours care. Long day care is around 90 per cent. So there is a very strong correlation between accessing those types of day care and people’s ability to be involved in the workforce.

The costs reflect a number of local characteristics of supply and demand as well as state requirements, which may influence fees through things like staffing ratios, licensing, wages and whether additional services are charged for things like nappies and meals. Those costs vary greatly across Australia. One of the ways to reduce those costs is to have better management of the systems. As we have engaged with childcare providers there have been a number of areas where they have called for additional funding, some of which is one-off funding. As part of the context of understanding where we are at with child care, it is important to recognise the initiatives that this government has taken to make child care more affordable and accessible and a quality system for our children. For example, just this month some $4½ million in one-off equipment grants has been provided to 360 childcare services around Australia to help them replace or upgrade equipment. This childcare support program looks to support childcare centres that are primarily located in rural, remote or Indigenous communities. These can include mobile childcare services as well as multifunctional Aboriginal childcare services. I welcome that funding, which has gone to one of the mobile childcare services that work with disadvantaged families in my electorate of Wakefield, and they do an outstanding job.

It is also important to note that in this year’s budget there have been some significant developments for families. Overall the Howard government will be contributing more than 50 per cent toward the vast majority of families’ formal childcare costs, following the $2.1 billion in additional investment in child care in the recent budget. The Department of Families, Community Services and Indigenous Affairs’ post-budget modelling found that, particularly for long day care—and remember that around 90 per cent of that is related to people using it for work—between 55 per cent and 93 per cent of the fee will be subsidised by the government as a result of the increase in childcare benefit and the improvement in the childcare tax rebate. For some low-income families that are looking to return to work and are receiving the JET childcare fee assistance, the government contributes more than 98 per cent of the cost of child care. A common example that came up through the modelling was that a working family with a combined income of around $60,000 using part-time care for one or two children had between 55
and 79 per cent of their fees subsidised, depending on the centre that they used. So the changes that this government has brought in are actually finding ways to target the aid that we need to give to the people who need it, particularly to re-enter, train for and engage in the workforce. Interestingly, the modelling supports the OECD findings that show that Australia has higher levels of subsidies supporting parents’ childcare choices than comparable nations. The OECD estimates that the government contributes on average around 60 per cent of parents’ childcare costs, whereas other comparable nations in the OECD were more likely to contribute about one-third.

The budget also includes a number of things such as bringing forward the payment of the childcare tax rebate. That will be provided as a direct payment soon after the financial year in which the costs are incurred, and that is a significant benefit to those families who previously did not benefit from it through their tax return. There are a number of other measures that the government has taken, such as the extra $15.4 million for the Jobs Education and Training—or JET—childcare fee assistance and the $71.3 million for the inclusion support subsidy that allows some 3,000 extra children with high needs, particularly those with a disability, to be included in child care. As we await the state government responses to the Commonwealth government’s offer of matching unmet need in the area of disabilities dollar for dollar, we look forward to their contribution. I welcome this budget measure to make more child care available to families with children with a disability.

Overall this budget builds on the record in child care of the Howard government, which has more than doubled the funding of the previous Labor government and has massively increased the supply of places, which are now uncapped for 99 per cent of the sector. I cannot emphasise enough how important that uncapping is when I look at the community of Clare in my own electorate of Wakefield, where there was one childcare centre. Interestingly, going back to 1997, when the Hon. Judi Moylan was the minister and the Hon. Rob Lucas was the Minister for Education and Children’s Services in the then Liberal South Australian government, they jointly put in half a million dollars to establish the first childcare centre in Clare, which had around 31 places. But, when I left the military and started working as a candidate, we found that the waiting list in Clare was some 90 children. Through the government’s decision to uncapped places, we found that the market responded and there is now a brand new childcare centre open in Clare. In fact, there are now vacancies in the childcare centres there.

The feedback I have had from childcare centres in Gawler, as well as around the Elizabeth area, is that there are vacancies in a number of the centres. In fact, some of the operators are saying that we should recap places, because they have concerns about their viability going forward because those places have been uncapped. I welcome the fact that we are still providing the sustainability grants to regional communities. In Kapunda, for example, another half a million dollar grant has enabled them to establish a childcare centre at the hospital and it will, over a number of years, build up the number of children using that service until it becomes viable. So this government has doubled the amount of expenditure on child care. It has a vision to provide quality, accessible child care moving into the future. But there are some problems with it, and that is why we are looking at the Child Care Management System.

The problems particularly come back to the fact that childcare services regularly exchange significant amounts of information
with the government. This has been predominantly done by mail, whether it be in letters, on disks or in paper form. The usage data has been provided on a quarterly basis, and this time-lag makes it very difficult to use the information effectively for decision making and planning, whether that be at a family level or, particularly, at the government level. Things like the phone-in service to look at vacancies have certainly helped this, but this system will provide even more up-to-date data. Currently, expenditure data can be anything up to 12 or 18 months old by the time it is available for decision making, planning and budgeting. There is a heavy reliance on manual forms, particularly with the interaction between the childcare services, the Family Assistance Office and FaCSIA. That has a large impact on the efficiency of the system.

The other thing that we have noticed with the manual reporting and using of forms is that there has been fraud. In my introductory remarks I noted the fact that this bill brings in a number of new compliance measures. In 2006, there were a number of audits conducted and, whilst the majority of operators do the right thing and they provide quality care for the children in our community, there are some operators throughout the system who have rorted it. They have taken advantage of the money that has been spent by the government and there have been compliance issues which we obviously need to address to make sure that taxpayers’ dollars are going to the purpose that is intended. Some media reports estimate that it could have been anything up to $100 million that was rorted under the previous system. There is obviously a strong incentive to implement this new system.

Three options were considered by the department, but the Child Care Management System was the option chosen. It will establish an interface that will be used to report actual usage data by childcare services on a weekly basis. It will remove all the existing manual reporting processes and reduce government resources required for data validation. The advance and acquit system will be replaced by a weekly arrears payment cycle based on actual usage data. This is one of the factors that will help to reduce overpayments of families, and that is quite a crucial thing in terms of looking after people in my electorate of Wakefield. The data will be of greater detail, and it will include weekly usage and fees charged in a very close to real time environment. The administrative burden on childcare services, importantly, will also be reduced because it will reduce the need for those services to calculate the parent’s childcare benefit reductions.

Obviously there will be some providers who need some assistance with implementing this system, and the government will be providing assistance with software upgrades and internet connection. Some centres will have to be brought online for the very first time, and we are looking at providing funds for them to purchase computers where required. There have also been some concerns raised about whether the company will have a float, if you like, to see them through the peaks and troughs. So the system will include an enrolment amount, which will be paid to the service when they enrol a child. While that childcare service continues to provide the care, that amount will be retained by the childcare service. When the child care ceases then that amount will be repaid.

As I mentioned in respect of the operational functions, the Family Assistance Office will continue to be responsible for determining childcare eligibility, the family entitlement and interacting with families. But, in the majority of cases, it will no longer have the direct relationship with the childcare services. FaCSIA will assume that responsibility for making payments to the
childcare services and monitoring compliance based on that entitlement information. This has not been done in isolation. There has been a broad range of consultation. Back in November 2006 there were a number of documents released around this proposal. They were released both on the website and by being sent out to agencies. Consultation forums were conducted in all capital cities throughout 2006. Two reference groups have also been established: the industry reference group, with childcare services from across the sector—both community based services and for-profit services—and a technical reference group, which is working with the software providers.

Whilst some people have been saying about this user technology, ‘Parents will be scared off by the fact that their children are going to be clocked in and out,’ in the modern day that is certainly not the case. I refer in particular to a childcare centre in Sydney, the Building Blocks Early Childhood Learning Centre. They have gone the whole nine yards. They have security devices based on biometric screening so that they can check exactly who is picking up or dropping off a child. There is monitoring to make sure that there can be no false accusations against the staff and also so there is peace of mind about what has happened if there is an incident. And the parents welcome that use of technology—the service and the security that is provided to their children.

The software industry is also well and truly gearing up for this. In fact, I notice that one supplier already has a product out called the Child Care Management System. It is obviously looking to market that to the sector. Feedback from the sector, through consultation, has been positive. Most have supported the development of the CCMS, particularly because they see that it will assist them in managing information and will simplify their involvement in the CCB. They have been very positive about the replacement of letters from Centrelink with the electronic messaging system.

In summary, the Child Care Management System is going to be a significant investment, improving accountability and the supply of information across the childcare sector. It is going to provide the best information on childcare supply and usage. It is going to simplify and standardise the administration of childcare benefits for families. It is going to reduce the administrative burden on childcare services. Importantly, it is also going to protect the integrity of payments made in support of families using child care. I certainly support this bill.

I note the comments from the opposition about early learning. The government support early learning. We recognise the importance of early learning and the invaluable role that early learning plays in setting up children for life. Whether that is best linked in a formal sense with child care is a matter for discussion. There are preschools at the moment that provide that education. They do that only for 10 or 15 hours per week. They normally do not operate during school holidays et cetera. So there is not a direct link to the requirements of day care, which has much longer hours and operates throughout the year. But there certainly is scope to see how we can get better early learning outcomes, whether through child care or even kindergartens, if they want to do that. Because of uncapped places there is nothing preventing preschools and kindergartens from becoming approved, providing approved care and therefore being eligible to claim the full entitlement to CCB and the childcare tax rebate. So there are options that are provided by the framework that this government has put in place. I commend this bill to the House.
Ms HALL (Shortland) (7.24 pm)—At the commencement of my contribution to this debate on the Family Assistance Legislation Amendment (Child Care Management System and Other Measures) Bill 2007 I would like to pick up a couple of issues raised by the previous speaker, the member for Wakefield. Firstly, he highlighted that there had been widespread consultation. The paper was released in November and the ability to be involved in the consultations ended in December—one month later. Widespread consultation? It was only in capital cities. I represent an electorate that is not in a capital city and I know that there were providers of child care within my electorate who were very unhappy with the consultation process. I would like to point out to the honourable member for Wakefield that it was not widespread consultation; it was very limited consultation and there were many people involved in child care who were unhappy with it.

I would like to put before the House the idea that the nation’s most precious resource is its children. Children are the future of our nation. By investing in our children we are in actual fact investing in our nation. It is very disturbing to see that the government do not realise the true economic advantage of investing in children and child care. If they did, they would realise that it is one area where you make a maximum investment rather than holding back, because it gives an enormous return to the nation. Educate your children when they are young and you reap the benefits of that later as a nation.

It is very sad that Australia ranks last among the OECD countries on the percentage of GDP that is spent on pre-primary education. Anyone who knows or understands anything about education can tell you that the time that a child learns the most is at that pre-primary school age. That is the time when children are most receptive to learning.

I would have to argue that it is a missed opportunity if you scrimp in that area and do not provide the maximum learning opportunity for our young children. I re-emphasise the fact that our OECD ranking is very sad.

I will talk a little more about the second reading amendment later in my contribution to the debate. The legislation that we have before us tonight provides for the implementation of the new Child Care Management System. It is a significant change to the way in which childcare operators interact with the government. It changes from an advance-acquit system to a system of payment in arrears based on actual attendance, with services now required to submit weekly attendance records. To facilitate the introduction of this new scheme, many rules on childcare benefits have been changed, such as allowable absences, the calculation of part-time percentages and the introduction of new sanctions for failure by services to comply with the conditions.

The legislation introduces civil penalties and an infringement notice scheme for childcare service operators who fail to comply with the obligations imposed by family assistance law. The penalty scheme is to commence on 1 July. Today is 12 June. Today we are debating legislation that commences on 1 July. To be quite frank with you, Mr Deputy Speaker, I find that absolutely disgraceful. This government likes to bring things into the House and rush them through at the last minute. I think that this really impacts on the ability to give due consideration to legislation.

The implementation of the new scheme will cause significant changes to the administration of childcare benefits. It restructures the relationship between the government and childcare service operators. It has the potential for significant implementation difficulties. Far from what the previous speaker said...
about the childcare sector welcoming it and uniformly accepting it, there has been a very mixed response to this legislation. The first point I made was about the lack of consultation. That is one of the areas where there has been a very mixed response.

I want to share with the House a response that I have received from a childcare provider in my electorate. This is a very reputable childcare provider; it is a private provider that operates four childcare centres. They say that the new management system will require centres to inform Centrelink and FaCSIA of children’s attendance details—that is, when they arrive, when they leave and the actual hours that they are in attendance. This report has got to be done on a weekly basis. This information will have to be keyed into the system manually, and compliance will be very time-consuming, quite expensive, and it will take the centre management away from core duties. Parents will be able to access CCB made to the centre on their behalf online, but the childcare provider asks: will they be able to access information as to how they were calculated? If they do have access to this information, will they understand it? She highlights the fact that the CCB is currently paid monthly in advance and, under the new system, it will be paid weekly in arrears. You might ask what this will mean to someone like the provider of quality childcare in my electorate. She points out that currently payments in advance are automatic, and adjustments and corrections are made after the claim is submitted. Under the Child Care Management System, payments will not be initiated until after the claim has been submitted.

The impact on the flow of working capital in centres is enormous. Members need to think about that. The software package that this childcare centre uses is not designed to function in this way, and I would suggest that that would be the case with many centres. They will need to buy new software packages—because I am sure the government is not going to pay for them—and pay for training to utilise the software. Once again, it is throwing extra costs onto the provider, but I believe that cost will be passed on to the parents of the children attending the centres. The provider I am talking about is in Lake Macquarie, in the Hunter part of the Shortland electorate. The Hunter payment team receives 75 per cent of its CCB claims electronically, and the Hunter payment team has the highest percentage of claims of all payment teams in Australia. Here we have an area where these payments are being assessed electronically, but now the whole system has to be turned around. Even though 75 per cent of claims are submitted electronically, a significant proportion still submit manual claims—and it is much higher nationwide than it is in the Hunter. Some services do not even have computers, so again that is going to be an enormous cost to those centres. There is no allowance in the Child Care Management System for alternative submission methods, and I ask the government: how will services that do not have access to the internet be able to cope with this change?

With the Child Care Management System, all attendance details will have to be entered and submitted manually. I understand, from talking to childcare providers in my electorate, that this information is then handed to not one but three government departments: FaCSIA, Centrelink and the FAO, and then it goes back to FaCSIA before the service is actually paid for. To my way of thinking that is not a streamlined service. That is not a service that will work better; it is a very convoluted service that is going to be time-consuming, bureaucratic and full of red tape. The services have been told that there is going to be a 48-hour turnaround, but the provider that I spoke to believes that this is go-
ing to be impossible. She feels that it will be more like six to eight working days. If I look at the way the services currently operate, at the processing times and the variety of tasks that Centrelink has, I think that it is going to be very difficult for them to be able to work with those other departments and turn it around in 48 hours—simply because they do not have the staff or the resources to do that. And we are talking about three departments that are in very similar situations.

Under the Child Care Management System, centres will receive one week's CCB at the end of the first week. Once the data has been processed they can calculate the usage during this time, but until that happens there will be no CCB to cover the centres. The childcare provider told me that this will have an enormous financial impact on her business. It could be as great as $18,000 a week, and this is all working capital for the business each week. If the payments take up to eight days, the business could be owed between $30,000 and $35,000. I think that these are very real concerns that my constituent has put to me. I know that she is a very caring person and she really cares about the children and the parents who use her centre. She will be put in the position where she will have to reassess how she charges her parents. Currently parents pay the gap in the weekly amount; but if it turns out that this system becomes very expensive, parents will be forced to pay full fees up front and then be reimbursed once the childcare centre receives their payment.

This will disadvantage parents—particularly those parents who are on a low income. If it operates in the way that my constituent is concerned it will, the financial viability of services will be affected. The requiring of the electronic recording of all arrivals and departures and the fact that the new system will provide online access to benefits will in some ways benefit some parents. But the thing that I am really concerned about is the potential for the costs of childcare to increase for parents who are already struggling to pay their childcare bills. Invariably, people have to pay for child care because both parents are forced to work due to the high cost of living under the Howard government. It would be a real concern if childcare fees were going to increase because of the cost of implementing this system. Under the Howard government, as is pointed out in the amendment moved by the shadow minister, childcare out-of-pocket costs are increasing five times faster than the average price for all goods and services. That is incredible. And we are asking struggling families to pay those increased out-of-pocket expenses. Over the last four years, childcare out-of-pocket expenses have increased by a minimum of 12 per cent, with the increase in some years being 13 per cent. The government needs to look at that issue and at the costs families are incurring. In my own state of New South Wales, the average childcare fee is $274 per week. I hear of families who look to cut the cost of their child care by each parent working a four-day week so they can cut their child care back to three days a week and make it affordable. They find that this is one way that they can try to get around it—by reducing their hours.

I draw the attention of the House to the independent analysis by Saul Eslake of the ANZ Bank for the Taskforce on Care Costs. He showed that childcare affordability has declined by 50 per cent in the last five years. This is what we are asking young families to pay. I was speaking to a young person last night who is considering starting a family. This young woman said to me that the single biggest issue is the cost of child care. The other issue that she highlighted to me was the availability of places. I know that many mothers go and put their child's name on the waiting list for childcare centres immediately
after having that child. My son went and put his child’s name on the waiting list within weeks of the child being born because his family was in a situation where the mother needed to return to work so that they could meet their mortgage repayments. It is very sad that it has to be done at that stage. I have heard of instances of mothers going along and putting their name down on a waiting list for child care the moment that they find that they are pregnant. While the government may say that the issue of availability is not one that is having an impact in the community, I would have to say that there are definitely areas where availability is a big issue. The other big issue—the key issue—is affordability. The government is not addressing that issue here.

It is not clear how the proposal that we have before us will operate. The proposal is quite bureaucratic; quite a lot of red tape is involved in it. There was not the level of community consultation on this proposal that I would liked to have seen. This proposal leaves providers like the quality provider in my electorate unsure about where this will take them. We on this side of the House see that it has the potential to be quite beneficial if it is implemented properly. There are questions that need to be answered by the government. It is imperative that the government makes a commitment to early childhood education and a commitment to providing universal education to all Australians under four—as the ALP has done in its policy statement. The ALP recognises the fact that 100,000 four-year-olds missing out on early childhood education is not good enough and that Australia ranking bottom of the pile in the OECD on the proportion of GDP spent on early childhood education is not good enough. The government stands condemned for that.

**Mr HENRY (Hasluck) (7.44 pm)—**The Family Assistance Legislation Amendment (Child Care Management System and Other Measures) Bill 2007 is an important government initiative in meeting its commitment to Australian families and their childcare needs. These amendments to the family assistance legislation will assist in creating a new online based management system, the Child Care Management System, or CCMS.

This system will be a significant investment in improving accountability and in the provision of information across the childcare sector. It will standardise and simplify the current, largely paper based, childcare benefit administration processes and significantly reduce the time in which payments are made to approved childcare service providers. It will also improve and enhance the management of childcare benefit entitlements for families. It will reduce the administrative burden on childcare service providers; however, it will also represent a significant change in the way service providers interact with the Australian government—a change for the better. This new system will be progressively introduced through childcare service providers from 1 July 2007 for up to a period of two years across Australia.

Child care has changed dramatically in Australia over the past 20 years or so since the early 1990s, when most centres were operated by not-for-profit organisations or, in some cases, by local government organisations. Child care was most often provided by a community childcare centre which operated as not for profit and was often run by parents for parents. An example of childcare facilities available at that time includes my family’s thoroughly good experience with our two daughters at the Citiplace Child Care Centre located adjacent to the Perth city railway station. This excellent centre was developed by the city of Perth, providing an excellent service with wonderful, caring staff and an excellent manager, with care and facilities second to none. Indeed, some of these
highly proficient staff are still working at the centre today and maintaining their excellent level of care and support. This centre aims to provide quality care for children and a happy and secure environment. It recognises that each child has individual needs, and every endeavour is made to accommodate those needs. Its programs take into account the different developmental levels of the children, and an environment is created to allow each child to explore in their own time. Carers at the centre and families all work together to achieve the best outcomes, recognising this essential service is a great support for families and working parents.

However, back then demand for places in childcare facilities was not as great because, as I am sure members on the other side of this House will appreciate, we had the highest levels of unemployment, the highest levels of inflation and mortgage interest rates over 17 per cent. It was interesting to hear the great lament by the previous speaker, the member for Shortland, about the challenges. The reality is that 11 years ago Labor had opportunities to do things for child care and parents and they did nothing. It is only since 1996 and the Howard government that things have changed a lot for the better as far as families and parents with children in child care are concerned. Now in Western Australia unemployment is less than 2.4 per cent, and lots of families in my electorate of Hasluck are in the workforce and looking for childcare places for long day care, outside school hours care, occasional care and, in some cases, in-home care, which is now much more readily available. The Howard government has been the best friend working families have ever had in ensuring positive choice for families in balancing work and family commitments by providing an increasing level of financial support to underpin these choices.

I am sure that many Hasluck and Australian families will remember the Labor government years. I have already mentioned the high levels of unemployment and even higher interest rates—they were a disaster for Australian families. It should also be noted that childcare fees rose at twice the rate under the then Labor government, and, as my wife and I appreciate only too well, Labor did not provide a childcare benefit or the childcare tax rebate as the Howard government has since done. Mothers and families did not have any options under Labor on returning to work or getting support for child care. Child care was a very expensive exercise, with those who gained employment achieving very little after paying childcare fees from their weekly pay packets, in many cases leaving families questioning the value of the exercise.

If we look at the Howard government’s record, we see significant and progressive improvement since 1996, with spending on child care increasing threefold and with budget estimates that a further $11 billion will be spent over the next four years. The number of approved childcare places has doubled from some 300,000 in 1996 to over 615,000 in 2006. Across Australia there are over a million children now placed in child care with some 100,000 to 140,000 childcare vacancies existing across Australia, which is a great testament to the Howard government’s program that ensures places are available for those who need them.

Let us look at what else this government has done for families. On average, families receive over $2,000 per annum in childcare benefit, working families can claim up to $4,211 per child under the childcare tax rebate and on average families are also receiving $8,300, including supplements, in family tax benefit. We also have the non means tested maternity payment or baby bonus of $4,100 on the birth of a child. By any meas-
ure these are very significant increases in benefits and support for Australian families.

The next step in locking in the gains since 1996 and ensuring the future for families is to introduce the new electronic Child Care Management System, a new computer based system designed to bring the processing of claims in enrolments into the much more efficient computer age. Currently this information transfer is undertaken by way of the post. It is both time-consuming and inefficient. In this day and age the current system is not an efficient use of time for parents, especially those parents who work and place their children in child care, or for childcare service providers. For approved childcare providers, communicating with the Family Assistance Office and Centrelink by mail is both a lengthy and costly process. Replacement with a user-friendly, integrated computer system will be greatly beneficial to all parties. The new computerised system ensures prompt turnaround as well as up-to-date information on childcare placement vacancies. The Child Care Management System is also a significant investment in improving the supply of information and accountability across the childcare sector.

The government has recognised the need for better management of information. In October last year my parliamentary colleague the Hon. Mal Brough MP, Minister for Families, Community Services and Indigenous Affairs, announced that the Howard government would invest $73.2 million to develop the national Child Care Management System. It was clearly recognised that there needed to be a more efficient way to reduce the red tape and lengthy delays. The new system will bring all approved childcare providers online and at the same time will standardise and simplify childcare benefit administration, enabling the lodgement of childcare benefit data electronically. It will also enable the childcare centres to focus on their role of providing quality of care rather than having to undertake the onerous administrative requirements of working out how much childcare benefit each family will receive.

This national childcare computer system will provide the best information on childcare supply and usage that has ever been available across Australia for families, childcare service providers and the government. It will also provide support to the Child Care Access Hotline. The hotline provides parents with information about local services, types of services and government funded assistance. In July last year it was expanded to provide parents with childcare vacancy information. Childcare services will now have simplified online arrangements for reporting to the hotline on a weekly basis, ensuring that vacancies are listed much quicker, which is a huge benefit for the childcare centre and families wishing to use the centre. All approved childcare services will provide information online to give weekly updates on childcare usage and fees directly to the Department of Families, Community Services and Indigenous Affairs and to Centrelink. Families will have direct access to the Family Assistance Office about their childcare usage and childcare benefit payments made on their behalf to their childcare services provider. In the future, this information will be able to be accessed online, making it much more efficient for working parents, as they will be able to access an online monthly statement.

The new system is designed to reduce the administrative burden on childcare service providers. It represents a significant change to the way in which services currently interact with government. Australian government approved childcare services and many Australian families will benefit from the improvements made possible by the Child Care Management System. The new system will
be progressively rolled out across childcare services from 1 July. The Child Care Management System will also provide the basis for the payment of the childcare benefit to approved childcare providers. Approved childcare service providers will need to comply with the Child Care Management System computer and reporting requirements. This will mean that approved providers will have appropriate computer software and staff trained to use the program to ensure correct childcare information reporting to the Family Assistance Office.

If a childcare provider wants to become an approved provider and offer reduced childcare fees on an ongoing basis to parents, they will be required to use the Child Care Management System. The method of paying childcare benefit to providers who in turn reduce the childcare fee is the main method of delivering the childcare benefit. The new Child Care Management System also changes the way childcare benefit is paid to approved providers. At the moment, approved childcare providers receive childcare benefit in advance—bulk payments quarterly—and they in turn provide reduced childcare fees to eligible parents. In future, the childcare benefit will be paid to approved providers weekly in arrears for the child care used in their centre by eligible parents for the past week. The new system will require far more regular and ongoing communication between childcare providers and the Family Assistance Office about childcare usage, using the Child Care Management System.

The new computerised system will provide information about childcare usage or lack of usage, ensuring the government’s childcare planning and budgeting needs reflect the true nature of the demand for service in specific areas. This up-to-date data is important as it will allow the government to make better informed decisions about allocating unused childcare places to areas of need, providing a useful picture of the needs and vacancies in approved childcare centres. The Family Assistance, Social Security and Veterans’ Affairs Legislation Amendment (2005 Budget and Other Measures) Act 2006 enables the government to change or move the placement of unallocated childcare places to areas of greater need. This enables greater flexibility for all—families and service providers alike.

An enrolment advance payment will be made to approved childcare centres when they enrol for child care a child who is eligible for assistance and can provide a customer reference number. This enrolment advance is recovered when the child leaves child care. The Child Care Management System will ensure that childcare benefit payments are more efficient and are accurately tied to the actual childcare use by a parent, reducing overpayments by human error or fraud. The childcare benefit entitlement for individuals will be calculated by the Family Allowance Office and advised via the Child Care Management System to the childcare provider. This will be a saving for providers, enabling them to get on with their important core business of providing high-quality, stimulating, safe child care.

The Howard government strives to ensure that Australian people have as many choices and options available to them as possible. For those people who wish to or have to place their children in child care, it is never an easy decision, so it is important that the level of care is of a high standard and that there are adequate childcare placements available in the areas that people require. For those parents who rely upon the services of childcare providers, it is important that the arrangements be simple and efficient. The recent budget announcement took into consideration the needs of the working family and has provided a range of measures to assist parents. An additional 13 per cent in-
crease in funding to the childcare benefit will take effect on 1 July. This is a 10 per cent increase on top of the CPI and will help parents. Bringing forward the payment of the 30 per cent childcare tax rebate will mean that parents and families will not have to wait to claim it directly from the government. This change will mean that some 700,000 families will receive a one-off payment of up to $8,000—being two years worth of the rebate. This measure alone will cost $1.4 billion.

Another important initiative is the $43.8 million over four years to assist families in regional and remote areas. This assistance provides childcare facilities operating in areas of need with financial support that is necessary for them to remain viable. The additional $71.3 million over five years to assist an extra 3,000 children with high-support needs to be included in high-quality child care each year will be of great benefit to many people—and many people in my electorate. I know of a number of families within my electorate of Hasluck who are very keen to ensure that there are additional placements available to children with high-support needs. Having spoken with many of them about the difficulties they face each day, I am very pleased that the government has increased the placements by an additional 3,000 places per year. This initiative will have a huge impact on not only the child attending the centre but also their parents, siblings and families. Good government is about responding to the needs of the people and ensuring that new ideas do not negatively impact on those we are trying to assist—unlike when Labor changed the funding regime in the mid-nineties, negatively and negligently impacting on the community childcare not-for-profit sector.

It is anticipated that the new Child Care Management System will commence in January 2008. However, given the rollout over two years to such a large group, it was decided to pilot the system to enable a smoother transition. The Department of Families, Community Services and Indigenous Affairs will provide support and assistance, including training, information and the all-important help-desk support. Those taking part in the pilot program will have been chosen from voluntary nominations from childcare service providers.

This bill also provides compliance measures aimed at strengthening the relationship between the government and the childcare sector, ensuring that the childcare needs of Australian families are met. There is projected funding of around $1.7 billion per annum in childcare benefits, which is most commonly delivered to families through their childcare service provider. Approval of childcare services to participate in the childcare benefit program is based on their compliance with certain conditions. This compliance system is now being strengthened. Incorporated into the system are new compliance measures which will help to minimise the risk of incorrect payments and fraud. It will enable these problems to be detected as soon as possible should they occur. The new system will help to increase approved childcare provider awareness of their obligations and the consequences of noncompliance with those obligations.

The introduction of a civil penalties scheme will assist the strengthening of the compliance system. The penalty scheme provides for the imposition of a pecuniary penalty on a service that contravenes a civil penalty provision. This bill also sees the introduction of a new obligation on a service to provide information in relation to the childcare access hotline on time. The delivery of up-to-date information on time to the hotline means that families will be able to be fully informed of any vacancies at childcare services in their local area. This reporting requirement through the hotline also allows for
this information to be used to assess the childcare placement needs in different localities and areas, greatly assisting families in locating vacancies.

This bill streamlines the system by introducing the latest technology in electronic information systems, bringing both efficiency and effectiveness to an expanding service provision. It is another important step forward in ensuring Australian families have easy access to assistance to provide further choice in maximising both work and lifestyle opportunities. I commend the bill to the House.

Ms GEORGE (Throsby) (8.01 pm)—As other contributors to this debate have pointed out, the centrepiece of the Family Assistance Legislation Amendment (Child Care Management System and Other Measures) Bill 2007 is the creation of a new online based childcare management system. This national childcare computer system should ultimately improve the supply of information and accountability across the childcare sector, but, as others on my side have pointed out, the system is not without some problems—and I will address some of those later in my contribution.

It is a very significant change in the administration of the childcare benefit, and, through this system, the relationship between government and childcare service operators will also change. On the most recent data available, we see that over one million children now use approved child care, with more than 700,000 families now receiving childcare benefits in respect of child care provided by approved services. There are currently about 10½ thousand childcare services approved for childcare benefit purposes, and all of these approved services will be affected by the introduction of this new management system. The major changes that are incorporated in this bill include the weekly payment of childcare benefit in arrears; the calculation of each family’s childcare benefit entitlement, which is to be done by FaCSIA and provided to the operator, rather than the operators calculating the childcare benefit, as in the current system; having enrolment advances, which will be payable for each new enrollee to help operators with cash flow; and, in future, having all communication of information done electronically.

Examining the arguments outlined in the explanatory memorandum, obviously the benefits to government include a number of the following things, which other speakers have also commented on. The system should improve the accuracy and timeliness of childcare data, which has been a major problem to date, and should provide greater efficiencies in the administration of the CCB. It will decrease the funds tied up in the current advance-acquit cycle by moving to a weekly arrears payment model, which might be good from the government’s perspective but certainly not so welcome by many of the operators in the sector. It will, we hope, reduce any financial impacts from incorrect claims due to error or fraud and align payments with FaCSIA’s increased compliance roles. It will ensure that the operational functions of the Family Assistance Office and FaCSIA are aligned with their departmental responsibilities. It will enable a significant amount of childcare related information and data to be held by one central agency, hopefully improving the reporting ability of FaCSIA and, all in all, it will generate administrative savings for the government. But, on the reverse side of the coin, various stakeholders will face many financial and non-financial negative consequences. I want to refer to some of the downsides of the proposals contained in the bill.

First of all, childcare services will be required to purchase and maintain new or upgraded software and possibly even newer,
upgraded hardware and to set up and maintain internet access. For a lot of operators, particularly in the corporate, for-profit sector, this will not be a problem. But for the smaller business operations and the not-for-profit sector, I think some of the costs associated with the transition to the new program need to be given further consideration by government. Revised administrative processes will need to be developed and implemented in many of our childcare services. This will include, of necessity, the training of staff on new or upgraded software and training in the more frequent reporting requirements that the new system will require.

A third area of concern that has been identified by some in the sector is that services will no longer be paid advances, which are currently paid monthly. Services that currently use these advance funds to smooth their cash flows across the month will no longer be able to do so. This cost will be mitigated to some extent by the enrolment amount, which will operate like a float paid in respect of each child enrolled at the service. Nevertheless, it could have some significant financial consequences—again, for the small, not-for-profit operators in the sector.

A number of the concerns about the system were identified by the government in the consultation phase, and it does appear on my reading of the bill that some proposals have been modified in response to the concerns that have been raised. However, I believe that the legislation does warrant further detailed consideration in the Senate. Some of the particular issues that I think need to be further looked at include, firstly, the requirement that the services report the in and out times for each child for each session of care; secondly, the application of childcare benefit eligibility limits through a first-in, first-served application—and I think that causes some concern for operators in the childcare sector, particularly where families might avail themselves of more than one service in a week—and thirdly, the availability of the childcare benefit percentage. There was a strong preference in the consultation phase by operators for this information to be continued when an enrolment is confirmed to enable services to undertake their own estimates of the reductions. There is also some concern about the policy in relation to absences with the new rule of 42 absent days without an impact on childcare benefit payments.

Others have pointed to the potential administrative load of weekly submission of attendance records, and I do understand that perhaps the detailed requirements that were originally mooted might be now varied to include survey periods during the course of the year, not the actual recording in and out on every day of every week. The payment of enrolment amounts could create complexities, particularly for services like school vacation care, when students might come along for one vacation care session but not attend the next so they have to be continually re-enrolled. The childcare operators also raised issues relating to the security and confidentiality of the information provided on the central computer system. And, rightly, they raised too concerns about the nature of the support services that will be provided in the transition period and the cost that this might involve.

So while supporting the bill in general I would refer again to the proposal that the matter should be given further detailed consideration by a Senate legislation inquiry so that we can hear further the views of childcare operators on the impact of the proposed changes to the administration of the childcare benefit scheme, the new online system and the penalty regime that will apply in future.
I understand that this new system has been undertaken on the basis that it will complement the childcare compliance strategy that was announced in the budget last year. We have no objection in principle to protecting the integrity of payments made in support of families using child care. In the minister’s second reading speech he said:

In combination with the new CCMS, the new compliance measures will help to minimise the risk of incorrect payments and fraud, and to detect them as soon as possible should they occur. They will also help to increase services’ awareness of their obligations and the consequences of non-compliance with their obligations.

The bill for the first time also introduces the notion of a civil penalties scheme. Under the proposal there would be the imposition of a financial penalty on a service that contravened a civil penalty provision and, specifically, the provision that there will be an obligation on a service to provide information to the childcare access hotline. The scheme will operate with an infringement notice proposal which would provide a childcare service operator with an option of either paying the penalty at a lesser financial amount or proceeding to litigation on the issue. I agreed with the minister when he said:

Families are entitled to know if the service’s approval is under threat or terminated because their childcare benefit may stop and they may become as parents liable for full fees.

I think that statement made by the minister is unexceptional, but in my opinion, and it is something I would ask the minister to give further consideration to, there should be an obligation on childcare service providers also to ensure that they are complying with the law as determined by this parliament and that they are complying with industrial instruments that apply to the workforce before those services are approved as being eligible for childcare benefit fee subsidies.

I draw the minister’s attention to a local case study to highlight the point I am making—and I see the minister and the Assistant Treasurer both at the table. Today I have written to the Assistant Treasurer because I have had no satisfaction through the ATO to date on this particular case. I repeat for the minister: I think that in future consideration of amendments to the legislation there should be an obligation on childcare services to ensure that they are complying with the law and with the industrial instruments.

In my own area the Wilbur Childcare service operates eight local childcare centres. For some months local union organisers had been pursuing complaints raised by staff in relation to payment of wages and superannuation entitlements. The ongoing problems were reported in our local media outlets in March this year. The owner was advised by the organiser of the particularly union that covers the staff that the staff complained of ‘incorrect or non payment’—of wages—‘at all and dishonoured cheques’ as well as salary payments being made out in the name of the various companies with which the owner is associated. Further in the correspondence received by me the organiser of the union points out that ‘superannuation has not been paid for some time and that individual members were asked’—by the union—‘to notify the ATO’ of that particular issue.

Our local newspaper, the Illawarra Mercury, reported on one individual case before the Industrial Relations Commission involving the Wilbur Childcare centres. It involved a trainee who alleged underpayment of wages and entitlements at one of these centres in Moruya, which closed in November 2006. The union’s lawyer said:

... discrepancies in the trainees pay began to appear shortly after she started work at the beginning of 2006. What confused the situation greatly was infrequent payments, payments on different days, at different intervals made it difficult for the
employee concerned to gauge whether correct payments were made or not.

The union’s lawyer claimed that when the centre closed in November the trainee was ‘not paid her entitlements and had been left without seven weeks pay’. After negotiations the owner had offered to pay the trainee $3,000 in April; however, only $1,000 was deposited into her account. This one case that I have referred to, and it was reported in our media, appears to be symptomatic of the problems facing staff at a number of Wilbur Childcare centres.

The union and individual constituents have now raised their concerns with me and sought my assistance to pursue their cases through the ATO in relation to their superannuation entitlements and salary payments. In April 2007, in response to my representations, I was advised that the ATO was ‘pursuing the matter actively’ but that no further details could be provided either to me or to the individual constituents. It is now June 2007, Minister, and it appears that the matters of concern have still not been resolved. I have today pursued the issues in written correspondence to the Assistant Treasurer. These childcare workers are being denied their legitimate and legislated superannuation entitlements and their employer appears to regularly breach their award conditions. As well as these industrial breaches, the minister should be aware that I have seen a copy of a letter of complaint sent to the National Childcare Accreditation Council which listed serious matters of concern including:

... special accreditation staff were brought in at every Centre for accreditation that do not normally work at the Centre.

I understand that the National Childcare Accreditation Council has informed the licensee of Wilbur Childcare centres of the issues of concern raised in that correspondence and advised them:

... to provide a written response to the National Childcare Accreditation Council which adequately and appropriately addresses each area of concern.

The lessons that I draw from this, Minister, are the following. First of all, the ATO needs enhanced powers and greater accountability in ensuring more vigorous and rigorous enforcement of superannuation contribution payments. After all, those payments have been legislated by the national parliament and to not pay them is, in my view, a breach of the law and something ought to be done about it. The second point I draw out from this case study is in relation to childcare services that wish to offer child care that attracts childcare benefit fee subsidies for families. As we know, these services must be approved. In my view, such approval in future should be dependent on the service complying with their legal obligations and their statutory obligations, including prescribed payment of superannuation, proper taxation remittance and compliance with relevant industrial instruments. The bill before us does not go as far as the recommendation I am making but I think it is certainly worthy of the minister’s consideration. If service operators expect to be given financial assistance by the federal government then I do not think it is too much to ask that those services also comply with other pieces of legislation.

In the time available I have raised the general matters that I wanted to pursue in relation to the childcare management system bill. As I said earlier, it is a system that ultimately should provide the government with a better supply of information and enable better accountability across the childcare sector. It is not without some problems, and I think those have been identified by a range of operators in the sector. I hope there will be an opportunity for some detailed consideration when the matter goes to the Senate. I think it
is incumbent upon the government to address the problems, particularly as they always say that they do not believe in a one-size-fits-all solution. I think there are some requirements of the new system which might have negative consequences for the small business operators and the not-for-profit operators in the childcare sector. While we support the main principles outlined in the legislation, the shadow minister has moved a comprehensive amendment to the bill which points out some of the inadequacies in the handling of the childcare issue by this government, and those matters in the amendment go to the critical issues of affordability, accessibility and quality of childcare services. I think the shadow minister has outlined the scope of our concerns with regard to those areas. I encourage the minister to give further consideration to the matters I have raised, and I am hoping the Assistant Treasurer will assist me in my endeavours to ensure that workers receive their just and legislated superannuation entitlements.

Mr BROUGH (Longman—Minister for Families, Community Services and Indigenous Affairs and Minister Assisting the Prime Minister for Indigenous Affairs) (8.20 pm)—I thank all those members of the House who have contributed to this debate. The Family Assistance Legislation Amendment (Child Care Management System and Other Measures) Bill 2007 is an important bill because it is taking child care into a new age. It will ensure that the interaction between the federal government and the childcare industry is using the latest technology. We can swap information to ensure that parents are getting the right amount of money and that we have the best possible advice on where childcare places and vacancies are. We can then make that information available through our childcare hotline. That is all possible because the federal government has made a major investment in the childcare management system. It will start to roll out later this year through long day care centres and then over the next two years through the remainder of the childcare industry.

It will really reduce the burden on, particularly, directors and the work that they do—many doing work manually. This will speed up not only their internal work but also the clarity of it, and provide that information in a timely fashion to government and then back to the centres. There are a couple of other intended consequences: the new compliance measures supported by CCMS will minimise any risk of incorrect payments and fraud and maximise the speedy detection of these problems should they occur. The amendments will raise awareness by services of their obligations and the consequences of noncompliance. Unfortunately, what occurs now is that through our compliance measures you do not get this information until well after the event. You then have to go back to parents to ascertain when a child was in fact in care et cetera. So this is in the interests of the taxpayer, the parent and of course the childcare centre.

The Howard government makes a massive contribution to assist families with child care and this will help to ensure that what is spent is spent the correct way, that we get quality childcare places and also that all moneys expended can be accounted for. When I refer to a massive sum of money, I am talking about $11,000 million which is what we anticipate spending over the next four years, more than twice what was spent when the Keating government was last in power. We have also doubled the number of childcare places and have put in place other measures to ensure that there is greater access to child care, such as freeing up before and after school care.

There are no limitations on anybody wanting to start up a before or after school care
program, a family day care, or a long day care service. The federal government will fund the childcare benefit for those parents. It is important to acknowledge and understand that is how we fund: we do not fund centres; we fund parents to help offset the cost of their child care.

The member for Capricornia, the shadow minister present in the chamber, made some comments about the cost and lack of affordability of child care. Although she does not need to be reminded, I remind her that it is important to note the federal government in its budget has increased childcare benefit by 13 per cent from 1 July—in 18 or 19 days time that kicks in. That will mean $20.50 per child for low-income families using full-time care and that is clearly where we have targeted the majority of our assistance.

Obviously we have made other improvements to the childcare tax rebate, bringing it forward in a timely fashion. Most importantly, we are ensuring that approximately 100,000 families who do not have a taxable income sufficient to offset that rebate will benefit. This means that they will be able to offset another $300 to $500 per year against their childcare fees.

When you take into account the subsidies, as a result of the increase in childcare benefit, the Howard government will pick up between 55 and 93 per cent of the fees of Australian working families who use approved long day care. That is incredibly generous and appropriate. It will assist parents to get back into the workforce and will offset those costs—and it belies the story that the opposition would have you believe.

On the weekend, I was in Brisbane with the Queensland childcare association. I had a few hundred people sitting in front of me, all predominantly childcare owners. In this open forum with the media present, I said, ‘Put your hand up if you are charging $350 a week for childcare.’ Not one did. ‘Three hundred dollars?’—it was like a bidding war. I think I got one hand at $300. ‘Two hundred and fifty dollars?’—and the majority of hands went up. That is not surprising because that is exactly what our figures show.

Are Australian families paying $250 a week? No. The Howard government is picking up to 93 per cent of that $250 a week and, for the majority, it is picking up at least $125. Divide that by five and you have parents out of pocket about $25 a day for having a quality childcare place. The Child Care Management System helps to protect that and ensures that parents get the money that they deserve. That is what this bill is aimed at.

There are those who do not get childcare benefit because they are high-income earners earning over $108,000. In those cases, through the federal government’s childcare tax rebate and by making sure that the childcare benefit minimum rate is available, high-income earners can expect at least $5,000 per child in direct assistance towards their childcare costs. High-income earners do not get nothing; they get up to $5,000 or thereabouts. If their child is in care for two days a week, because it is calculated on 30 per cent of their out-of-pocket expenses, the more expensive that care is, the more that the government is paying. We are contributing to everybody regardless of where they are on the income spectrum and we are providing the majority of support to the low-income earners.

Another example is that a working family with an income of $60,000, which is fairly common these days in Australia, using part-time care for one or two children will have between 55 and 79 per cent of their fee subsidised, depending on the centre they use. That shows that parents cannot listen to what the opposition says because they get told two
things. They get told that there are no places. I have challenged the shadow minister on air many times to name but one place.

Ms Macklin interjecting—

Mr BROUGH—Oh, they have. And it is?

Ms Macklin interjecting—

Mr BROUGH—Would you like to tell us where it is now in this place?

The DEPUTY SPEAKER (Mr Haase)—Order! The member will address his comments through the chair.

Mr BROUGH—The member for Jagajaga says we have one place. When confronted in Adelaide she said that there were places needed in a suburb there and it turned out that she was wrong. When in Brisbane she was wrong again. In the Torrens Road Child Care Centre in my electorate she said, ‘There are shortages, but not here. We’ve got lots of places across the board and, by the way, so do all the other centres around here. In fact, there are a thousand vacancies.’ So never let the truth on childcare places get in the way of a good story says the former Leader of the Opposition. She is wrong. Those opposite are saying one thing to the Australian public when they know it is undeliverable.

There is no shortage of child care for the zero to two age group, preschool age or any other age. The former Leader of the Opposition can say this as long and as hard as she likes. We have before us tonight a piece of legislation that will take us from the rudimentary work that we have at the moment—phone calls of availability from every childcare centre—to having information electronically available and being able to get the best information to the market and also to the parents.

While we are on the issue of availability, I would point out to the shadow minister that a number of centres in my own electorate, ones at which she stood only a few weeks ago and said that there was a shortage, have closed. Why? Because there is a more than adequate supply. So the hurt that the Labor Party has done to those people’s businesses, to which families have contributed millions of dollars to set them up, should be in the consideration of the former Deputy Leader of the Opposition if she cares at all for small businesses and what they are trying to contribute to the Australian economy. It is one thing to sit there and laugh; it is altogether another thing when you consider the pain that your sorts of comments are creating for those people as families do not go and seek a quality childcare place because of your living this misconception—living a lie, you might say, Mr Deputy Speaker—in saying that there are in fact shortages around the country when that is simply untrue.

The shadow minister also talked about the OECD report on early childhood education. What this report failed to take into account is that the state governments are the primary providers of preschools and that this is about the Commonwealth contribution. It also did not take into account that many of our childcare centres actually do provide a preschool. Once again, just as Sharan Burrow likes to go overseas and prattle on and tell fibs about the state of workplace relations in Australia, here we have the shadow minister once again misleading people about the real level of government—state and federal—support to Australian families so that their children can get a preschool education. In fact, take the most recent data in the report on government services for 2007. It estimates that 86 per cent of children attend a state or territory government funded and/or provided preschool in the year before full-time school. That is about 216,000 children, so I am not sure where the shadow minister gets her figure of 100,000 from. These figures do not include the many thousands of children who
do receive a preschool education program through childcare centres.

A couple of other issues that were raised by those who sit opposite are worth commenting on and highlighting for their benefit. We were criticised over the consultation for this bill. This consultation was incredibly extensive and is ongoing. Briefings with childcare peak organisations and third-party software providers were undertaken. We had the release of the childcare management information paper. We had national consultations and information forums throughout Australia. There was a web page. There was a mailbox for feedback and questions. We established an industry technical reference group which the government is still consulting, and the last time I spoke with them they had been extremely happy with the consultation. Most importantly, to take up the member for Throsby’s point, because some of the issues she raised were the very issues that they had raised with us several months ago, I note that all of those issues, such as the reporting time lines et cetera, have been dealt with. The whole idea of having a consultation task force or a technical reference group is to listen. As this is about the industry, that is exactly what we did.

Opposition members have run around the country having people believe three things about child care. Firstly, they say it is unavailable, yet they cannot tell us where they are going to put their centres. Why? Because they know that as soon as they do they are going to be blown out of the water by everyone around there demanding to know what compensation they are going to give them for destroying their businesses when they have vacancies. Secondly, they have said as to the cost that child care is unaffordable, yet they have a policy which will actually drive the cost up and do nothing whatsoever for the quality of child care because it does not take into account a large percentage of the childcare industry. Thirdly, they talk about the quality. Right now we are looking at the accreditation process. We are trying to improve that accreditation process so that parents can actually know that the most senior person in a childcare centre, the director, is overseeing the workers and having their time freed up to do so, not filling out bits of paper. The childcare management system will go a long way to directing that.

I have huge faith in the childcare service providers of this country, whether they be private providers, not-for-profit providers or councils that have invested in child care. I do not distinguish one from the other. I do not go around the country telling people that there is a shortage and telling them not to look because they cannot afford child care as they would be paying $350. We face up to issues, we get information, we deal with the crucial issues and we invest in child care because it is a good decision by the federal government to do so on behalf of families. It helps families be involved in the economy of this nation and to be more self-sustaining and it gives families real choices about the decisions that they make. We will continue to build on the success of doubling the places, doubling the funding, improving the accreditation, improving things like IT and making better information available to parents and to the sector so people do not find that investing their hard-earned money has been a mistake. We will not mislead the Australian community, as the opposition continually does, day after day after day, without any basis for their allegations. This is an important piece of legislation. It is another downpayment by the Howard government on trying to assist the professionalism of the industry on behalf of the whole nation—not just the parents who use the child care and not just the directors and owners—because it contributes to people’s capacity to be a part of this strong economy and to be able to
make their way in the world. I commend the bill to the House.

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

Question agreed to.

Original question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Third Reading

Mr BROUGH (Longman—Minister for Families, Community Services and Indigenous Affairs and Minister Assisting the Prime Minister for Indigenous Affairs) (8.36 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

ABORIGINAL LAND RIGHTS (NORTHERN TERRITORY) AMENDMENT (TOWNSHIP LEASING) BILL 2007

Second Reading

Debate resumed from 24 May, on motion by Mr Brough:

That this bill be now read a second time.

Ms MACKLIN (Jagajaga) (8.37 pm)—I want to start with some lyrics from a beautiful song by Paul Kelly and Kev Carmody called From Little Things Big Things Grow:

And Vincent sat down with big politicians

This affair they told him is a matter of state

Let us sort it out, your people are hungry

Vincent said no thanks, we know how to wait

It is important to remember just how hard and for how long Indigenous people have fought for land rights. The struggle has been underpinned by absolute determination and dignity. That determination should not be underestimated by anybody in this parliament. The song documents the struggle of Vincent Lingiari and his people, but the lyrics resonate strongly today as Indigenous landowners are being pressured to accept land reforms with little negotiation on the model for reform. The Alice Springs town camps were offered $60 million in housing and infrastructure to agree to land reform. They responded, ‘No thanks, we know how to wait.’

Today I am speaking on the Aboriginal Land Rights (Northern Territory) Amendment (Township Leasing) Bill 2007, which follows the government’s amendments that were pushed through parliament last year amidst a great deal of controversy. One of the most contentious amendments in last year’s legislation included a 99-year township leasing proposal. This now provides that traditional owners can grant a 99-year head-lease over a township located on their land. The head lease would be held by a territory or Commonwealth approved entity that would then grant subleases in accordance with the conditions set out in the head lease. By making it simpler and faster to obtain a sublease, this entity model aimed to reduce transaction costs for businesses and services on Aboriginal land and encourage economic development. But it also removed direct control by traditional owners over development on township land.

This bill seeks to create an Office of Executive Director of Township Leasing to enter into and administer township leases on Aboriginal land in the Northern Territory. The bill specifies the functions and resources of the executive director and provides that the executive director be appointed by the
Governor-General. The cost of the office will be met from up to $15 million to be provided over five years for the township leasing scheme. The necessary funds will be sourced from the Aboriginals Benefit Account, which is essentially Aboriginal money derived from mining royalties. Since the changes went through parliament last year, the Northern Territory government has allowed detailed community debate about the proposals. The Northern Territory government’s position has always been that Indigenous people should have the time to understand and discuss the model and to negotiate what form the entity should take. The Commonwealth on the other hand is not interested in negotiating on the form of the model. Through the bill before us today, the government seeks to create its own ‘approved entity’ to fill the gap until one is established by the Northern Territory. It is not clear what will happen if a model developed by the Northern Territory government is incompatible with the statutory model. Could we have duplicate, incompatible schemes operating in the Northern Territory?

Last year Labor opposed the 99-year leasing proposal because the model had not been negotiated with traditional owners. Today we oppose the creation of this statutory office, to be funded out of Aboriginal money, for the same reason. The Aboriginal Land Rights (Northern Territory) Act 1976 was the first and strongest legal recognition of the profound connection that Indigenous people have to their country. It recognised the communal nature of landownership in traditional Aboriginal law and culture through a form of freehold title. The act, back in 1976, represented the most significant set of rights won by Aboriginal people after two centuries of European settlement. It returned about 50 per cent of the land area of the Northern Territory to its traditional owners.

The government now is seeking to radically reshape that land rights regime. It fundamentally seeks to alter the principle of communal landownership which is at the heart of the land rights regime. The government has taken this step without proper negotiation with traditional owners and without their consent. It is hard to imagine that any other group of Australians would have their property rights treated in this way. Before the changes were passed last year it was already possible for a lands trust to give a 99-year lease over a township to a particular body under the act. What has been common practice in the past, though, is the granting of individual subleases over parcels of land within townships.

The minister argued last year that amendments were necessary to provide a clear pathway, or prescribed model, for traditional owners to adopt. The Tiwi Land Council has said that, by issuing smaller leases over individual blocks rather than a headlease over the entire township, you stand to diminish the value of township. However, it has also been asked why it would not be appropriate to have an Aboriginal land corporation hold the 99-year lease, as opposed to a government entity. Indeed, when the traditional owners of Wadeye put a proposal to the government for an Aboriginal corporation to hold the headlease, they were swiftly rebuffed. They told the minister:

The concept of a Town Corporation controlled by the traditional owners, the Diminin people, is a critical aspect of the lease.

The government is arguing that land rights have not delivered economic outcomes, and is therefore seeking to construct a Hobson’s choice for Indigenous people. Choose between your rights to land and your rights to economic development. I do not believe that it is beyond the wit of traditional owners and the government to devise land tenure arrangements which streamline transaction
costs without fundamentally undermining Indigenous ownership and control of their land. Our approach—and this is our approach across the portfolio—is to review the evidence and assess each idea on its merits. We do not believe in taking an ideological approach to these very important issues.

What we do want is an informed, open and transparent debate about the details of 99-year leases over townships. What we do want is for traditional owners to be able to negotiate a deal that is fair, underlines their aspirations and anticipates their concerns for future generations. What we do not want is decisions being made in a rushed or politically charged environment. We do not want land tenure reform being made a condition of funding for basic services. And we do not want there to be any doubt that the consent offered by traditional owners is anything but free and informed. Unfortunately, the approach of Minister Brough has not inspired such confidence or trust. In fact, it has spawned the opposite.

One of the main arguments that the government have put forward in support of the 99-year lease changes is that they want to increase homeownership. Of course, Labor supports improving opportunities for homeownership, so let us look at the government’s progress. The Indigenous Home Ownership Program has been operating for a number of years and has assisted many Indigenous people in urban and regional areas through discounted interest rates. Since July 2006, over 500 loans have been approved. There is a 12-month waiting list for this program due to housing affordability being a major problem in urban and regional areas.

However, the largest injection of new money into Indigenous homeownership has been for remote Indigenous land. In the 2006 budget, the government committed $107.2 million for a homeownership program on Indigenous land. That program was predicated on there being a 99-year lease over the land. As no 99-year leases have been negotiated, no loans have yet been delivered. So now the minister is staring down the barrel of an election without one Indigenous homeowner on Indigenous land under his 2006 budget measure. The four new homes in the Wadeye outstations of Nama and Wadapuli were funded not from this budget measure but from public housing money, because they will not sit on a 99-year lease.

As a result, nearly $100 million of much-needed money for Indigenous housing remains unspent. It is feared that a great deal of this program funding will be tied up due to negotiations over land tenure reform for quite a long while to come. About $23 million from the $107.2 million allocated for homeownership on Indigenous land is money for Indigenous Business Australia to ‘create incentives and manage land tenure changes’. About $500,000 has been allocated to the Office of Indigenous Policy Coordination for ‘negotiations’. That money, allocated for negotiating tenure changes, could have built another 60 homes in remote Indigenous communities.

There has been a lot of political rhetoric about the great Australian dream in the outback. But let us look at the economics. The department has described the program as targeting people who want to buy a house on Indigenous land in an environment where maybe the market is stagnant or there is no real appreciation in value possible.

*Mr Tollner interjecting—*

**Ms Macklin**—I hear the member for Solomon saying that there is no market. I am glad to hear him say that, because his point of view will feed straight into my argument. The department has also conceded that a home on remote lands could cost anywhere between $475,000 and $500,000 to build
and, by the time it is handed over to the buyer, could be worth only $50,000 to $100,000.

Forty-two per cent of Indigenous households have an income of less than $264 a week and, on average, they are getting poorer. Between 2002 and 2005, the average Indigenous household income actually decreased from 60 per cent to 50 per cent of the average non-Indigenous income. Statistically speaking, very remote Indigenous people are the poorest. In 2005, over half of Indigenous people—51 per cent, in fact—received most of their individual income from government pensions and allowances. And that does not include those people who participate in the Community Development Employment Projects program.

In many places where incomes and the value of land are very low, and the costs of construction are high, regular public housing is a much more realistic solution. Of course we agree with the value of homeownership in terms of the positive social and economic impacts that it can have on a family’s life. But let us be sensible about it. Noel Pearson, for example, strongly agrees with the premise of increasing personal and family ownership of houses, but he also advocates for homeownership schemes to operate in an economically rational environment. We support the expansion of homeownership and innovative shared equity and sweat equity schemes in a way that makes economic sense.

I now turn to the other area in which the minister has had a lot to say about this leasing proposal—that is, on the Tiwi Islands. Our concerns about the township leasing proposals have only been enlivened, certainly not subdued, by the minister’s efforts on the Tiwi Islands and, I might also say, the Alice Springs town camps example. In December 2006 the federal government began negotiating with the Nguiu people on the Tiwi Islands for a 99-year lease over the new township. On 9 May 2007, the minister released a statement saying that he ‘welcomed the first 99-year lease over a township on Aboriginal land’. This was reported in the newspapers. It is wrong. We were told during Senate estimates by the Tiwi Land Council that the land owners have signed only a memorandum of understanding, which is not legally binding but is more a statement of intent.

So misleading was this representation that some community members launched a legal action against the agreement, seeking an injunction. Once they found out it was only a memorandum of understanding, they withdrew their action. The negotiating team for the traditional owners says that under the deal traditional owners will retain some sort of say through being employed as public servants in the office of the executive director and advising the office through a new consultative forum. The forum would only be advisory in nature, as the land rights amendments passed last year specifically preclude ongoing decision-making powers by the traditional owners in relation to the subleases.

As the Tiwi Land Council is a statutory body that can be called before Senate estimates, in February 2006 the Labor Party submitted a number of questions in relation to the proposed deal. These questions were largely the same questions that had been raised by people on the islands about how the model would work practically on the ground. We have never seen the answers to those questions. However, during Senate estimates at the end of May, the Tiwi Land Council admitted it was a complex issue that people on the ground did not fully understand. Government senators, including the Minister for Community Services, Nigel Scullion, told us the department would be
able to tell us ‘what the effect of these changes would be’. I have to say that this really is not acceptable. A memorandum of understanding has been signed. People should by now understand how it will affect them. This lack of public information has fuelled a lot of fear and division in the Tiwi Islands and in the broader Indigenous community. As Marion Scrymgour, the Territory member for the Tiwi Islands, has said, the deal has ‘divided our people like no other issue’.

Another example we have is the minister’s housing and land tenure reform proposal for the Alice Springs town camps. Town camp people do not hold freehold title but have 99-year special-purpose leases over the land. The town camps existed originally as ration depots and labour camps for people who had survived dispossession of their traditional lands. It is important to understand the history of the town camps if we are to comprehend the depth of feeling of people living in these camps. Given the time I have available, I want to go through a brief time line of recent events.

After touring the camps in May 2006, Minister Brough said:

These people deserve to have a better outcome than they’re getting now, and I expect to be able to make fairly urgent decisions and put in place policies, if you will, initiatives that will turn their lives around very, very rapidly.

About 10 months later, in March 2007, the minister finally put a deal on the table. The deal consisted of $70 million worth of infrastructure and housing for town camps. In exchange, the town camps had to surrender their leases and the management of housing to the Northern Territory government. About a month later, on 18 April 2007, a concession was offered in relation to the leases. The town camps could sublease the residential areas to the Northern Territory government for 99-year leases, rather than surrendering the entire lease. To recap the events: the minister said he was going to change things in a year. It took his department 10 months to put a specific proposal on the table. One month later the deal changed substantially and then he gave the town camp people one month’s deadline to decide, threatening that otherwise the money would be spent elsewhere.

One of the reasons the town camp people did not sign up was that the deal included one non-negotiable term—that they relinquish housing management to the Northern Territory government. The environment was politically and emotionally charged and the time line was certainly unreasonable. With desperately needed funds dangling before them, the chances of people being able to make these important decisions in a free and informed way were undermined. We are still hopeful, I have to say, that a resolution can be found. But finding a resolution should be an imperative of the government, and an understanding is needed that it will take time and a willingness to negotiate.

To sum up, Labor cannot support this bill because the model has not been negotiated with Indigenous people and because of the way the federal government has gone about advancing its adoption on the ground. We do support homeownership schemes that cultivate financial responsibility, provide accredited training opportunities and are economically sound. We understand the need and the desire for economic development and empowerment in Australia’s remote regions, working with Indigenous people, not taking away hard-won land rights.

Mr TOLLNER (Solomon) (8.57 pm)—I am very honoured to be standing here today speaking to the Aboriginal Land Rights (Northern Territory) Amendment (Township Leasing) Bill 2007, as it is yet another step in improving opportunities for Indigenous people on Aboriginal land in the Northern Terri-
tory. Aboriginal people in the Northern Territ
ory are not that different from the rest of us.
Aborigines want jobs. They want schooling
for their children. They want access to good
health services. They want proper roads.
They want their rubbish collected. They want
access to a whole range of services that are
provided by the private sector: butchers,
bakers, hairdressers and fruit and vegie
shops. They want access to a range of ser-
vices that most of us in Australia take for
granted. Under the current system, a lot of
that is not possible.

This amendment bill seeks to establish an
office of Executive Director of Township
Leasing to enter into and administer town-
ship leases on Aboriginal land in the North-
ern Territory. The township leasing scheme
was established under the Aboriginal Land
Rights (Northern Territory) Act 1976 and
enables Aboriginal landowners to issue long-
term leases over their land to promote eco-
nomic development. It allows them to pro-
more the things that most of us take for
granted in mainstream Australia: the ability
to have a grocery shop, a hairdresser, a
butcher’s shop, a proper school, proper
health services and proper roads on their
land. The bill specifies the functions of the
Executive Director of Township Leasing for
appointment by the Governor-General. The
bill also provides for the terms and condi-
tions under which the executive director will
hold office, the way in which the executive
director may obtain the assistance of staff
and consultants and reporting procedures for
the executive director.

Debate interrupted.

**ADJOURNMENT**

The SPEAKER—Order! It being 9 pm, I
propose the question:

That the House do now adjourn.

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**Coal Industry**

Mr MARTIN FERGUSON (Batman)
(9.00 pm)—I rise this evening to talk about
the important challenge facing the Australian
coal industry—an industry that is exception-
ally important to our future. Australia sup-
plies approximately 30 per cent of the global
coal supply, exporting coal to more than 35
countries around the world. Coal is Austra-
lia’s largest commodity export—as the
member for Capricornia, who is at the table,
appreciates—with exports exceeding 270
million tonnes a year. Australia’s coal indus-
try was valued at $24.5 billion in 2005-06.
The coal industry directly employs 30,000
people in Australia and indirectly benefits
thousands of Australians. A great proportion
of those employed in the coal industry are
employed in regional Australia. It is the life-
blood of regional areas of Victoria, Queen-
sland and New South Wales.

The problem is that we are losing our in-
ternational influence in the coal industry. In
the past two years, the value of coal has risen
considerably, but Australia has barely in-
creased the volume of its coal exports.
Alarmingly, in that time Indonesia has over-
taken Australia as the world’s largest ex-
porter of coal. Australia’s coal industry is
facing challenges right now which affect its
ability to efficiently supply coal and remain
competitive during the current resources
boom.

In recent months there have been constant
complaints by the coal industry about the
great delays in coal exports. We have seen
photos of bulk carriers dotting the coastline
at Newcastle, Dalrymple and Hay Point.
Ships are waiting an average of 27.3 days for
coal to be loaded and are being charged tens
of thousands of dollars in demurrage fees a
day. Mining companies are losing revenue
daily, with a loss to the industry of $1 billion
in the past year alone. Hundreds of contrac-
tors and miners have already been given redundancies, with hundreds more facing the very real prospect of job losses.

Industry and governments have been pointing fingers at each other as to who is to blame, but the fact remains that Australia is not exporting coal fast enough to satisfy market demand. If we do not start to address these problems promptly, we will lose investors and we will lose the confidence of our valuable export markets. Australia has not invested adequately in the infrastructure needed to supply coal. At the 2007 national conference of the Labor Party, I clearly stated, as the shadow minister for transport, that we as a nation need to invest more and state governments need to work in partnership with the private sector and the Australian government to fix our infrastructure problems and to end the blame game.

Labor’s New directions for Australia’s coal industry policy paper supports industry and governments working together to solve this huge challenge. We cannot afford to lose further market capacity. Included in Labor’s commitment to the coal industry is a $500 million Commonwealth government contribution to stimulate $1.5 billion in investment to develop clean coal technology, which is also a potential huge export earner for Australia.

On behalf of the opposition, I simply say that if we do not get these things right, we as a nation will be the losers, and key regional communities in Australia will also lose potential job opportunities and training opportunities for our young people. We need to invest, and we have to make sure that we overcome the infrastructure problems that currently exist in order to build our capacity so that we can harvest the best possible results out of the current resources boom. We will be setting ourselves up for thousands of job losses and billions of dollars in lost revenue if we do not start to solve these problems. There is also the potential to compromise the ongoing viability of our mining industry.

People should note that international companies are threatening to buy coal outside of Australia. In the last two years, Indonesia has overtaken Australia as the global leader in coal exports. Indonesia is not experiencing the capacity constraints that we are in Australia, with the self-regulated industry that currently exists. Australian coal is of an excellent standard. Australia also has great capacity to increase coal exports. Unfortunately, the record shows that we as a nation have already fallen behind—from being the world leader in coal exports—despite the global resource boom. We cannot allow this to continue to occur. There is an urgent need for the state governments, in partnership with the private sector and the Australian government, to end the blame game and to start solving the infrastructure problems that are holding back the coal industry. (Time expired)

Kerang Rail Accident

Mr FORREST (Mallee) (9.05 pm)—I am grateful for the opportunity, before the House adjourns, to respond to the remarks by the Prime Minister and the acting Leader of the Opposition with regard to the terrible tragedy of the train crash near Kerang in my electorate. I know that my constituents will be greatly encouraged by the condolences that have come from the chamber.

It has been a terrible week for Swan Hill and Kerang. Upon hearing the news on the radio of the terrible accident, there were emotions of uncertainty for those who knew they had loved ones on the train and those who were not sure whether friends were involved. The editor of the Swan Hill newspaper summed it up in an editorial, which I would like to read into the public record,
because it speaks for me as to how I felt. I travelled across that intersection less than half an hour before the accident, oblivious to the accident that was about to happen. The editor of the Swan Hill Guardian newspaper, Steve Strevens, captured the grief of the community when he wrote:

WE have all changed.

Whether we realise it or not, Swan Hill and its people will never be the same again. The tragedy of the V/Line crash will stay with us forever.

While the crash occurred just north of Kerang, the train started its journey in Swan Hill; it was ‘our’ train.

With some exceptions, those who happily boarded the red coaches in Curlewis Street had a connection to Swan Hill. While some were on their way from Mildura, or on holidays, the others were ours. Perhaps not directly, but ours nonetheless. Otherwise they would not have been here.

We know them or their relatives or their friends. Or someone that is connected to them, no matter how tenuous or slim that connection may be.

We might have played with their children; we may have drunk alongside them or yelled at a football match together.

We may have seen them or the people they know in the supermarkets or walking down the street.

We may never have known them; but we know them.

It is almost as if we are a huge pool into which a rock has been thrown.

The ripples will reach far and wide.

While our rural city is large, in these times it is so very small.

We are a heart which supports the towns around us.

The roads we travel, metaphoric or otherwise, connect us with each other; they make us who and what we are.

We have overcome some enormous difficulties over the years and now we face our greatest challenge.

We will need to give unqualified support to all those who need it, whoever they may be.

We need to take care of our loved ones. We need to take care of each other—in our homes, in our schools, in our lives and on our roads.

As we have seen, life can change dramatically, irrevocably, in an instant.

Shakespeare wrote that ‘grief makes one hour ten’ and while that is so very true in these dark hours, the grief will eventually pass.

Those who have been injured will hopefully recover.

Families who have lost loved ones will continue to mourn.

As a city and as a region, we will also recover. We must. We will.

It is a very sobering experience to be part of the community at this time. The community has been very strong in the support that it has given to so many families, not all of whom are associated with the district. Their names are mostly published. There is still one identified victim of the accident, a Korean visitor to the region, who has not been publicly named. They were all grandparents or grandchildren. It is a tragedy. It makes the point of how precious life really is. I am moved by the words of one of the SES rescuers, who said on local television, ‘We need to go home and hug our kids.’ The community will take some time to recover. Sometimes I wonder. Last year, my region endured the terrible road accident which saw six beautiful young Australians tragically lose their lives up at Mildura near Cardross. And here we are again trying to address the terrible grief of parents who have had their families wiped out and grandparents who will not have the opportunity to enjoy their grandchildren. Many of the families and close friends of the victims are known to me per-
Fuel Prices

Ms GEORGE (Throsby) (9.10 pm)—
With an election just months away, the Howard government now belatedly acknowledges that petrol prices are too high and that motorists are being ripped off. It has taken a long time to acknowledge what motorists have known for years. As far back as November 2003, my office undertook a local survey over a four-week period which showed that the price of unleaded petrol peaked on Thursdays and the highest average cost of unleaded petrol was also highest on Thursdays. This local information coincided with the results of petrol price monitoring by the ACCC in the Sydney region between May and August 2003 which showed that all 18 petrol price peaks occurred on a Thursday, with the most common day for low prices being on Tuesday. When I pursued these matters with the ACCC on behalf of my constituents I was advised that they could act only if I was able to provide evidence of a breach of section 45A of the TPA by showing that there was agreement in advance to set prices.

Similarly, motorists who I represent know that the price of petrol continues to remain high in Australia even when prices are falling overseas. Motorists are being ripped off because the oil companies are not passing on international price reductions at the local bowser. In the week ending Sunday, 3 June, the average weekly price of petrol in Wollongong was $1.35, the highest it had been in 40 weeks of the survey period. These increases did not reflect the recent falls in the Singapore price, which continues to be used as the benchmark. The peak motoring group, the Australian Automobile Association, claimed a few days ago that there was no doubt that oil companies were price gouging. They pointed to the drop in the Singapore benchmark price of around $9 a barrel which should have translated to a between 5c per litre and 10c per litre lower price at the bowser.

We now have the farcical situation of the federal government and the ACCC each trying to flick-pass the responsibility to the other. The Prime Minister said:

… if the ACCC wants further monitoring powers, then we will certainly be willing to provide them.

The commission chairman, Graeme Samuel, responded by saying that any change in his powers ‘was entirely a matter for government to deal with’. Talk about an unnecessary stand-off. It is an abrogation of responsibility while motorists are being ripped off. We all know that motorists have been ripped off for many years. The question is not, ‘What is going on?’ but ‘What does the Howard government intend to do to stop this occurring?’

We are told by the ACCC that price following is not collusion. Proving price fixing, they say, is about proving that there is agreement in advance to set prices. Under current law, price fixing is both hard to detect and hard to prove, as we saw in the recent case involving a group of petrol suppliers in Geelong. It appears to me that the law needs to be amended so that the hurdles are lowered to enable successful prosecutions. It is, after all, the federal government’s responsibility to equip the ACCC with adequate powers to pursue apparent collusion on pricing as well as movements in Australian retail petrol prices that are out of kilter with international benchmarks. In the meantime, the Treasurer should do what Labor has been urging for a long time and issue a formal direction to the regulator which would give it the power of compulsory information acqui-
sition from the retailers. The government should also agree with Labor’s proposal to appoint a national petrol commissioner with the sole responsibility to formally monitor and investigate price gouging and collusion.

The Howard government has a duty to do everything in its power to ensure that motorists are not paying one cent more on petrol than is absolutely necessary, and motorists need to know that petrol prices are being fairly set, something that clearly they are very concerned about. As the price of petrol continues to rise in Australia while the international prices are low and falling, motorists are continually concerned about the increases that we see on particular days of the week, specifically on Thursdays and particularly in pension weeks when they really impact on low-income earners and pensioners. Motorists continue to be concerned that the government has washed its hands of any kind of intervention in this issue despite repeated calls by the Labor opposition to at least give the regulator formal powers that go beyond the cursory monitoring that has been occurring for several years. It is interesting, isn’t it, that in the lead-up to an election the Prime Minister has now suddenly acknowledged that petrol prices are too high and that motorists are being ripped off. He can acknowledge it, but the test will be to see what action the government takes to curb price gouging in petrol prices.

Telstra

Mr MICHAEL FERGUSON (Bass) (9.15 pm)—Tonight I rise to speak about Telstra’s plan to close its Launceston call centre. It is foolish and misguided. Our community was quite stunned at the announcement just one week ago that 257 jobs based at the Launceston centre would go from the centre, which receives and acts on fault reports from all around Australia. I call on Telstra tonight not only to reverse its Tasmanian call centre decision but to consider expanding the current Launceston operation, which is housed in a building which is especially and purposely designed for call centre operations. I have written to Telstra’s CEO, Sol Trujillo, to express the anger of the local community, which I have been witness to. I have also written to federal ministers, including the Minister for Communications, Information Technology and the Arts, and the Tasmanian Premier. I am very pleased to report that the Commonwealth minister has reacted very maturely, quickly and promptly along with the Treasurer in saying that she will meet with Telstra later this week, and she has said in the other place today that she intends to put the pressure on to seek appropriate assurances about employment. I also thank her very much for speaking up very vocally last week in favour of Launceston. Unfortunately, the Premier of Tasmania was not so cooperative, instead choosing to accuse others of playing politics at a time when the community needs to unite. It is, in fact, him who is deciding to play politics. I refer to the Tasmanian parliamentary Hansard and tonight propose to say no more on that.

Telstra was interviewing for jobs for new positions in the Launceston call centre on the very day that this decision was announced. Labor has attempted to turn this issue into a party-political debate centring on the Howard government’s decision and longstanding policy to complete the final sale of the shares that it held in Telstra. It is worth noting that the Keating government corporatised Telstra, set up a board and gave it the mandate to function as a company in a very competitive environment. In giving this recognition I note that, while I do not accept or agree with the decision, it could have been taken under a 100 per cent government owned organisation or under a 51 per cent government owned organisation. In any event it is somewhat irrelevant, given that we have the deci-
sion to deal with. In addition to that, the Labor federal opposition now apparently agrees with the government’s position on Telstra, recently announcing that it, too, would dispose of the government’s remaining shareholding in Telstra.

As I have said, Launceston has a purpose-built techno park which provides an ideal opportunity for national companies wishing to expand its services. My strong recommendation to the company is to consider Launceston—and to fairly consider it—as home to one of its more consolidated four or five super call centres. Northern Tasmania has a reputation for being a first-class location for call centres with quality staff, low staff turnover—arising from the loyalty which we have seen in regional communities—competitive wages, affordable land and a lifestyle unequalled anywhere else in Australia. I have invited Mr Trujillo to visit northern Tasmania to further understand why our region is an ideal place for further investment by Telstra. Recently, as well, I convened a group of Tasmanian community and business leaders, and we have formed an alliance specifically designed to challenge Telstra’s Launceston call centre decision on business grounds. We intend to put together a strong business case to take to Telstra. We need to deal with this matter with a united front, and that is just what I have been very pleased to receive from our Launceston business and community leaders and the Tasmanian Chamber of Commerce and Industry, the Launceston Chamber of Commerce, the Launceston City Council, the University of Tasmania and our regional development body NTD.

I do not accept Telstra’s decision, I do not accept the way in which it was taken and I do not accept the lack of consultation and good faith that it has shown in not even providing Launceston and northern Tasmania with an opportunity to put forward its credentials as a future location for Telstra to do business.

Kerang Rail Accident
Fuel Prices

Ms King (Ballarat) (9.20 pm)—I want to commence my contribution tonight by acknowledging the contribution of the member for Mallee. Mr Speaker, having an adjoining electorate to the member for Mallee and to my electorate of Ballarat, you would understand just how much tragedies such as the Kerang rail disaster affect country people. Certainly the rail disaster at Kerang has touched all Victorians, but particularly those of us who live in country Victoria who see the rail services that we have and who live along that corridor.

Tonight I want to talk about petrol pricing. Despite the Howard government’s contention that families have never had it so good, the reality for many families is very different. Many families are struggling to make ends meet. Personal debt has reached record levels, with total personal debt in Australia increasing from $45.9 billion in January 1996 to a staggering $133.1 billion in November 2006. Families are struggling to keep up to date with their mortgage repayments—a fact demonstrated by the current level of mortgage repossessions being two-thirds higher than in 1991, at the height of the recession. Expenses for essential items like child care are increasing at a faster rate than inflation, with childcare costs rising a whopping 54 per cent in the three months between December 2006 and March 2007, with a 12.9 per cent increase over the past year.

The budgets of many families in my electorate are stretched to breaking point—and, once again, over the long weekend, motorists had to shell out extra for petrol. Too often oil companies have seen long weekends, the Easter break and school holidays as times to cash in. Motorists in my electorate alone
Motorists in regional and rural Australia are particularly sensitive to petrol prices. Motorists in regional communities have further to travel, be it for work, visiting family or friends or attending social functions. Take communities like Bacchus Marsh and Darley in my electorate, which have a high population of commuters who travel to Melbourne each day for work. For many, this means a round trip of over two hours driving each day. With public transport not always as good or as affordable as it could be, compared to many of the areas in Melbourne, the task of going to work can become unaffordable for some families already struggling with the skyrocketing costs of health, education, groceries and child care. It is money that many families do not have.

While it is true that there are many factors that contribute to the price of petrol, it is equally true that there is something very strange going on with petrol prices. You know petrol prices are too high when Caltex themselves admit that the petrol prices are too high. It was reported last week that petrol companies were overcharging consumers by up to 10c per litre in the lead-up to the long weekend. We need to assure motorists that they are getting the best possible deal they can get when they fill up their car. The Prime Minister admits that oil companies have been slow to pass on falls in the Singapore benchmark price and that this is what is hurting Australian families. But these are just crocodile tears. What has the Howard government actually done to counter this? What measures has the government introduced to prevent petrol gouging? What powers or instructions has the Howard government given to the ACCC to monitor petrol prices? The short answer is: absolutely nothing.

At present, the ACCC can only monitor prices at the bowser and refinery gate by using data that is in the public realm. To access other documents on pricing, they have to be instructed by the Treasurer of the day—which is something that this Treasurer has not done. The ACCC relies on informal monitoring, using only publicly available information on petrol prices. This is no match for the multimillion-dollar oil companies. The Howard government has not given the ACCC adequate resources, instructions or powers. This is simply not good enough for the thousands of families in my district.

Labor has said that in government we will establish an office of petrol commissioner within the Australian Competition and Consumer Commission. We will give a national petrol commissioner the legislative powers to get inside oil companies and access any relevant documentation on pricing. The office of petrol commissioner will be given full powers under the Trade Practices Act to monitor and investigate petrol pricing. This will enable the petrol commissioner to scrutinise documents and other information from any participant in the petrol supply chain to stop any price gouging.

The Howard government must do everything in its power to ensure that motorists are not paying one cent more on petrol than is necessary. Unfortunately, this current government is not. (Time expired)
Wakefield Electorate: Gawler Railway Station

Mr FAWCETT (Wakefield) (9.26 pm)—I rise tonight to draw the attention of the House to the Gawler railway station, which over the last few years I have had the pleasure of attending on a regular basis—meeting commuters first thing in the morning to get feedback from them. There has been a transformation of the railway station itself from an old building which, although historic, was a little bit tired. That building has gradually been restored and now houses a community art gallery along with a historic engine manufactured by James Martin and Co. It was restored and moved to the railway station and has become a real centrepiece for the town.

But the real story is in how all this has come about. The Lions Club of Gawler took on and managed this project back in 2000. Negotiations between the club and TransAdelaide’s Adopt a Station program saw this project come together. The Lions Club of Gawler approached Employment Directions regarding a Work for the Dole program, and the federal government and the local government became involved. The town of Gawler gave permission for the Lions Club to do the work and to run a Sunday market to help with funding. So there has been a whole hub of activity around this project. The Lions market, which started with five stalls back in 2001, now has 30 to 40 stalls, generating quite a substantial income each year. The Work for the Dole program has given the Lions Club around six personnel at any given time for a few days each week. This has seen work on the stationmaster’s cottage go ahead. A canopy was provided by Ahrens Engineering and sponsorship by the local business people amounted to around $50,000.

I had the pleasure just last month to go to the opening of the Gawler Community Gallery and to see the fine work in there. The Work for the Dole participants can hold their heads high for the work that they have done there. I would like to particularly mention Mr Pat Mells, a former Lions district governor, who has been the chairman of this station project. It was his vision and his leadership ability that brought together a number of disparate organisations, companies and individuals over quite a number of years to see this project work. There have been some setbacks along the way. There was a rash of graffiti that particularly affected the train engine. They caught one of the culprits, which I welcome. Surprisingly, it was actually a middle-aged person as opposed to a youth. It was good to see the resilience of the community in restoring the engine.

I particularly want to mention Pat Mells, because he has provided leadership to this program as well as leadership in the Lions organisation over a number of years. I was very pleased this week to read in the paper that Pat was recognised in the Queen’s Birthday Honours List with an OAM in the general division for his commitment to Lions and to the community over many years. The Lions Club is just one of a number of community groups that are very active in Gawler and the surrounding areas. It is the commitment and the sacrifice of time, energy and passion of people like Pat Mells that enable those community groups to make a significant difference. I wish to draw the attention of the House to this recognition of Pat Mells. I wish him all the best and thank him for what he has contributed to our community.

House adjourned at 9.30 pm
NOTICES

The following notices were given:

Mr Pyne to present a bill for an act to amend the law relating to cosmetics and industrial chemicals, and for related purposes. (Industrial Chemicals (Notification and Assessment) Amendment (Cosmetics) Bill 2007).

Mr Bowen to move—
That the House:
(1) notes:
   (a) the Government’s failure to direct the Australian Competition and Consumer Commission (ACCC) to formally monitor the prices, costs or profits in the petroleum industry;
   (b) that the comments made by Mr Brian Cassidy, Chief Executive Officer of the ACCC, to Senate Estimates that the ACCC would need formal price monitoring powers to gain access to information from the oil companies to adequately monitor profits, margins and costs; and
   (c) that Labor’s announcement to appoint a national Petroleum Commissioner, with the sole responsibility to formally monitor and investigate, within the ACCC would ensure Australian motorists are getting a fair go at the bowser; and
(2) calls on the Government to provide the ACCC with a reference under section 95ZE of the Trade Practices Act 1974 to formally monitor fuel process in Australia.

Mr Wilkie to present a bill for an act to amend the Independent Contractors Act 2006. (Independent Contractors Amendment Bill 2007).

Dr Emerson to present a bill for an act to provide for interest to be levied on the late payment by Government of commercial debts arising in relation to contracts with small businesses for the supply of goods and services, and for related purposes. (Late Payment of Government Debts (Interest) Bill 2007).
Tuesday, 12 June 2007

The DEPUTY SPEAKER (Mr Jenkins) took the chair at 4 pm.

STATEMENTS BY MEMBERS

Mr Richard Scott AM

Mr LAURIE FERGUSON (Reid) (4.00 pm)—Today I wish to make some comments in memory of Richard ‘Dick’ Scott AM, a former Vice-President of the ACTU, President of the Amalgamated Metal Workers Union and Secretary of the Boilermakers and Blacksmiths Society. Upon the arbitration of the unions, he became a national official and went on to the ACTU. Dick died last week, and I will have the opportunity to attend his funeral tomorrow.

In an age when we see many union officials utilising their union power and role as secretary or president of an organisation to get themselves into parliament, Dick represented a different generation in the trade union movement. Despite the fact that he could become a national official of these unions and the ACTU, throughout this period he remained the secretary of the Guildford West branch of the party and held positions on state and federal electoral councils. He never had the attitude that people should inherit these positions from outside the party. He was constantly an activist at a branch level through campaigns and in the general community. He did contest preselection for Prospect at one stage and, unfortunately, failed in that bid.

Dick was a community citizen of the first order. He was extremely active in the St Mary’s Anglican Church in Guildford. He had a country background. He had two blocks of land. The one next door had a huge vegetable patch. As a youth I recall him having a tractor in suburban Sydney for growing those vegetables. His wife was an active tennis player locally. They were regarded as community minded.

The husband of the member for Fowler, who has just joined me, also knew Dick very well and was at the same branch for many years. The main point I want to stress is that, in this day and age when we see many union officials utilising their union power and role as secretary or president of an organisation to get themselves into parliament, Dick represented a different generation in the trade union movement. Despite the fact that he could become a national official of these unions and the ACTU, throughout this period he remained the secretary of the Guildford West branch of the party and held positions on state and federal electoral councils. He never had the attitude that people should inherit these positions from outside the party. He was constantly an activist at a branch level through campaigns and in the general community. He did contest preselection for Prospect at one stage and, unfortunately, failed in that bid.

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Darling Point Special School

Mr VASTA (Bonner) (4.03 pm)—On Thursday, 7 June I had the great pleasure of visiting a local school community in my electorate—Darling Point Special School—to represent the Hon. Julie Bishop, the Minister for Education, Science and Training, and celebrate with the community the opening of the school’s multisensory room and the installation of new air-conditioning units in classrooms and other key areas of the school. The opening marked the
completion of a much anticipated and extremely important project which was funded under the Australian government’s Investing in Our Schools Program. The event was a great success, and I again congratulate each member of the Darling Point Special School community, without whom the project would not have been possible. I also take the opportunity to make special mention of the outstanding efforts of the parents and citizens association, for having worked tirelessly to raise additional funding for the school.

Darling Point Special School’s statement of purpose is to create a positive and supportive environment and to advance and foster student independence. The school also aims to empower students, families and staff to achieve positive outcomes in the community. It is this commitment that makes the school such an asset to the bayside of Brisbane. I commend the dedication of the teachers and parents, who collectively work together to help students achieve their goals. Principal Charmaine Driver is an exceptional woman who, together with her capable staff, works extremely hard to not only meet the needs of students attending the school but also ensure that they lead satisfying and independent lives in the community after leaving school.

I am sure that both teachers and students alike will appreciate the new facilities available in the school’s multisensory room, with the purchase of first-class visual, tactile, auditory and kinaesthetic equipment. This equipment will not only foster students’ sensory awareness but also enhance the quality of their daily learning experience. Furthermore, I know that students will enjoy the new air-conditioning facilities at the school, which will allow both students and staff to learn in a more comfortable environment. I am pleased to see that the Australian government can directly support school communities, such as Darling Point Special School, in this way to help ensure projects like this are successful. The Investing in Our Schools Program is all about school communities working together to let the Australian government know what they need. It gives our schools a voice. Throughout Australia, school communities are taking the opportunity to be heard, with over 8,300 applications being received in the first two funding rounds in 2005 and over 10,000 applications being received in round 3 in 2006. With the recent additional funding announced for the program, the Australian government’s total commitment to the program now amounts to almost $1.2 billion, with $827 million specifically set aside for state government schools.

New South Wales Flood

Mr FITZGIBBON (Hunter) (4.06 pm)—Originally born out of the tough demands of employment in the region’s steel, mining and agricultural industries, the toughness, determination and resilience of the Hunter Valley’s people are legendary. That resilience has been tested many times during the Bellbird mine disaster and other mine disasters, the Rothbury riot, the 1955 flood, the 1989 earthquake, regular droughts and bushfires and many other devastating events. Over the course of the Queen’s birthday weekend that resilience was tested yet again. Five days ago the Hunter was in the grip of the worst drought in our history. By week’s end, thousands of Hunter residents were watching years of emotional and financial investment in their homes and properties taken by the ferocity of a storm the likes of which I have never previously seen. Of course, their pain was shared by thousands more living on the Central Coast of New South Wales.

The events of the last few days have also reminded us of another aspect of the character of the Hunter’s population—that is, their sense of community, camaraderie and compassion.
While thousands of residents were affected by the storm and the subsequent floods, thousands more came to the help of others, many of them as members of emergency agencies, others just helping a friend, family member, neighbour or even a complete stranger. It is one of the good things we consistently see in this country when people find themselves in trouble. I pay tribute to all those who provided assistance, but particularly the men and women—volunteer or otherwise—of the various emergency services organisations: the SES, the New South Wales Police Force, the New South Wales fire brigade, the rural fire services, the New South Wales Ambulance Service and no doubt others. I also want to acknowledge the work of the Army and our local councils, which did a magnificent job, and the members of various service clubs who helped with catering.

I want to pay a special tribute to Newcastle ABC radio 2NC for the around-the-clock coverage they provided as the disaster unfolded, dispersing critical information to both the residents and the emergency services. Their coverage also put the spotlight on the many smaller communities which suffered considerably but were not the focus of television coverage—towns like Neath, Abermain, Weston, Branxton, Greta, Paxton, Ellalong, Millfield, Wollombi, Broke, Laguna, Jerry’s Plains, Denman, Elderslie, Largs, Bolwarra, Mulbring, Kitchener, Abernathy, Mount Vincent and, of course, many more. I extend sympathy to the families of those who tragically lost their lives and all those who had their properties affected in some way. Finally, I want to thank the Governor-General, the Prime Minister and the New South Wales Premier for visiting the region and showing support and sympathy. The Mayor of Maitland, Peter Blackmore, and I toured with the Governor-General. He did a wonderful job of extending on behalf of the nation our thanks to all those who made a contribution either by rescuing people from their homes or in the subsequent clean-up.

Western Australia: Public Housing

Mr RANDALL (Canning) (4.09 pm)—About a fortnight ago I drew the parliament’s attention to the severity of Western Australia’s public housing crisis, the state’s deepening housing affordability crisis and the increasing demand for public and emergency accommodation. Despite this dire situation for many families, I would like to take this opportunity to convey to this chamber a good news story. I mention the case of Mr Aaron Jolly. Mr Aaron Jolly approached my office in relation to obtaining urgent accommodation for him and his two-year-old daughter Taleea. They were living in a car that was parked in their friend’s driveway. Mr Jolly initially contacted the local state Labor member’s office but found them rather unhelpful and not empathetic to the situation—which I find surprising, as I have a good deal of respect for the local member. It may have been an office administrative issue. But Mr Jolly was persistent, so they advised him they would organise an appointment for him to see the Department of Housing and Works in Armidale. When he attended the alleged appointment he was informed by the manager that no appointment had been made for him. That was when Mr Jolly contacted my office.

As you know, Mr Deputy Speaker, the federal government has little to do with the control of state public housing in any state of Australia; however, we are in cooperative arrangements with the states for funding of public housing. Firstly, I contacted the local branch of Homeswest to ask that Mr Jolly’s application be expedited due to the urgency of this situation, with the coldness of winter coming on. In between times, working with the office of Helen Morton, the East Metropolitan member, my staff tried to obtain assistance for emergency
housing from places such as Wanslea and Crisis Care, but at each attempt we were unsuccessful. A letter was sent forward to Dr Ruth Shean’s office from the Department of Community Development to address the gravity of Mr Jolly’s situation.

As I said, with winter approaching, it was imperative that a secure and stable environment be provided for Mr Jolly and his two-year-old daughter. As a single father, Mr Jolly also went to the local Examiner newspaper to try to get it recognised that his situation was so extreme. I am pleased to advise the House that Mr Jolly was provided with priority housing and was given the keys to his new home on Wednesday, 6 June 2007, after his appeal was successful. He now has a stable environment and a roof over his head for his young daughter.

Mr Jolly came to my office just recently to express his personal thanks to me and my staff for our assistance. He advised me that it was nice to approach somebody active in the local area who cared about the wellbeing of constituents. I am very pleased to say that in this case we were able to help a desperate constituent in need. *(Time expired)*

**Workplace Relations**

**Mrs IRWIN** (Fowler) (4.12 pm)—As I browsed through the newspapers this morning, an Australian government advertisement caught my eye. It was headed ‘Collective bargaining—making it easier to do business, whatever the size of your business’. The advertisement went on to say:

Collective bargaining enables businesses of all sizes to work together cooperatively.

Small businesses can benefit by joining together to negotiate with a larger business, who is their common customer or supplier. Larger businesses can find it more efficient to negotiate directly with a group of small businesses rather than each small business individually.

All of this is made possible by changes made to the Trade Practices Act last year which allow a simpler notification process. According to the ACCC website, a notification can be lodged by any party to a collective bargaining agreement and a party can lodge a notification which can include other businesses that will be a party to the arrangement, or a nominated representative such as an industry association may lodge a notification on behalf of its members.

This government thinks that collective bargaining is good for business. When the measure came before this parliament last year, the Minister for Small Business and Tourism told the House:

This is a great day for small business …

She went on to say:

Certainly, all of the small business associations … are fully behind this amendment and they support it.

There are two things that concern me about the issue of collective bargaining for small business. The first is that, despite the optimistic attitude of the Minister for Small Business and Tourism, a check of the ACCC website today showed that not one collective bargaining notification had been received by the ACCC as at the end of April. In four months of operation, there had been not one collective bargaining notification. So much for the minister’s ‘great day for small business’.

The second issue I want to talk about is the two-faced approach to the principle of collective bargaining by this government. While businesses are free to engage in collective bargaining, subject to a public interest test, workers have every obstacle placed in their way if they
wish to engage in collective bargaining, and the employer has the final say. If the boss does not want to have collective bargaining, then the unfair Work Choices laws back the boss’s stand. While collective bargaining is okay for business, and industry associations have a role to play, when it comes to industrial relations, unions can be locked out of the process and employers have the final say. But that is what the Howard government is all about—one rule for the bosses and another rule for the workers.

Dallarnil State School

Mr NEVILLE (Hinkler) (4.15 pm)—I have a profound interest in the schools in my electorate and a particular soft spot for small state schools, former convent schools now run by lay people and small Christian schools of various denominations. The Investing in Our Schools Program did a tremendous amount, an incredible amount for them. I would like to raise today the matter of the Dallarnil State School. Dallarnil is not a town that would possibly come readily to mind. It is small town between Childers and Biggenden, Childers being in my electorate and, hopefully, Biggenden being in my new electorate—the electors willing. That school ran out of water—a state school, 32 kids, five teachers and support staff, no water. The Biggenden Shire Council provided a tanker load full of water and the school struggled along. It had an emergency supply to a creek, which dried up. In addition to that, it had an old tank in the yard that could not be used because of its doubtful health status. But we got to the point where the little kids were lining up with buckets to flush the toilets by hand.

Mr Hardgrave—is this a state school?

Mr NEVILLE—This is a state school. Then, in addition to that, when the water ran low they could not wash their hands. The teachers had to make the staff toilet available to the kids at times as well to try to keep up with the problem. It was a disaster waiting to happen; something like hepatitis or dysentery was just around the corner.

Since I raised this in the parliament recently, I am pleased to tell the House today that the state Minister for Education and Training, Mr Welford, has agreed to provide the school with two $3,000 tanks; in addition to that, he is going to upgrade the toilet system. I hope he will look into providing a line down to the creek so that we have a back-up in the future. But you cannot have kids in state schools living in Third World conditions. Surely it is up to the education department to provide shelter, water, sewerage and light—the basic fundamentals. While I am more than satisfied and happy that the kids will now be looked after properly, I call on the state government to make sure that this sort of appalling episode is not repeated in other small state schools.

Hui Fraud

Mr ALBANESE (Grayndler) (4.18 pm)—I rise today to warn of an issue that has arisen in my electorate of Grayndler, particularly involving the Vietnamese community. A ‘Hui’ is a type of informal club in which the members of the club, usually from Vietnamese families, contribute money to the club on a regular basis. The money is lent to other members of the club to assist them when those other members have been unable to obtain financial help from banks or official lending institutions. Hui is an unregulated practice and is not monitored by the government. While most Hui take place between small groups of families, they can grow to enormous sizes involving tens of millions of dollars. Families and individuals deposit money with an administrator or chairman, who then lends money with interest to the other
members upon request. The potential for abuse and fraud, particularly by the chairman or administrator, is enormous. The chairman is responsible for large amounts of money, and that chairman is the only person aware of the amounts involved and often has sole control of the money.

Because of the distrust that groups in the community have of traditional banks and government agencies, members are reluctant to come forward when they suspect something is amiss with the administrator’s handling of the money. Potential taxation issues also may be a contributing factor to members’ silence on these issues. No member of a Hui wants to be the one to bring it down. At the moment there is an allegation against an administrator of a Hui centred in Marrickville and comprised of Vietnamese families, mainly in my electorate but also extending right through to Cabramatta. The administrator has allegedly defrauded the club of possibly tens of millions of dollars, funneling the club’s money offshore and into personal assets. There is also an allegation that the administrator was obtaining fees from members which, in itself, is an illegal act. I understand that in this matter the police have become involved.

While I make no comment on the allegations in particular, I do speak today to warn of the inherent dangers of investing money in high-risk, unregulated and probably illegal financial schemes. When investing money, care should be taken to ensure the bona fides of the scheme. I include in this both regulated and unregulated investment opportunities. I am particularly concerned that it is vulnerable members of the Vietnamese community in my electorate who stand to lose, in many cases, their life savings. They have made representations to me and have asked that I make these issues public in order to warn other members of the community of the dangers which can take place. In this particular case there are ongoing investigations and I certainly encourage the police to pursue them. But I also encourage members of the community to be very wary of schemes such as this which are open to abuse.

Mr Tom Burns AO

Mr HARDGRAVE (Moreton) (4.21 pm)—I rise today to lament the passing of a great Australian, a great Queenslander and, dare I say it, a great Labor man in Tom Burns AO. Tom Burns was a former Federal President of the Labor Party. In fact, he reached that position at the age of 39 and was with Mick Young and Gough Whitlam when they made their famous trip in 1971 which was the first political foray from this country into communist China. Tom was a member of the Queensland parliament from 1972 to 1996 and he was the member for Lytton and Deputy Premier when the Goss government came into power in 1989. I raise all of this because I think it is important to lament the passing of someone who has made an enormous contribution to Australia’s public debate and put in an enormous amount of effort even after leaving parliament.

There are a lot of good stories about Tom Burns, one of the great characters of Queensland politics. Tom had a small fishing boat he used in his bayside electorate of Lytton and if anybody rang his office looking for him, his secretary could say quite truthfully to the constituent, ‘I’m sorry, Mr Burns is out in the electorate’—the name of the boat was, of course, the Electorate. A very clever idea and a great legend that was put around about Tom.

Tom and I had a lot to do with each other on a number of different occasions. In the mid-1980s when I was a journalist, the late Keith Hooper—‘Buckets’ Hooper, the member for
Archerfield—was a Labor member with an enormous amount of colourful language, invective and views of the then National Party government in Queensland.

**Mr Neville**—I used to work on the same booth as he did.

**Mr HARDGRAVE**—There we go—the member for Hinkler might have a few stories too. But when Keith Hooper died suddenly on an operating table, Tom Burns took over the job of being the man who would try to expose a lot of the conspiracies. I remember climbing through all sorts of amazing places at Tom Burns’s direction, with a camera crew in tow and with a radio microphone, to dig out a lot of the dirt that became the basis of the Fitzgerald inquiry. I look back on the times of the Fitzgerald inquiry in the late eighties and I wonder why on earth I was not taken out and dealt with, with concrete boots, because I was inadvertently in the Bellino and the Hapeta places of ill repute, digging out that dirt at Tom’s suggestion.

In more recent years I have seen Tom a lot in my electorate because his affection and love for China has been continuing and the Chinese-born community in my electorate would be very sad at the passing of the Hon. Tom Burns. He of course I think made a deal of money, which is to his credit, from his involvement with China, but he helped to make a deal of money for Queensland and Australia as well. He was highly regarded in China and in Australia. To Angela, his wife, and their family—the children, the grandchildren and, indeed, the great grandchildren: we thank you for Tom. I know that many people today would be stopping and thinking about the great contributions of Tom Burns.

**Mr George Burrarrawanga**

**Mr GARRETT** (Kingsford Smith) (4.24 pm)—I rise to pay tribute to the life of George Burrarrawanga, who sadly passed away on Sunday, 10 June. I first met George more than 25 years ago and was immediately struck by this charismatic, highly charged young Aboriginal man singing in a band put together with the Butcher brothers, Sammy and Gordon Butcher, and schoolteacher Neil Murray, forming and playing and rehearsing their music in the Western Desert community of Papunya. And what a fine band they were. And what an extraordinary singer George was. I had the great privilege with my colleagues in Midnight Oil of later touring with the Warumpi Band on the Black Fella/White Fella tour through the Western Desert regions of the Northern Territory, some parts of Western Australia and the Top End. In all conditions—in all weather conditions and in all conditions of infrastructure: dilapidated school halls, on the back of flat-top trucks, in little gullies and hollows and in windrows—surrounded by the extraordinary landscape of outback Australia, he was a performer without parallel.

He danced, he used clap sticks, he sang in Aboriginal languages—he had a facility in a number of different languages. He was an intimate but powerful performer who engaged with his audiences at all times and in these extraordinary settings. He was an inspiration for countless numbers of young musicians who played in and around those communities.

We played with the Warumpi Band in the remote parts of Australia and they toured with us in the cities. Their first album, *Big Name No Blankets*, included one of the first Aboriginal-language rock songs recorded in Australia, *Jailanguru Pakarnu*—‘Out from Jail’—and, of course, *Blackfella/Whitefella*, the great reconciliation anthem. Later on they recorded *My Island Home*, a signature song for many Australians, particularly from the Top End. George
persevered with his music, including recording a solo album and putting on a one-person show, NERRPU, his story. He really made the most profound contribution to music and to Indigenous music in the Top End, around Australia and later on in Europe as well, when he toured there.

In the 2004 inaugural Northern Territory music awards he was recognised for his contribution to the music industry. He never lost his star quality. He dressed the part, attacked the stage and yet managed intimacy with people on the scale of a true performer. In the latter period of his life, before cancer got him, he was in good health. He was a mentor, known as ‘the messenger’, and he spoke of reconciliation and of his great love for his country and his people, on Elcho Island and around the Top End. By the time he passed away, he had become a most powerful and positive force, a truly great example to his people. He sang in language, he talked of reconciliation and healing for country. I send my condolences to his family, to his wife, Suzina, and to his children, Glenda, Lance, Marion, Loretta, Carlos and Gi, to all the community at Elcho, Galiwinku and across the Top End, to all his fans and to his band members. He will be sorely missed.

**Hinkler Electorate: Investing in Our Schools Program**

*Mr NEVILLE (Hinkler) (4.27 pm)—The scheduled speaker is otherwise engaged, with the Dalai Lama, so I thank you for your indulgence in allowing me to speak a second time, Mr Deputy Speaker. I was speaking in my earlier contribution about Investing in Our Schools. During the break from parliament I had the pleasure of attending four separate IOSP project openings, all of which will add immeasurably to the quality of infrastructure in the schools concerned. Students at the Givelda State School are now protected from the harsh Queensland sun thanks to a new shade shelter over the playgrounds, which was made possible by a grant of $6,565. The shade shelter has been installed above the school’s play equipment so that the children can use the equipment all year round and be protected from the harsh elements.

The North Bundaberg State High School has used its $27,000 grant to install air-conditioning in its resource centre, which will make life far more bearable during the summer months. The school’s resource centre is one of the most used rooms in the school. Before this project, temperatures there could rise as high as 40 degrees. The students at Bundaberg East State School have benefited from a $25,000 grant, topped up with a $7,000 grant from the school’s P&C, or the school itself, which will be used to upgrade computers. I have always thought it is important that students be familiar with the use of modern technology—and not just with iPods and mobile phones. To get the most out of education, they need to be able to use computers expertly. Information technology is part of everyday life and it is important that students keep up with technological change, which is exactly what the new school computers will allow them to do.

The great thing about this whole program is that it fills that gap between what the state government can provide, on one hand, and where sometimes there is a shortfall in the capacity of the cash-strapped P&Cs on the other. I would also like to compliment the Sandy Strait State School, where I represented my colleague the member for Wide Bay in commissioning the school’s $42,000 new playground equipment. I must also compliment the school on a most impressive set-up in putting $23,000 to it themselves.
New South Wales Flood

Ms HALL (Shortland) (4.29 pm)—In the 10 seconds that remain, I would like to put on the record of the House my thanks to all the emergency services that operated in the Hunter—the SES, the police, the Army, fire brigade, Energy Australia, Telstra, local councils, Hunter Water Board and all volunteers—for the fine contribution that they have made over the long weekend. I particularly would like to put on the record my thanks to ABC Radio. Its effort shows what local regional broadcasting is all about. The contribution that it made in keeping the community informed was greatly appreciated. The extreme conditions and storms that existed in the Hunter and on the Central Coast created devastation and havoc throughout the community. The response showed what can be achieved when the community works together and emergency services get in there and do their work in the way that they did. It makes us proud to be residents of our area. I thank you, Mr Deputy Speaker, very much for allowing me to make this contribution to the debate.

The DEPUTY SPEAKER (Mr Jenkins)—Order! In accordance with the resolution agreed to in the House previously, the time for members’ statements has concluded.

APPROPRIATION BILL (No. 1) 2007-2008

Cognate bills:

APPROPRIATION BILL (No. 2) 2007-2008
APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (No. 1) 2007-2008
APPROPRIATION BILL (No. 5) 2006-2007
APPROPRIATION BILL (No. 6) 2006-2007

Second Reading

Debate resumed from 31 May, on motion by Mr Costello:

That this bill be now read a second time.

upon which Mr Tanner moved by way of amendment:

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

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

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

(a) address Australia’s flagging productivity growth;

(b) stem the widening current account deficit and trade deficits;

(c) attend to the long term relative decline in education and training investment undercutting workplace productivity;

(d) provide national leadership on infrastructure including a high speed national broadband network for the whole country;

(e) expand and encourage research and development to move Australian industry and exports up the value-chain; and

(f) reform our health system to equip it for a future focused on prevention, early intervention and an ageing population;

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MAIN COMMITTEE
the Government’s failure to address the damaging consequences of climate change is endangering Australia’s future economic prosperity;

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

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

Ms LEY (Farrer—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (4.31 pm)—I am really pleased to be able to speak in support of the Appropriation Bill (No. 1) 2007-2008 and cognate bills currently before this House and, in so doing, to contribute to the budget debate and indeed highlight the good things that I see for my electorate of Farrer in the 2007 budget. The Treasurer, in delivering the budget, said that it had been ‘framed to lock in progress’. He said that we need to ‘lock in the achievements of the past’ to help ‘deal with the challenges of the future’ and that this budget ‘with its investment in education, skills, in road and rail and sharper work incentives will add to that capacity’ and ‘will drive further economic growth’.

I represent a rural electorate. Like many others it is feeling the effect of the drought. The contribution that agriculture makes to the nation’s economic wellbeing is highlighted by the budget papers in that they acknowledge that the drought and its impact on agricultural performance, exports and the wider economy remain a source of considerable uncertainty. I will not quote the numbers; suffice it to say that, if agricultural output continues to decline, there will be a significant brake on our growth in the 2007-08 year. I am happy to say that, since the budget came down in May, we have had good rains in many parts of Australia. But as colleagues who represent areas that have not received good rain will quickly remind all of us who have received some, the recovery still does have a long way to go in terms of sustainability—where we have had falls and cropping has been started and also in the areas that are still waiting.

I think that the Treasurer’s comments—and indeed the comments of all our economic leaders—about the effect of the drought on Australia’s GDP, on our growth, should serve as a reminder to all urban Australians, who possibly feel that their rural relations are not contributing to but rather are being a drain on the economy, of the role that we all really do play. I make that remark because with the debate about climate variability and with the increasing focus on the environment—particularly on the Murray-Darling Basin, where I am—people are starting to wonder about the role of farming. It is definitely not the time to do that. It is definitely the time to support our farmers, get behind them and, most importantly, recognise their contribution to the economic wellbeing of Australia.

On the subject of economic performance generally, I note that the Governor of the Reserve Bank of Australia, Glenn Stevens, has commented that the economy is running at full throttle. He said on 21 February that ‘the factor most constraining further expansion is not insufficient demand but insufficient capacity, of either labour or capital or both’. Anecdotally, I hear, as I am sure others hear, that firms cannot find workers, wages have increased because workers are in short supply and some job placement agencies are utilising 457 visas to bring workers with the skills that they need to Australia. It is in this environment that the opposition expresses its determination to turn back time and artificially impose an inflexible system on the Australian workplace—a system that derives entirely from a philosophical perspective not
shared by most average Australians, which is that workers and bosses are automatically in disagreement.

The other rationale for the Labor Party’s view of the workplace relates to money and power—the money provided to Labor Party operations by unions and the power that they have over Labor as their greatest investor and stakeholder. In fact, the Australian people—not the union movement—have the greatest stake in their political parties because they are the ones whose interests are supposed to be represented by those parties. But if one branch of one union, the Electrical Trades Union, has over the last 10 years donated $3.8 million to the ALP, the issue in my mind is not whether after that union’s leader has been outed and disgraced the money is paid back but how much money is received in total from all unions for the Labor Party coffers. I imagine it is huge and it comes at a price. I think the Australian people are entitled to know what that price is.

The budget contains tax cuts worth $31.5 billion over the next four years. Every taxpayer in the Farrer electorate will benefit. I consider these tax cuts a strong demonstration that the government has managed the economy well. If we had not, there would be no dividends to return to the Australian people. Labor governments, such as the present one in New South Wales, have no dividends in terms of taxes and charges to return to their citizens. The New South Wales government is not in a sufficiently financially sustainable position to give the farmers of New South Wales who are struggling with the drought any relief from the taxes and charges they pay. The New South Wales government signed up to the national water plan with indecent haste because they do not have the dollars to manage their water resources adequately—bad economic management hurts.

I would like to say something about technical training. As a government we are building a culture that encourages training, retraining or further skills development. This includes many of the 3.4 million members of our workforce who did not finish school and older Australians who are needed by the modern workforce and for whom continuing to work beyond age 55 will help their lifestyles and health and their local economies. Our technical training colleges will provide real alternatives to those who have strong technical and vocational skills and are suited to a career in trades. We have further measures in the budget to encourage apprenticeships, both for employers and for their apprentices. We want those who start apprenticeships to finish them. We want to restore a strong sense of worth and good standing to those in technical trades.

While I am talking about apprenticeships, I want to recognise the role of the Riverina Institute of TAFE, which has some 18 campuses—including in Albury, Finley, Deniliquin and Coomealla—not all of them in my electorate. I cannot speak highly enough of them in that they are so flexible and so responsive to the training that is needed at a particular time by local communities and industries. I know that TAFE colleges visited parliament and said they were unhappy about the level of funding. I certainly spoke to members who came to see me. They assured me they were also seeing the New South Wales government authorities, who do have the primary responsibility for TAFE. My purpose in mentioning them is not political but simply to say that they do a fantastic job.

Another measure in the budget that is of particular interest not just to my area but to rural Australia is the more than $65 million of Commonwealth government funding for a new school of dentistry and oral health to be established at Charles Sturt University. There are cur-
rently limited rural opportunities for dental students to undertake their clinical training outside major metropolitan centres so this funding includes an up-front capital investment of about $58 million along with recurrent funding for university dental and oral health places and student accommodation support.

The new school will be a focal point in Australia for students wishing to train and practise dentistry in rural and regional areas. It will be rolled out over five regional sites. There will be preclinical and clinical facilities in Orange and Wagga and there will be three dental education clinics in Albury, Bathurst and Dubbo. Obviously I am particularly interested in Albury, and I know the great job that the Albury campus of the Charles Sturt University does. Most particularly, its development of a formula for training in allied health fields away from major metropolitan centres has meant that it has record numbers of graduates in speech therapy, physiotherapy and all of the allied health fields and that record numbers of graduates go on to practise in rural areas. That of course is what we need.

More dentists will also be encouraged to work in regional Australia through two other federal budget initiatives. There will be a new program to create rural dental schools and to provide city based dentistry students with experience in country towns as part of their training. There will also be a new program of scholarships to encourage Indigenous people to study dental health.

As Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry I am responsible for administering the Rural Financial Counselling Service. It is a program that is fully occupied in meeting the demands of clients as a result of prolonged and widespread drought. It benefits primary producers and small rural businesses which are suffering financial hardship. It helps them identify ways to become self-reliant and to better equip themselves to manage the changes that are occurring within their industries.

I pay tribute to those who work as rural financial counsellors in the front line, if you like, who deal with farmers and farm businesses every day. They are an important component of the survival of those businesses. They provide financial advice and, as the businesses move forward, when it rains they have to consider their place in both the local and the global marketplace in terms of the commodities they produce. I see these financial counsellors as agents for change, if you like, assisting them in working out the options and the best outcomes for their business given a range of external factors. They are not just people who help you fill in forms, important though that is; they actually do a lot more.

There has been increased funding to the program in recent years, because we need to acknowledge the decreased capacity of rural communities to raise their own local contributions to maintain this important service. The 2007-08 budget committed $55.9 million to the program over the next four years, including previously announced funding of $10.8 million for the current funding agreement period. It also includes a commitment of almost $1 million for additional rural financial counsellors and other resources to meet demand from people who may be adversely affected by reduced high security water allocations in the southern Murray-Darling Basin in 2007-08. High security water users are facing an unprecedented set of circumstances: from 1 July, when the water year starts, they may be facing an allocation of zero. While general security users, such as dairy and those who grow annual crops, such as rice, will have become used to the water year starting with an allocation of zero, I do not think it has ever been zero for high-value plantings. Of course, that presents a crisis: if your citrus,
table grape, wine grape tree does not get water, its productivity is severely affected. The tree itself may not die, but it will get a really bad kick in the guts and that will make a big difference to the yields that you will get in the future.

In recognition of that, money has been allocated for additional rural financial counsellors to meet that demand. There are eight service providers located in the southern Murray-Darling Basin, and they have all been invited to apply for those additional funds on offer. Some of them are in the electorate of Farrer, some in the neighbouring electorates of Mallee, South Australia, and north central Victoria.

The government uses the Exceptional Circumstances program to support those affected by drought. Many of my constituents have used that and are continuing to be supported by it and welcomed the announcement of its continuation in the budget. Currently, there are 29 areas in New South Wales that are declared to be in EC, covering 98 per cent of New South Wales agricultural land. As at 4 May 2007 the Australian government had provided $789 million in assistance to farmers in New South Wales—and I make that point because we are often criticised for not doing sufficient for those affected by the drought. But I think $789 million to New South Wales farmers is indeed a very real commitment. At the end of last year we announced new measures to help drought-affected small businesses. That recognises the unprecedented severity, length and extent of the current drought and the impact it has had on small towns. That is a good thing to do, but we hope that it will not be needed for too much longer.

All parents worry about their children’s education. The $5 billion Higher Education Endowment Fund announced in the budget is an unprecedented investment in the future of the higher education sector and provides additional and ongoing funding for excellence, quality and specialisation in Australian universities. I have had terrific feedback on that. I certainly recognise the efforts of rural parents to send their children to university where it means that sending them away leads to a high level of sacrifice. They will be comforted to know that the sacrifices they make are really going to be worth it, because we all need to be confident that students who study at our Australian universities will be getting not just a good education but a world-class education. The features of the additional investment in higher education in the budget, as I said, were very much welcomed. I look forward to further details of those.

Other announcements which I should probably mention briefly include improved childcare assistance, which all working parents appreciate. That will mean that those whose incomes have dropped due to drought will continue to access childcare assistance. As to investment in land transport, over five years $22.3 billion will be provided for Australia’s road and rail infrastructure. That is absolutely terrific. Local governments continually struggle with reducing allocations from the states to just maintain their local road network and there will be a good injection of funds to help them do that.

Sustaining our environment is very topical at the moment. I totally reject criticisms that this government is not doing enough to look after the environment—$10 billion over 10 years to conserve and sustain Australia’s water supply is an absolutely enormous commitment. I really look forward to Victoria stepping up and signing on to the national water plan which, from my point of view, will absolutely transform irrigated agriculture in my electorate. There are probably two sides in looking at the national plan: one would reflect on irrigated agriculture and the other would reflect on the benefits to the environment in which people who do not
necessarily live in the Murray-Darling Basin still have a great interest. Looking through the outline of the plan, I am happy that I can safely say both of those issues, both of those concerns, will be extremely well addressed. The only thing holding us back is Victoria and I do hope they sign on as soon as possible.

Better health and aged care, defence, national security and additional measures for older Australians and carers were all important to the constituents I represent. There is of course more work to be done because there is always more work to be done. I would not presume to tell the constituents of Farrer that the government, of which I am a part, has done everything for them. I appreciate that people are not as interested in the past as they are in the future. I know that, along with my colleagues in this place, I will go on working as hard as I possibly can to make our future as bright as possible.

Mr GRIFFIN (Bruce) (4.48 pm)—I would like to make a few comments today with respect to the budget, particularly in relation to the Veterans’ Affairs portfolio. The government deserves to be congratulated with respect to aspects of the budget concerning veterans’ affairs. There are several particular initiatives that I have mentioned as I have travelled around the country talking to veterans in recent times. One is the increase in funeral benefits. There was an increase in the maximum funeral benefit for eligible veterans under the Veterans’ Entitlements Act from $1,000 to $2,000. Labor congratulates the government on this initiative. There has been a longstanding concern within the veteran community about the low level of this benefit in comparison to the benefit allowed under the Military Rehabilitation and Compensation Act 2004. This initiative goes some way to addressing the discrepancy and is a positive step in the right direction. It certainly is raised with me regularly by many veterans. I know many in that community will feel this has not gone far enough. I understand their position on that. It is something we will be looking at. However, at this stage I congratulate the government on taking action with this measure.

The budget also contained a compensation payment of $25,000 to former Australian prisoners of war in Europe or their surviving widows. Labor welcomes this ex gratia payment. This is a long overdue initiative that addresses a previous injustice that had left these prisoners out of two previous ex gratia payments. In 2001 the Howard government made a payment of $25,000 to former Australian prisoners of war in Japan. At this stage there was much criticism that they had left out the POWs from Europe and Korea. In 2004, after the Clarke review—which I will have more to say about later—they finally made a payment to former Australian prisoners of war in Korea. Again they were criticised for leaving out the Australian prisoners of war from Europe. Finally, six years and two elections after the original announcement, these former prisoners or their surviving widows are getting what is duly owed to them. Labor congratulates the government on finally correcting this injustice and fully supports this worthwhile initiative. I would like to particularly congratulate the minister, because I know that he has been interested in this issue since he became the minister. I give him credit for being able to steer this action through at this budget.

The budget also has a measure to allow war widows who claim a war widows pension following the death of their spouse an additional three months to claim a backdated pension. This is a worthwhile and positive reform, and it has the full support of Labor. Also, let us not forget the $50 per fortnight for special rate pensions and $25 for intermediate rate pensions. Again, I will have more to say about that a bit later on.
Given that mental health is meant to be one of the government’s priorities in this area, it was disappointing to see no measures to combat mental illness or veteran suicide specifically outlined in the budget. Federal Labor will also be closely monitoring the Howard government’s announcements of increased compliance and potential savings arising from the areas of disability pensions, medications and health treatment to ensure that veterans are not disadvantaged in any way.

As a result of the budget there has been a lot of discussion and debate within the veterans community about what the government has not done. One thing it has not done is address the longstanding issue of indexation for above general rate pensions. There are a number of points here which are very important. The value of above general rate pensions, particularly TPI, TTI, intermediate and EDA pensions, has been eroded dramatically, particularly over the last 10 years. That erosion has come from the inadequate indexation method employed for those pensions. Up to 2004 the CPI was the only means of indexation. In 1997 the government adopted male total average weekly earnings—MTAWE—or CPI, whichever is the greater, as the means for adjusting some pensions, such as the age pension. As a result of the Clarke review of veterans entitlements and, more to the point, as a result of significant furore raised by elements of the veteran community, adjustments were made to that indexation method in 2004. A component was indexed to movements in the MTAWE or CPI, but there still remained a significant component that was only indexed to CPI. This has led to a continuing erosion of the value of these pensions.

This has been a longstanding concern right across the veteran community. This is not something that is wanted just by TPIs. It has been raised by the RSL, the TPI Federation, the Vietnam Veterans Federation, the Vietnam Veterans Association and AVADSC. There is not a major ex-service organisation in this country that has not raised this as an issue of concern. They are concerned about the lack of equity and justice with respect to the way their benefits and compensation are being treated by this government. As a result of those concerns, Labor announced just prior to the budget that we would have a new system whereby we would fully index these pensions to movements in MTAWE or CPI, whichever is the greater. There is absolutely no doubt that there is now a very clear difference between the government and the opposition on indexation in this area. This impacts on some 43,000 war veterans with disabilities who fought in World War II, Korea, Malaya, Vietnam, the Gulf War—and more recently—East Timor, Iraq and Afghanistan. This indexation change will ensure that veterans are not required to go cap in hand to the government every budget year—or, worse, every election year—in order to get a catch-up payment.

This particular initiative has been well and truly welcomed within the veterans community but not by the government. The minister of the day has in fact attacked it. On one hand, he has accused it of being a cobbled together media stunt; on the other hand, he has accused us of being slick and slippery with respect to what we have actually proposed to do. I find that a little bit confusing in terms of the metaphors there. I do not quite know how you cobbled together a stunt while at the same time you are slick and slippery. I would have thought that they are pretty much at odds. Nonetheless, that has been the sort of view that has been put out there by the minister in response to what we have done.

The challenge for the minister is this: this position has been welcomed; it has been called for; it has been the policy of all the major ex-service organisations right across the board over
the last 10 years. Frankly, he is the odd man out. He needs to look at that because the fact of
the matter is that this issue is not going to go away. The circumstances around this will need
to be addressed and this government needs to look at addressing it. He has continually, since
that time, ruled out this proposal. I ask him to reconsider it because this matter should be re-
considered. There is no doubt that the ALP’s policy on this occasion is vastly superior to the
government’s. It gives certainty, dignity and justice to some of our most severely disabled war
veterans and it is definitely something that the government should be looking very seriously at
doing.

Another couple of issues within the portfolio that I would like to talk about briefly relate to
matters that I have spoken about on a number of occasions—in particular, the Children of
Vietnam Veterans Health study. In this area we have had a situation where at the last election
Labor promised, as part of its policy at that election, to fund a study and for a study to take
place. The government instead promised to do a feasibility study—if you like, a study into a
study to see where things go from there. That feasibility study has now taken place and the
results became clear. This was a very difficult and quite complex matter. The fact is that there
was no doubt that a study could take place and effective results could be gained from it, but
the situation was that it would be complex and there would be some methodological issues
that had to be dealt with in the process of conducting that study.

As a result of that the minister decided to in fact hold a study into developing protocols for
the conduct of a study. He gave a number of reasons as to why that should be the case, includ-
ing concerns about the fact that the original proposal which came back from the feasibility
study involved a study of just male Army veterans. There were good reasons, as were clearly
explained in that feasibility study as to why you would need to conduct matters at this stage in
that way. But, instead, what we have had is another referral to develop protocols. Two points
need to be remembered here. Never before in the history of the Department of Veterans’ Af-
fairs, who have conducted many health studies over the years, has there been a need to con-
duct a feasibility study in the first place before you conduct a study. Then, having done that,
never before in the history of the Department of Veterans’ Affairs have we had a situation
where there has been a study into the development of protocols before you commit to a study.
In the past, protocols were normally a quite useful and necessary first step once you agreed to
conduct a study. The circumstances are that they went on from there to actually conduct a
study and the protocols were developed as part of that study. We now have a separate mecha-
nism before we go to the step of committing.

Labor recently recommitted and made it clear that we will fund a study. We will fund a
study regardless, frankly, of what comes back from the protocol study, because we believe, as
the feasibility study showed, that it can be done and it should be done—and under Labor it
will be done. Yet we still have the government being silent on this issue. We still have a situa-
tion where the minister could today say, ‘I will act upon the protocol study; I will move for-
ward on this issue once I have got that study.’ But, in fact, what we have had is mainly si-
lence. In recent times, because of pressure put by Labor and elements of the veterans commu-
nity, we have had some signs from the department that they are making noises about the fact
that they are hopeful that things can go ahead once the protocol study is presented, but at this
stage we still have no commitment.
The fact is that the government ought to commit. One thing they should make sure of is that, when the protocol study comes down in the next few weeks, they commit to ensure that the Australian public and the veterans community know what they will do in response to this issue before the next election. The veterans community have a right to expect that it will be very clear on the government’s position at the next election with respect to the conduct of a study on the children of Vietnam veterans. There is no doubt that the health issues faced, the increased rate of suicide and the birth defects and other concerns that have come up with respect to Vietnam veterans’ children are such that a study needs to be done.

Another initiative that was recently announced by Labor related to increased funding being provided with respect to assistance through a particular program regarding the issue of suicide in the veterans community. I have previously, on a number of occasions, expressed my concern about the problem of suicide within the veterans community and their families. I was very disappointed to see that the budget did not include any measures specifically designed to combat this problem—and it is a problem.

In response to a question on notice, the department has revealed that at least 31 veterans have committed suicide over the past five years as a result of their service. This is a sad and tragic statistic. However this is far from the whole story. The department made the point that they do not include in these figures those on the special rate TPI pension or veterans waiting for their claims to be processed. This is very concerning as these two groups would be the ones at highest risk of suicide, suggesting that the number of veterans who have committed suicide may be many more. These statistics also do not include members of the broader ex-service community who have no qualifying service and have committed suicide. No qualifying service does not mean ‘no problems’.

We know that families also suffer. Children of Vietnam veterans are known to have a suicide rate three times higher than other children. Suicide is an important issue for the veterans community. To overcome this we must be proactive. We cannot sit back and wait for people to self-report. We cannot expect that everyone with a problem will be forthcoming in asking for help. That is why we need to equip the veterans community with the skills to identify and deal with people who may be on the long road to despair and need our help. The time for action is now.

At the Queensland RSL congress recently I announced that a Rudd Labor government will implement reforms and increase financial assistance to the Applied Suicide and Intervention Skills Training program, ASIST, currently utilised by the department. The reforms announced include: greater promotion of ASIST through an increase in its advertising and marketing budget; more information and training sessions to be held in rural and regional areas; increased financial assistance for participants in order to encourage higher participation; and an expansion of the suite of programs to be offered by assist trainers. To help facilitate these reforms and to ensure the long-term viability of this program, a Rudd Labor government will bring the ASIST program formally under the control of the Veterans and Veterans Families Counselling Service. The governance of the program will remain independent of the department and under the control and direction of the veterans community through the stewardship of the VVCS national advisory committee. In order to achieve these reforms, Labor will provide new and additional funding of $1 million over four years. Other costs will be absorbed within current funding for the department.
Labor’s proposal keeps the control of ASIST with the ex-service community while relieving them of the responsibility of resourcing this service. It will also expand a worthwhile program that has been underresourced for far too long. It is these types of strong, proactive measures that we need to combat the problems of suicide among veterans and their families. It is these types of measures that were sadly lacking in the budget.

It is over a week ago that I made that announcement. It is over a week ago that I made it clear that Labor’s commitment was there. The reaction from within the veterans community has been support—strong support—right across the board again. The sorts of groups who actually have an interest in this issue, because it is dealing with the health of their members, have said that this is exactly what needs to be done. This is something that has also been discussed with the department, as I understand it, over quite some time and yet we still have silence from the government.

The fact of the matter is that action is needed here because, if action does not occur, this particular program is in danger of falling over and that would be a tragedy in itself. Its implications for veterans and the wider veterans community would in fact be incredibly serious. I urge the government again to pick up on what we have done, to take the initiative that we have taken and move on it to ensure that the sorts of services that are required to deal with a very serious issue within the veterans community are actually dealt with here and now before it is too late for many people who might use these services.

In the time that is remaining to me, I would also like to pick up on a couple of other points regarding issues in the veterans community—a couple of things that the minister raised over time. One issue that has come up in the last 12 months is the question of nuclear veterans. The situation with nuclear veterans is that a study was finalised and the results of that study were released, and then the government responded with legislation and policy to deal with those issues.

Without going through the detail, the circumstances were that, although there had been a recommendation as part of the Clarke review for hazardous, non-warlike service for veterans of the nuclear tests, the government rejected that. What came down in the end was a situation of granting access for participants to treatment of any cancer that they may have contracted since that time.

That in itself was welcomed and Labor supported that measure, but it was not actually what the nuclear veterans were looking for and it was not actually what this minister had in the past supported. As part of the Clarke review, the minister as a backbencher wrote to the Clarke review and said:

Nuclear veterans’ service should be declared as Hazardous Service by the Review of Veterans’ Entitlement (Clarke Review), as Australian Defence Force (ADF) personnel involved in the British atomic tests in Australia were placed in a life threatening environment. Only now are they and the community experiencing the true consequences of their service, in particular, the devastating impact of exposure on the health and wellbeing of our veterans.

A high proportion of our veterans involved in the atomic tests have experienced conditions attributed to their exposure to radiation, with many losing their lives.

His letter further said:
Veterans involved in British Atomic tests and mine clearance exercises deserve to be recognised as having carried out Hazardous Service. Although the battlefield may be less conventional the threat to life and the danger to which our veterans were exposed amount to an active deployment into harms way. This issue was raised with the minister. The fact is that he, quite legitimately, as a back-bencher, went forth and argued to a review for a particular policy. But, as the minister, when he was making a decision on that issue, he chose not to follow his own earlier advice that was part of his letter and was stated very clearly to the Clarke review. The interesting thing is that the Clarke review acted in line with that letter and came down with that particular policy option, but the government at the time rejected it. As people will remember, back at that time the government had provided a paltry response to the initial recommendations of the Clarke review. In fact they rejected large numbers of them and there was a backbench revolt—which, as I understand it, the minister may well have been involved in in terms of supporting veterans. If he was, as has been reported, I congratulate him for it. The fact of the matter is that he wrote a letter and stated a position, but when he was in a position to act upon it he did not.

In response, the minister has said: 'Only members of the coalition actually made submissions to the Clarke review. However, one member of the Labor Party, who is now no longer a member of parliament, also made a submission.' I just want to get on the record in the last few seconds I have left the nature of those submissions. I have no problem with those members making submissions and I wish them all the best with it, but I think the nature of those submissions needs to be understood. Tony Abbott forwarded a constituent letter as a submission with a covering fax. The member for Leichhardt, Warren Entsch, forwarded a constituent letter with a ‘with compliments’ slip. The member for Gilmore wrote on behalf of a constituent. Senator Ross Lightfoot forwarded a constituent letter without any covering letter. The member for Gippsland wrote on behalf of some of his constituents. Geoff Prosser, the member for Forrest in Western Australia, made two submissions on behalf of constituents. I congratulate them for making those submissions. But, in fact, overwhelmingly, those submissions were just passing on information provided to them by constituents. (Time expired)

Mrs MIRABELLA (Indi) (5.08 pm)—It is with great pleasure that I rise to speak in support of Appropriation Bill (No. 1) 2007-2008 and related bills. The 2007-08 budget is a continuation of the responsible plans for Australia, for its community, for its growing prosperity and for future generations. Importantly, the budget continues a very fine trend of personal income tax relief. This is fundamental to improving incentives in our workforce. But it is not only a fundamental responsibility of government to collect funds through which it can provide essential services, plan for major infrastructure and invest in its people but also a fundamental responsibility that, once government has spent the required funds on appropriate projects, any surplus money, where appropriate, is given back to the people from whom it was taken. I am very proud to be part of a government that has continued taxation reform to give taxpayers back some of their own money that they have earned.

We see from a very simple illustration that a taxpayer on $30,000 per annum in 1999 was paying over $6,200 in taxation. As of 1 July 2007, effectively there will have been a reduction of 54 per cent, so that that same taxpayer will pay only $2,850. That is a real achievement and a real result. As we know, Madam Deputy Speaker Bishop—I am sure you share this view—the person best able to spend their money is the person who earns it. The more that we can do to ensure that the Australian economy continues to thrive, and there continues to be an envi-
rornment in which employers continue to grow their businesses and employ more people, the better we will all be in the long term.

There is a particular project I want to focus on. This budget and previous budgets have made huge investments in infrastructure—whether it is social infrastructure in education or, as in the last few budgets, significant investment in health infrastructure, and this budget in built infrastructure. I want to focus on a particular infrastructure project in the largest population centre in my electorate of Indi: Wodonga. The project is the Wodonga rail bypass project. Unlike the state Labor government, the Australian government has put in the budget papers its commitment, in writing, in black and white, of $45 million to assist in the removal of the railway from central Wodonga. It is an important railway line—it is the Melbourne to Sydney railway line. There has been discussion over many decades in favour of its removal from central Wodonga.

Way back when I was but a mere candidate for the seat of Indi, I recall with great excitement the initial commitment of $20 million made in Wodonga. That has been sitting on the table. Every year I have asked the Treasurer to keep rolling it over into the next year, because the project has not quite begun. And what has happened? Due to delay by the state government the project, of course, as with all its other major projects, has blown out. They asked for an additional $25 million, which was expeditiously provided for by the government and announced in February this year by the Minister for Transport and Regional Services, Mark Vaile. So we have had $20 million sitting on the table since December 2000, we have had an extra $25 million sitting on the table since February this year and the Victorian government, which do have primary carriage of this project, have just dithered. The project has blown out. And guess what? It is not in their budget papers. So here we have a government requesting assistance from the Commonwealth, we put it in in good faith and roll it over year after year, saying, ‘Yes, all right, you want some more money because you haven’t been competent enough to get a simple project like this started; we’ll give you an extra $25 million,’ and what happens? They do not put it in their budget! It makes me wonder whether they are fair dinkum about getting this project started.

In July 2003 the then Minister for State and Regional Development, John Brumby, explained the hold-up as ‘a sticking point’ in Freight Australia. We know that this is not the case, and that the hold-up was the fact that the Bracks government in Victoria cannot manage basic major projects. All you have to do to see that is look at the fast rail project, where they promised in 1999 a fast rail project for $80 million. That blew out way over time and way over budget to $1.3 billion in 2006—for saving a few minutes on the train. That is their proven record of trying to invest in and improve Victoria’s infrastructure. So they have form on their ability to mismanage infrastructure.

In good faith, the Commonwealth has rolled over the funding, and I thank the Treasurer and the Prime Minister for that. The federal government’s commitment to this project is there. My personal commitment is there because it is my community. I understand how vital the removal of that railway from central Wodonga is to the continued development and growth of Albury-Wodonga as a critical transport and economic hub.

Earlier this year, the Prime Minister and Deputy Prime Minister came to the border for the opening of the $518 million Albury-Wodonga freeway upgrade, as did the Premier of Victoria, even though his government did not contribute a cent to the construction of the freeway.
upgrade—although I think it is fair to say that he did provide $6 million for half the cost of the state Bandiana link road; the Commonwealth provided the other half. The fact that they delayed even coming up with a commitment of $6 million for the Bandiana link ensured that the significant project, the main upgrade of the Hume Highway at Albury-Wodonga, blew out significantly. On that very day, the Premier of Victoria said that the Wodonga rail bypass ‘could start by June’. I was in Wodonga on the weekend and there was no sign of that substantive work. Mr Bracks is very fond of getting on the front page, and that is what came out of the opening of the Hume upgrade in Albury-Wodonga when he said, ‘But wait, there’s more: Wodonga railway relocation could begin by June.’ It was very sensational.

Madam Deputy Speaker, you cannot blame me or the locals in my electorate for being very sceptical. We have seen numerous front pages of the Border Mail proclaiming the beginning of the removal of the rail from Wodonga. Today, marking 100 days since the premier made his promise on Monday, 5 March 2007 that that work would start, is an appropriate time to table the front page of the Border Mail, if I may have leave to do so.

Mr Adams—Leave is not granted.

Mrs MIRABELLA—There is no leave granted, but it is there on the record and I can provide as many copies to my friends on the other side of the chamber as they would like. Nothing will detract from the reality that the project has not yet started. The people of Wodonga know the disdain in which the Bracks government continues to hold them by failing in its responsibility to provide that very basic service that a government should provide—that is, essential infrastructure. Well may the people of Wodonga ask: when is this state government going to get serious, stop playing politics and start with a real commitment? The state government can start today. It can amend its documents and put the real money for the removal of the railway in Wodonga in black and white in its budget papers. Why did it not do it? Why is the money for the relocation of the railway out of central Wodonga not in this year’s state budget? It is in the federal budget. Why has the state government failed to put it in the state budget? Is the state government not serious about it? Those are the questions that Mr Brumby needs to answer.

There are some other significant funding announcements in this federal budget that contribute to the infrastructure development of my electorate. Continuation of the Roads to Recovery program is in fact very significant. Over the previous financial year local councils wholly within the electorate of Indi received just over $10 million in funding, which is in addition to the general purpose and the specific roads funding as part of the financial assistance grants formula that local councils receive. In addition, we have had strategic regional road funding for the larger roads that are an essential part of growing economies in rural and regional Australia. I have been very fortunate to have some of that funding in very important parts of my electorate and I look forward to supporting local applications in further rounds.

We have also heard great criticism of funding specifically allocated for rural and regional Australia coming from the opposition. We have seen the Regional Partnerships program and its predecessors described as a rort, as a waste of money; yet, when we look at Labor electorates, we see that there is an equal, if not greater, distribution of funding for essential community building projects such as community halls and visitor information centres. That funding will continue under this budget, and I will continue to support those projects in my local area. All you need to do is go to any rural, regional or remote area in Australia to see how impor-
tant federal funding has been in providing funds for road upgrades and basic community in-
structure. Even this road funding was labelled by one former Leader of the Opposition as a
‘boondoggle’, but local communities in the country know just how important it is to get their
local roads fixed.

We have talked about the unsung heroes in our community for such a long time and they, of
course, do deserve extra recognition, although most of them do not actively seek it. People
have stopped me in the street to ask about some of the recent bonuses that have been provided
for carers. I am delighted that there has been an extension of those eligible to receive them.
We owe a great debt of gratitude to our carers. In Indi we have just under 2,700 recipients of
the carers allowance and almost 670 recipients of the carer payment. This bonus will be very
important to them. Significantly, it is also an important symbolic recognition of the contribu-
tion that they make on a personal level and of the contribution that they make to the living
standards of others in our local communities.

The one-off seniors bonus of $500 to all individuals who are eligible for either the utilities
allowance or the seniors concession allowance is also very critical to providing additional
support for those who have made a contribution over their lives to the towns and, indeed, to
the nation that we have today. Where we can support them where they need it the most, it is
our responsibility as a nation to do so. This payment will help with day-to-day financial af-
fairs. In my electorate, there are just under 14,000 recipients who will benefit from this bonus.

I also wish to acknowledge some important funding that is relevant to areas that have been
subjected to natural disasters, such as the high country. I want to commend the Prime Min-
ister for the funding of $24 million over four years so as to continue the Bushfire Mitigation Pro-
gram under which grants are provided for the construction and maintenance of fire trails and
also for the very critical research that is being conducted. Additional funding is also being
provided to the Bushfire Cooperative Research Centre. This is funding into research that has
not been undertaken; it is funding into research where there has been a huge gap, a huge hole,
in the understanding of land management practices and fire management practices. What peo-
ple have been crying out for in these communities is scientifically based information on which
governments should make policy decisions. The states have not undertaken this important
research, but I am very proud that the gap is starting to be filled. Of course, it is only research,
and researchers cannot force an unwilling state government to manage their land, but at least
the science will be on the table for those who have the political backbone to take it up and do
the right thing in managing Crown land and the fires that will be there in the future.

Local councils in my area will benefit, as will communities right across the board. There is
almost nothing worse than a government failing in its basic responsibility to provide essential
infrastructure. But what comes very close to it is the mismanagement of crown land and how
that impacts economically, personally and emotionally on private landholders who do the
right thing by properly managing their properties. They provide adequate fire protection only
to have their private property—something they have worked very hard to build up—
irreparably damaged, often by the actions or inaction or poor management by governments.
That is something that we need to stop. I will continue to support measures in this budget and
in future budgets to hold governments accountable for their actions when they significantly
impact, as in the case of natural disasters such as bushfires, on my local community.
I commend the bills to the House. I commend the Treasurer on his efforts and on the extraordinary achievements in the continuation of not only tax cuts but essential investment in infrastructure, in our schools, in our communities, in our roads, in health and in our telecommunications. Australia is a very different place from what it was before the coalition was fortunate enough to be granted the privilege of governing in 1996. It is a very different place. No longer do we have people sitting there waiting, listening to the budget, thinking, ‘How is the government going to do us over?’ They are now sitting there watching the government, listening to the budget, saying, ‘What will we get out of this budget?’ That is what this government has delivered: a change from a punitive Labor government—which believed in punishing people and believed that double-digit unemployment figures were acceptable—to a government that understands its basic responsibility of providing an environment in which jobs can grow. It was very pleasing to see that figure last week of a national unemployment rate of 4.2 per cent. Even in Indi, with a vibrant local economy, in a very unique part of Australia, the unemployment rate is also under five per cent. That is the human dividend of the difficult and hard decisions that the coalition government has made not just over the last year in planning for the next budget but also over those 11 years. I commend the Treasurer, the Prime Minister and all those members who have fought hard on behalf of their electorates to get the relevant funding so we can deliver those services which our communities not only require but deserve. I commend the bills to the House.

Mr ADAMS (Lyons) (5.28 pm)—This budget has failed to put in place the base or the principles that we need to meet the very important challenges of the decade ahead. The Leader of the Opposition made it clear in his budget response when he said that budgets should be not just about the next election but about the next decade and the decades beyond that. We need to build long-term economic prosperity beyond the mining boom by rebuilding productivity growth. We need to deal with any challenges of climate change and the preservation of water before the cost of inaction becomes too much, and we need to ensure the fair go in Australia has a future, not just a past, both in the workplace and at home. That is why this budget should have been about the next decade, not about the next election. It is obvious that this year’s budget is one that was very carefully marketed and targeted at groups which the government saw as potentially important ‘vote changers’ in the coming election. The amount of money that has been splashed around has not taken in important services, infrastructure and social needs which underpin our society. The Leader of the Opposition went on to say that we could anticipate many challenges and that we should act on those challenges while there is still time or we could fritter away the opportunities before the nation and squander the opportunities in meeting those challenges. Now is as good a time as ever, he said, to fix the roof while the sun is shining.

I think the budget has relied on the good luck that comes with a huge resources and mining boom. That is evident not just in Australia but internationally. In Tasmania we are feeling the benefits of the mining boom at the moment, but we also know what it is like for a mine to close and we know the effect that has on a community. We cannot afford to not be innovative in our communities; we need to ensure that we can diversify our economy so that we are not just relying on one industry. We know that our economic growth owes as much to the economic reforms of the last Labor government as it does to anything that the Howard government has done. But they have squandered it by not ensuring that our education is keeping up
with growth; training in skills has been falling way behind and most of the infrastructure that should have been replaced in a timely fashion is now in dire straits.

The Tasmanian national highway is a case in point. It has been neglected for too long in the south, which has prevented much-needed works from going ahead to link much of the old infrastructure. Our transport hub should have been up and running by now, but the proposed bypass at Brighton to Bagdad—Bagdad is in my electorate—has been on the drawing board for some 30 years, and it is now more urgent that the works be undertaken. It is the same with the northern roads in the Lyons electorate, where there are still a number of significant problems that lead to unnecessary accidents. These roads are not in the Bass electorate or the Braddon electorate; therefore, they did not get anything in redress.

The main point about this budget is that it assumes that every Australian is already comfortably off, which of course is not the case. It is like assuming that, because our unemployment rate is down to five per cent—and we heard the previous member talking about that happening in her electorate—all people are fully employed. This just is not so. If you have an hour’s paid work a week, you can technically be called employed. The way it operates at the moment means that we may have low unemployment but we also have a growing underemployment, with people desperately trying to find second and sometimes third jobs to survive.

I want to talk about poverty, as I believe the appropriations in this budget have been predominantly for those who have. Those who have not seem to have been completely forgotten by the government. To illustrate why I think these bills are so short in dealing with the problems many people face today, I have a number of stories. On Friday a week ago I attended a function at one of my local schools, and people were there to make a difference by undertaking a walk for poverty. The aim of the walk was to raise awareness about the Make Poverty History campaign and the United Nations Millennium Development Goals, which identify clear ways of achieving an end to extreme poverty in the world. Students at Exeter High School have been learning about how our society is built on justice and equity and how democracy was born out of those concepts. Democracy is important because it gives people a voice in the political and, ultimately, social and economic direction of their country. Unfortunately, the majority of the world today does not have this voice.

Are You Mad? is an innovative education program that allows young people to drive real change in their school and community. It is based on a belief that young people can make real change happen in the world. The program allows students to express their concerns and to initiate and carry out real-life projects. The Mad Day Walk began at Exeter High where, with various community groups, I walked down the main street of Exeter and back to the school for a function there. I spent some time with the students and they were very much aware of what poverty meant for many Third World countries. But they were not familiar with poverty in their own backyards. They would not be able to tell me how many of their family and friends have difficulty finding appropriate housing, assistance with health and access to employment and training.

The heartening thing is that at another function I went to recently, a school assembly, I met a young student named Shania Kava, a nine-year-old from New Norfolk who had recently gone on holidays with her father to Fiji. She had observed some youngsters around her own age kicking a coconut for a football. When she inquired why they were using a coconut, the response came that they could not afford a ball. This led this little girl, with her father, to buy
them a football. When she returned to school in her home town she set about collecting materials for that school in Fiji. At the New Norfolk Primary assembly we parcelled up 20 boxes of books and materials and found two computers, and those were sent off to Fiji.

So our young are aware of the fact that people overseas need our help, but for some reason we do not always alert them to the real poverty we have in our own backyards. Take housing, for example. A lot has been said about housing in the appropriation debate—the fact that housing has become so expensive that no-one on a low income could ever think of owning their own home. This is happening in our country, Australia. Renting has become a nightmare too, because there are no houses available for rent, even if the potential tenant can afford the cost of the rent. If you happen to be one of our older citizens or have a disability then you have no hope, as this budget has, if anything, reduced the availability of low-cost housing. Over the last three Commonwealth-state housing agreements, including the current one which is set to run out in June next year, the federal government has ripped $3.1 billion out of public and community housing. You cannot do that and not have a dramatic effect. Over the last few years the state housing authorities have therefore been faced with funding the shortfall by cannibalising their existing stock.

This is not something new; this has been going on for many years. The result is that a debt has been built up to the extent that three-quarters of the funds coming through from the Commonwealth to Tasmania for housing is eaten up in debt repayment. This is a total nonsense and I will be seeking to have this debt reallocated or sorted so that we can provide more public housing. We need to readjust this debt. It is just on paper and it needs to be reallocated or discharged so that we can use that money not to repay the Commonwealth but to build houses. Let us look for some one-off payments, such as those received by pensioners—$1,000 each this time. I do remember last time how much concern was generated when they thought they were going to get the $1,000 that was promised to them in the budget and it turned out that that had to be divided between a couple. So each pensioner who thought they were getting a little windfall found that they were only getting half of what they thought they had been promised.

The government has been wiser this time, but it is not going to make much of a difference. With the cost of living rising, the price of goods and services has gone up by more than $2 a day, which is what this works out to be. They forgot those on disabilities altogether. The one group in our society that could have used even $2 a day extra has been completely ignored. As my constituents constantly remind me, there are fewer and fewer services provided for those with a disability. It takes many of them, housebound and without any assistance, a good deal of the day. This is a hidden poverty that does not go away. It is there, but no-one sees it and these people are the least likely to be heard. We need to be so much more aware of their needs and act to ensure that they can still be useful and productive members of society without the punitive measures we tend to put on them as they struggle to leave the poverty trap of one of the new disability benefits, which is just the same as Newstart.

This is what makes employment read so badly: the hidden people who are not registered but are on fixed incomes, those who cannot claim these valued tax cuts. If you have not got an income, you do not pay any tax. The silent poor, the aged on pensions, those with disabilities, those who are underemployed, those who are 25 and are attempting to survive on Austudy and
the parents at home with children under six are the people who are most in need of services and are not considered in the budget.

My state is going through the throes of trying to deal with an ever-demanding health system. Tasmania spends a considerable amount of its state budget on health. This has great implications for those in aged-care facilities as many of them share facilities with small hospitals. We just do not have enough aged-care beds and we do not have enough respite beds. We just do not have enough services in our region and in isolated communities, so people are chased out of their communities to hunt for a place in some other part of the state. It is just not good enough and we need to do something about it. The state is doing what it can, but it is time that the Commonwealth did something with all the surplus moneys it has flowing about—little is directed to those in dire need. Shame on the other side of politics! Government is there to step in where the market cannot go. We are falling down in these responsibilities.

I cannot finish without commenting on the ridiculous amount of money that has now been spent on selling the government’s industrial relations policy. This government has the hide to complain that unions have been funding the case in opposition. Those of us in unions, those of us that have been in unions since we were 15 or 16 and those constituents who are in unions, are paying for their ads, voluntarily dipping into our pockets to fight an injustice, and we have done so over the last century. The government is stealing their funds from our taxes without so much as a request or a thank-you for listening to what workers are saying about this totally unfair legislation. Even with the latest legislation trying to put fairness back into the unfair legislation, they are talking about improving the safety net. It is a bit hard to improve a safety net if there isn’t one in the first place. It is simple maths: nought times nought equals nought. You might think that might have been achieved by now, and people might understand it.

These amendments will not stop those unfair laws from continuing to hurt working families, and the people in our electorates know this and will not support this government for that reason. I believe this government will be punished very severely because of these unfair laws. These changes to Work Choices will not fix the lack of balance in Australian workplaces. Importantly, these changes to Work Choices will not protect basic conditions. Australian families rely on things like notices of change to rosters and redundancy pay. These changes to Work Choices mean huge government bureaucracies will decide in secret what can be in an Australian workplace agreement and what cannot.

We cannot put up with this, nor should the people in Australia. There are many areas that I have not even touched on here today. There are areas which I believe needed to be touched on by this budget but were not. Education and the setting-up of an endowment or building fund for universities is not putting in what the education system needs. Many things should be happening in education but are not. Transport infrastructure is still falling down in so many areas. Child care is in urgent need. Many areas in my electorate are crying out for more child care. The government says that it wants people to come back into the workplace and to become productive in the workplace, but it is just not producing the opportunities in child care that are needed. There does not seem to be anywhere to go if the private sector will not pick up and start up a childcare centre. There are many regional centres and regional areas where the private sector just will not start that up, and the government should be assisting them to do that.

Labor has promised 230 new childcare centres within school grounds so that people will have only one stop in dropping off the kids and picking them up. Child care could become
much simpler for many families. The trouble is that in this budget there is also the great pork barrel and the opportunity to try to use a lot more money. I think we saw some of that today, with the Deputy Prime Minister’s announcement about what went on in Queensland. I think it is a shameful budget and it did not touch the people it really should have touched. Therefore, I will be opposing it and supporting the opposition’s amendment moved by Mr Tanner.

Mr NEVILLE (Hinkler) (5.48 pm)—The 2007-08 federal budget is an outstanding budget for local families. The federal budget has delivered the best-ever result for local families, with income tax cuts, a national boost to the childcare tax rebate, extra payments for carers, more money for local roads and more support for apprentices. The government has delivered nine budget surpluses in the last 10 budgets. Maintaining a surplus is the best thing a government can do to put downward pressure on interest rates, which is important to local families, especially the homebuyers. Families are the big winners in this budget, with a 13 per cent increase in childcare benefit, and a bringing forward of the childcare tax rebate for 2006-07. All these measures will be at a cost of $1.4 billion over four years. We are also bringing income tax cuts worth $31.5 billion over four years, and local families will also benefit from the increase in the tax thresholds. Income tax cuts of $31.5 billion over five years confirm the government’s commitment to reducing taxation, especially income taxation.

In the Keating years basic wage earners paid 20c in the dollar; they are now paying 15c in the dollar and the threshold has been lifted to $30,000. At the other end of the scale, where we previously paid the top marginal rate from $50,000, that now does not cut in until $180,000 and then at 45c in the dollar, not 47c. Only two per cent of Australians will pay the top marginal tax rate. This is now the fifth in a series of tax cuts since the introduction of GST. We have chipped away on five occasions, targeting different income groups each time. We were ridiculed for the ‘milkshake and hamburger’ reduction, but when you put the five tax cuts together then you see the real picture. Back in 1999 taxpayers earning $30,000 a year paid $6,222 in income tax, but from 1 July they will only pay $2,850—a reduction of 54 per cent. That is very significant to families. A 54 per cent tax cut is very effective.

The government is also serious about investing in our national road and rail network under AusLink 2, which will sink $22.3 billion over five years from 2009-10 into key transport infrastructure. A significant part of that, around $3.2 billion over the five years from 2009-10, will go towards the local roads grant program, including $1.8 billion to the Roads to Recovery project, which I might add is one of the most popular with local government, and another $300 million will go to the strategic regional program.

My electorate has already seen the benefits of the coalition’s focus on better roads. In recent weeks I have had the pleasure of announcing three significant projects in Gladstone and Hervey Bay. The first was $12.75 million from the Commonwealth and it is going into the first stage of the Kirkwood Road project in Gladstone. This is a crucial development for Gladstone and also for the Calliope area. Because of it we will be able to funnel industrial and work commuter traffic away from the Gladstone CBD via a south-western bypass to the port and industrial areas of the city.

The second project, which will do a lot to improve local driver safety, is a $900,000 allocation towards the upgrading of the Benaraby regional landfill intersection. This is a very important project because the Calliope Shire Council will be able to provide safer access to the Benaraby regional waste management facility, something everyone has to go to every couple
of weeks, I imagine, and also to the Benaraby raceway, which is in the same area and a very important recreational facility. The Calliope project was the first priority for the council, and The Nationals candidate for Flynn, Glenn Churchill, has also strongly backed my efforts to get this funding commitment, which proves he has a real vision for the region, its industry and its families.

The third project was $1 million allocated to complete stage 3 of the Old Toogoom Road in Hervey Bay. This comes on top of previous grants, one of them also $1 million for that road. This is a key project for the area, given the increasing popularity of Hervey Bay. You have to recognise that 30 years ago this was a town of 7,000 or 8,000 people; it now has 55,000 people. That is a huge increase, and so it is important to families, retirees and tourists. The project will see 1.1 kilometres of Old Toogoom Road realigned, which will improve flood immunity as well as the safety of crossings and approaches. All in all, the extra funding for my local roads will make driving a lot safer for local residents, businesspeople and, as I said before, tourists. I should also add that the government has reconfirmed its commitment to the $2 million Bundaberg Port ring road, with $1 million coming from the Commonwealth.

I also applaud the continuation of the Investing in Our Schools program with a further $195.9 million allocated to help schools complete projects identified as priorities. Schools in Hinkler which can demonstrate improvements in literacy and numeracy results are now in line for $50,000 bonuses under the new Rewarding Schools for Improving Literacy and Numeracy Outcomes program. That funding runs to $53 million over five years and will reward those schools that are working hard to improve the fundamental learning outcomes of their students. For those children who have not achieved minimum standards in literacy and numeracy the government is providing $457 million for the national literacy and numeracy voucher program. The most interesting part of this announcement is the $700 vouchers which will be available to parents of students who do not reach current literacy and numeracy benchmarks in years 3, 5 and 7.

The government is investing not only in young people but also in older teenagers, especially in the area of apprenticeships. Our first- and second-year apprentices under 30 years of age will receive a tax-free $1,000 wage top-up from 1 July in recognition of the difficulty of entering the workforce for the first time. The payments will be made for each of two years of eligible full-time Australian Apprenticeships and will be paid in six-monthly instalments. All apprentices, regardless of their age, will also be eligible from 1 July for an annual payment of $500 to help out with their TAFE and other training fees.

Funding for environmental matters has also increased, with a total of $4.3 billion allocated to tackling pressing issues of climate change, water security and natural resource management. Perhaps the most tangible initiatives at the grassroots level are the doubling of the rebate for solar panels on homes, from a maximum of $4,000 to $8,000, and a new competitive grants scheme for schools and communities to install solar panels on their buildings.

I have a particular interest in an environmental project that is being conducted by the Burnett Mary Regional Group for Natural Resource Management—with the help of $3.2 million from the Commonwealth, I might add. The group is using the funding from the government’s National Action Plan for Salinity and Water Quality and the Natural Heritage Trust programs to study fish movements and shorebird roosts and breeding sites in the Burnett-Mary catchment area. The group will be locating and mapping significant shorebird roosts and breeding
sites north of Point Vernon near Hervey Bay, on Fraser Island and stretching north to Tannum Sands near Gladstone. It will look at migratory and resident shorebirds listed under the Environmental Protection and Biodiversity Conservation Act, including the grey plover, the whimbrel, the common crested and little terns, the bar-tailed godwit and the red-necked stint. These birds might not sound very important but many of them are Northern Hemisphere birds that come to roost in Australia. If you do not get it right at one end you are not going to have the birds at either end, so this is a very important program.

The Burnett Mary Regional Group for Natural Resource Management is also looking at ways to offset the impact of barriers to fish movements within the catchment area. This might not sound like groundbreaking stuff, but they are crucial studies, given the state Labor government’s refusal to reconsider an alternative to the Traveston Crossing dam. This is an abomination, this dam. How the Labor government could lend its hand to this staggers me, given what it has done to oppose such schemes over the years. The dam is shallow. It is set on 18 metres of gravel and sand. It will require massive foundations. It is very wide at its mouth. Six hundred properties will have to be resumed—six hundred properties would fund two medium sized dams—and, on top of that, you have the cost of transporting that water by pipes to Brisbane. It is an absolute abomination, and the state government should be ashamed of itself.

In the health sphere, I will be fighting to secure one of three new Medicare-eligible MRI machines, which were announced in the budget—a project I have already prioritised for the Wide Bay region and will pursue doggedly. People with chronic conditions and complex healthcare needs will be looked after with $377 million to improve access to dental treatment in the private system. Eligible patients will be able to claim Medicare benefits for diagnostic dental consultations as well as Medicare benefits for a range of dental treatment services, up to a maximum of $2,000 in any calendar year. Some great news for elderly residents and families, especially families with young children, is the increase in the Medicare Benefits Schedule rebate for after hours GP services from November 2008. The current rebate, ranging from $33.75 to $54.55, will be increased to $83.50 for urgent home visits. This builds on the government’s Round the Clock Medicare program, introduced in the 2005-06 budget, which vastly improved access to after hours GP services.

I would like to use the next part of my speech to talk to the Main Committee, and indeed the parliament, about the current and dangerous way in which the Beattie government is moving, and it builds on what happened under the Goss government. I am not trying to be overtly political in this. I passionately believe that we are now becoming part of a highly centralised form of government. If we look back to the Goss years, we see electricity boards that were regional in nature being combined in the name of competition. We certainly have not seen competition that has caused the price of electricity to drop; we have seen two major boards running the whole of the state.

We had a very good ambulance system in Queensland, called the QATB, and it was run by a modest government contribution and by private subscription. The government took this over with a flurry and started charging everyone $88 a year on their electricity bills—and of course it has gone up since then because it is indexed. It has not provided a better service. We have many ambulance centres now having to call in volunteers to help run the centres. We have ambulance officers and paramedics out on stress leave and, from time to time, we hear about the state government injecting a bit of money here and there to try to pick up the pace. From
talking to my state colleagues, I do not believe that the funding being collected by the state government is actually being totally expended on the ambulance service. So what have we seen happen? We have seen a decentralised form of ambulance care become what is now a highly centralised form, and it is being run from Brisbane—and not all that successfully. This is not a reflection on any of the officers who work for this organisation, for whom I have immense respect, but the organisational structure and the way that the system is run is an abomination.

We have had port authorities amalgamated. The Rockhampton Port Authority was merged with the Gladstone Port Authority and it became the Central Queensland Ports Authority. Then the Bundaberg Port Authority was merged with the Port of Brisbane Authority, so that we now have Bundaberg subsumed into the Brisbane authority. Then we had health councils, which were supposed to replace hospital boards but were a very feeble attempt, I might add. These health councils are now being amalgamated with the North Burnett Health Community Council being merged with Bundaberg.

On and on this goes—a culture of centralisation of government in Brisbane and less and less control by people in regional and country areas. But it has reached its high point of stupidity with this current round of forced amalgamations. The councils throughout Queensland have been undertaking a SSS program looking at their size and sustainability, and working very hard in groups of councils to see how they could share facilities and whether there were cases in some areas for amalgamations that would receive support from local communities under a proper plebiscite or perhaps some form of vote in each area of the council so that everyone had a say in what happened.

This has not happened. The state government have decided to take over the whole process and cancel the SSS process that was already going on and to which they had allocated—although not spent, I might add—$25 million. They have formed a commission and it has been set an extraordinarily tight time frame in which to recommend on the combination of various councils in the state into larger local government units.

I have no problems with amalgamations where you go through an ordered process. For example, you might have a plebiscite first in which you give people a number of alternatives to vote on. On the basis of that and perhaps submissions from councils you then put up some new boundaries and correct anomalies in existing boundaries. Then you have public consultation and involve people in communities. Then, perhaps, at the end of that process—and this has always been the case in Queensland and it is the case, really, throughout all of the states in the Commonwealth—you have a referendum. But that will not happen. There is no referendum. It is just going to be: ‘Wham, bam, thank you, Ma’am. This is what you are going to do. You are going to be in councils of three or four or five or whatever the case might be and you had better learn to live with it.’ That is just not acceptable.

I have been out in my electorate and I have never seen more anger in country areas. In fact, I would equate it—even though it was directed towards our government at the time—with the gun laws. In some areas it is almost on a par with the rise of One Nation. It is a vehement grassroots reaction to people having their basic unit of democracy—the local council—being taken away from them. Local councils are the glue, if you like, or the mortar that holds small country communities together. If you take that away, your machinery pool goes and your working people go. Because the council workers have gone, the school goes from four teach-
ers down to three or three to two; the police station goes down by one constable; where there are three restaurants in the town, you end up with one closing and you are left with two—and so it goes on and on until you get quite a distinct downward spiral.

I marched at Gayndah with 400 people—I see some of the members smiling, but I did march; I am not frightened to go to the front of a march for a thing like that. It was interesting too to see people wearing red shirts. It just showed the vehemence of it all. There were 400 there. I went to a public meeting in Childers—there were another 400 there. There were 250 at Biggenden and 120 at Gin Gin. The bush is alight with this and the state ALP government will persist with this at their peril.

Ms VAMVAKINOU (Calwell) (6.08 pm)—Australia is a country built on opportunity, and as elected members of parliament we have a responsibility to uphold that tradition and make sure that it means opportunity for all Australians. With opportunity comes a sense of hope and optimism about the future that all Australians deserve to feel. People living in my electorate of Calwell are hardworking. At a time when the world and in particular this country are experiencing strong economic growth, they expect to be able to afford the basic cost of living. Parents expect quality child care and education for their children. Senior citizens expect security in retirement. Working Australians expect their basic rights and conditions at work to be protected. Young Australians deserve to be given the opportunity to build a bright future for themselves and for this country. When we make policy in this place, therefore, these expectations should be at the forefront of our minds.

Many Australians also want to see honesty and integrity return to political life. Most Australians want a government that is in touch with modern Australia, not a government that is always looking backwards and playing on the politics of fear—one that looks tired, increasingly out of touch and fresh out of new ideas. Opportunity, honesty in political life and policies that give Australians reason to be optimistic about the future—these are the foundations on which the 2007 budget should have been built.

The budget provided the Howard government with an ideal opportunity to outline a vision for Australia’s future and to match that vision with concrete policies designed to lock in Australia’s long-term economic prosperity. It also provided the government with an opportunity to make significant long-term investments in services like aged care, child care, education and health care, which play a crucial role in supporting the quality of life Australians deserve. But on both counts the 2007 budget failed the Australian people. It failed to outline a vision for Australia’s future and in a fast and changing world it failed to develop the long-term policies we need to prepare Australia for the challenges that lie ahead, especially when it comes to lifting Australia’s flagging productivity growth, taking advantage of future technologies and addressing the economic challenges of climate change.

The 2007 budget failed to provide any real or sustainable long-term relief for countless Australians who are struggling to keep their heads above water as the basic cost of living continues to soar. The greatest contradiction today is that at a time when we are supposedly more prosperous as a nation, more and more Australians are finding it harder to make ends meet. Everything has become far more expensive. Petrol prices have risen by over 40 per cent in the last six years, biting into household budgets in a way that is unsustainable for working Australians. The price of basic groceries has shot up. Child care, health care and dental care are all less affordable now than they ever were. Aged-care beds are in short supply. Personal debt
levels are at record highs. Job security is disappearing as the Australian workforce undergoes
casualisation and as Work Choices takes effect. First home buyers are spending on an average
more than 30 per cent of their disposable income on mortgage repayments. House reposses-
sions have trebled in Victoria over the last six years. And the list goes on.

In short, the cost of living today has far outstripped the growth in household disposable in-
come, and this has happened under the Howard government’s watch. A growing number of
Australian households have barely enough at the end of the month to pay the bills, to finance
the mortgage or to cover the expenses associated with raising a family. There are many more
Australians, especially retirees, those on a minimum wage and those who are struggling to
find full-time work, who simply cannot afford the high cost of living and simply cannot keep
their heads above water, no matter how hard they try. They feel forgotten and they feel left
behind.

But instead of investing in basic services and in public infrastructure to help offset today’s
rising cost of living, the Howard government produced an election year budget full of election
sweeteners and one-off payments that, whilst welcome, are all about trying to protect the
Prime Minister’s own political future in the short term rather than protecting Australia’s na-
tional interests in the long term. The Prime Minister wants us to trust him, but this budget
shows that John Howard is still very much up to the same old tricks. In the time that is allo-
cated to me today, I want to look in particular at the areas of child care, dental health, aged
care and education and assess what impact the budget will have in these areas for residents
living in my electorate of Calwell.

In terms of child care, the 2007 budget provides additional funding to the childcare benefit
subsidy, the childcare inclusion support subsidy, JET childcare fee assistance, Indigenous
childcare services and child care in regional and remote Australia. The big ticket item in the
2007 budget is a 13 per cent increase in the maximum hourly rate paid under the childcare
benefit subsidy. For a family with one child in long day care for 40 hours a week that is on the
maximum rate of childcare benefit assistance, this means an extra 41c an hour. Compare this
extra 41c an hour in childcare assistance with what has happened to the cost of child care
since John Howard became Prime Minister. In the last 10 years the cost of child care has shot
up by around 126 per cent in my city of Melbourne. Each year the cost of child care increases
nationally by an average of over 12 per cent. A one-off 13 per cent rise to the childcare benefit
subsidy barely covers one of these yearly increases. According to the Australian Bureau of
Statistics, childcare costs under the Howard government have increased by a massive 82.5 per
cent since December 2001 alone. To put this in perspective, this is double the increase we
have experienced in petrol prices, which rose by 41.4 per cent over the same period, and
nearly six times above the consumer price index average of 14.8 per cent since 2001. Today
parents in my electorate of Calwell pay an average of over $240 a week on child care, with
many parents having to pay a lot more. Of course, the net result of all this is that childcare
affordability has plummeted by over 50 per cent since 2001, with many families being priced
out of the childcare market altogether.

To make matters worse for working parents, there are nowhere near enough childcare
places available. Four out of the nine Melbourne suburbs hardest hit by severe childcare
shortages are located in my electorate of Calwell, with childcare waiting lists at some centres
in these suburbs over two years long. Yet the Howard government continues to deny that there
is a childcare crisis in Australia and refuses to solve a problem that it has created and which is now systemic. What working parents living in Calwell want is quality childcare services for their children. They want childcare centres to be close to where they live so that they do not have to drive long distances before work in early morning traffic, and they want child care to be affordable.

Labor has a plan to help working families with the cost of child care and to boost childcare place numbers. At a cost of $200 million, Labor will build 260 new childcare centres in areas of need like my electorate of Calwell. Where possible, these centres will be built on primary school sites, to make life easier for parents when dropping off their kids at school in the morning and when picking them up after school. By working with local government, Labor will also develop a single waiting list for childcare places in local childcare centres, to save parents the hassle of having to register their child’s name at multiple childcare centres. And, under Labor’s Early Childhood Education Plan, all four-year-olds in Australia will receive 15 hours of preschool early learning each week for a minimum of 40 weeks per year, supervised by a qualified teacher, at no extra cost to parents. Costing $450 million, this will include funding an extra 1,500 new university places in early childhood education, scrapping TAFE fees for childcare trainees and halving HECS repayments for early childhood graduates working in areas of need such as my electorate of Calwell.

In the area of dental health, one of the very first things that John Howard did when he became Prime Minister back in 1996 was to scrap the $100 million Commonwealth dental health program, ripping $100 million a year from public dental services in Australia. Since then, the Howard government has presided over the virtual collapse of Australia’s public dental health system to the point where it is now in a state of terminal crisis. Despite the fact that state governments’ spending on dental care has increased since 1996, all that the Howard government has done over the last 11 years is to play the blame game, pointing the finger of responsibility at state governments rather than accepting responsibility and fixing the problem.

There are now over 650,000 Australians on public dental waiting lists across the country. In my electorate of Calwell, waiting lists for public dental care have blown out to over 30 months. Nationwide, up to one in 10 visits to a GP are now related to dental problems, and more than one in five Australians are going without recommended dental treatment because it is just too expensive. Dental conditions account for a quarter of all hospitalisations for children, and around 50,000 Australians are now hospitalised each year for preventable dental conditions. The simple fact is that very few people can afford to pay for regular dental check-ups or expensive dental work, and they have absolutely no hope of accessing subsidised public dental care services in a timely fashion.

Again, the budget for 2007 does nothing to change this situation. The budget does provide an additional $378 million to expand Medicare benefits for dental services. But only patients with a chronic disease that is made worse by their dental condition are eligible for these benefits. The Howard government first introduced dental care benefits for patients with a chronic disease back in 2004. What makes this decision to commit an extra $378 million to this program all the more peculiar is that just over 5,500 people have benefited from it over the last three years, at a cost of only $1.6 million. The Howard government is effectively pouring an extra $378 million into a $1.6 million dental program that will only help a very limited number of people. In contrast, Labor will re-establish a Commonwealth dental program to channel

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Commonwealth funds back into providing Australians with affordable and accessible public dental care services.

In the area of aged care, severe shortages in qualified nursing and aged care staff, coupled with ongoing aged-care bed shortages, are two of the biggest problems facing aged care today. It follows that these are the two areas that the government should be prioritising. But nowhere in the budget is there any attempt to introduce recruitment and retention measures to address current staff shortages in aged-care facilities across Australia. And there is no attempt to re-examine the Howard government’s failing bed allocation system that has seen the government turn a surplus of 800 aged-care beds in 1996 into a 2,735 shortfall in aged-care beds in December 2006.

In a budget with a $10.6 billion surplus, Australian pensioners get a one-off payment of $500, which roughly equals the same amount they receive each fortnight. Whilst welcome, the reality is that an extra $500 is a two-week reprieve that will not help pay the rent and bills in the months and years ahead.

It is the same story for Australia’s 2.6 million carers. Carers worry most about what will happen to their loved ones when they are no longer able to care for them. They worry about finding suitable accommodation for those in their care, and about how they are going to meet the long-term expenses associated with caring for an individual with special needs. The budget provides a one-off payment of $1,000 for recipients of the carer payment and a one-off payment of $600 for recipients of the carer allowance for each eligible person in their care. But this hardly compensates for the $107 million over three years that the Howard government recently took away from carers by reducing the backdating of the carer’s allowance to only 12 weeks. In both areas, Labor will develop long-term policies designed to sustain and support the invaluable work that Australian carers do and to protect and strengthen aged care in Australia.

On the issue of education, a substantial part of the budget centres on a last-minute bid by the Howard government to reclaim some of the ground it has lost to the Labor opposition in the area of education. The budget includes a proposal to establish a Higher Education Endowment Fund, a $5 billion investment that will provide $300 million per year income stream to be distributed across 38 eligible universities. Each eligible university will receive up to $10 million a year. To put this in perspective, the department of education’s assessment of the cost of deferred capital works for the university sector is $1.5 billion. Australia’s education system has therefore been one of the biggest losers under the Howard government.

Whilst education spending has increased on average by 48 per cent amongst developed OECD countries over the last decade, in Australia it has actually fallen by seven per cent since John Howard became Prime Minister. Similarly, whereas higher education spending per student has gone up on average by six per cent among OECD countries, in Australia it has fallen by six per cent. And under John Howard’s watch, Australia has tumbled to last place among OECD countries when it comes to investing in early childhood education. Even after factoring in the education announcements made in the 2007 budget, recurrent funding to universities will still only make up 0.6 per cent of our GDP. In 1996, Commonwealth recurrent funding for Australian universities stood at 0.9 per cent of GDP. With university HECS fees continually rising, students living in my electorate of Calwell now owe a stagger-
ing $59 million in HECS debt. And, in this year alone, 20,000 Victorian students missed out on a university place during the first round offers.

These statistics speak for themselves. They highlight a decade of chronic underfunding and neglect by the Howard government. In announcing Labor’s education revolution, it is opposition leader Kevin Rudd who put education back on the national agenda and at the front and centre of public debate, not John Howard. I cannot stress that point any more—it was not John Howard; it was Kevin Rudd.

In the area of preschool education, Labor has announced its $450 million early childhood education plan, which I have already touched upon. In the transition from preschool to primary school Labor has announced a health and early skills assessment test which will help identify any early learning difficulties children may have. Labor will also set up a national curriculum board to develop a rigorous, consistent and quality curriculum for all Australian students from kindergarten to year 12. Labor will also invest $62.5 million in a pilot program to fund the construction of shared facilities between government and non-government schools. Labor will also invest a further $111 million to encourage more Australian students to study maths and science at university by halving university HECS fees for maths and science students and by further halving HECS repayments for graduates who teach or work in maths or science areas.

To help Australia’s skills crisis, Labor’s $2.5 billion trades training centres in schools plan will see new trades centres built in every secondary school in Australia, helping Australian students to find the skills that best suit them and providing them with real career paths in trade and apprenticeships. When it comes to Australia’s education system you need to think in the long term and not put forward piecemeal policies wrapped in a mother-of-pearl coating. You need reforms across all levels of education—from preschool learning through to education.

In the area of productivity, expanding our productive capacities as a nation and lifting Australia’s national productivity growth is the best way to secure Australia’s long-term economic prosperity after the resources boom is over. In the mid-1990s Australia’s productivity growth averaged 3.2 per cent. At the turn of the decade it had fallen to 2.2 per cent. Just last month the Howard government downgraded its 10-year forecast for productivity growth to just 1.5 per cent. Labor believes that one of the best ways to lift Australia’s flagging productivity is to invest in people—in our children’s education and in skilling up tomorrow’s workforce. Labor’s education revolution provides a blueprint for this investment.

We also need to invest in new technologies like broadband to bring Australia into the 21st century. Labor’s new national broadband network will connect 98 per cent of Australians to high-speed broadband internet services at a speed more than 40 times faster than most current speeds. This will mean that business, education and household services on the internet will all happen in real time.

Finally, Labor understands that we need to act now to tackle the threat of climate change in a way that is economically responsible. In this area Labor has announced that, when in government, it will ratify the Kyoto protocol, cut Australia’s greenhouse gas emissions by 60 per cent on 2000 levels by 2050, set up a national emissions trading scheme, establish a $500 million national clean coal fund and establish a $500 million green car innovation fund designed to generate $2 billion to secure jobs in the automotive industry and tackle climate change by manufacturing low-emission vehicles in Australia.
Labor will also provide $50 million to establish an Australian solar institute and a further $50 million to assist companies seeking to develop geothermal energy. Labor will also substantially increase the mandatory renewable energy target. Labor will set a target of making half of all Commonwealth cars in its fleet environmentally friendly by 2020 and establish an office of climate change within the Department of the Prime Minister and Cabinet.

Labor has a vision for Australia’s future and it will continue to put forward strong policies designed to lock in Australia’s long-term economic prosperity. On behalf of my constituents in the seat of Calwell I would like to convey to this chamber their disappointment that the 2007 budget failed to address the issues and areas of greatest concern that are most pertinent to their lives and those of their families.

Mr PRICE (Chifley) (6.28 pm)—It is a pleasure to follow the honourable member for Calwell’s contribution on the appropriations. Labor welcomes the tax cuts and the one-off payments, because many families and carers are under financial pressure. This is a clever election year budget and it fails the future test. This budget does little to build Australia’s future productivity. Instead, it relies on the continuation of the mining boom for future economic prosperity. It fails to address long-term challenges for Australia’s future, including the urgent need to revive Australia’s flagging productivity, investment in an education revolution, delivering a national high-speed broadband network and decisive action to deal with the economic costs of climate change and the national water crisis.

I was in Blacktown last week celebrating the third year of operation there of ADRA, the Adventist Development and Relief Agency. They had come to see me before it was set up and now we were celebrating its three years of service to the Blacktown community. I would like to particularly congratulate David Haupt, who is the manager there. I would also like to mention John Eastwood, a lovely member of the congregation, who I feel is my personal ambassador. He certainly makes me most welcome whenever I am at an Adventist function. I thank John for his kindness.

ADRA asked me to talk about social change in Blacktown and it made me think quite a bit. Mr Deputy Speaker, you may recall that in the 80s and 90s there was a lot of shedding of unskilled jobs in the economy. Nothing exemplified this more than service stations, which went from having people to fill your car up with petrol to having self service. I cannot think of a service station in my electorate that is not completely self service.

What has typified the most recent changes in Blacktown—although I suspect the honourable member for Fowler will agree that it is wider than Blacktown and includes Western Sydney—is the growth in the number of pawn shops that have been established. There is also the completely new phenomenon of these shops where you can get a cash advance on your salary. They are something that is completely new. We did not have them in the past but now they are dotted throughout my electorate in every shopping centre. They symbolise some of the changes that have occurred in our society.

But there is also so-called easy credit. There has been a change in the role of banks from being marshalls of finance. You used to know your bank manager and you would establish a good savings record with the bank or credit union before you would get a loan. These days, teenagers get credit cards through the mail and sometimes these are uninvited. Such is the social revolution that is occurring. Why is all this important? I think it is true to say that the people of Western Sydney—particularly families—are under enormous financial pressure.
Before moving on from the subject of ADRA I would like to mention Michelle, who is one of their clients. What a heroine she is. Unfortunately, DOCS and other related organisations took her baby away from her on the basis that she was diagnosed with borderline personality disorder. ADRA were her last port of call and with their help she was able to recover her baby. They are both doing extraordinarily well. I thank Michelle for sharing her story with us. The most chilling thing that Michelle said was that there are many other women out there who are being similarly diagnosed with this so-called borderline personality disorder and are having their children taken away from them. There are going to be circumstances where, in the interests of the child, it is important that that happen. But the story that Michelle told is of young mothers who are frustrated and angry with the system. For no more than being diagnosed as having borderline personality disorder they are having their children taken from them. It is something we need to keep our eye on. Perhaps it will not be until the next parliament, but I know that the honourable member for Fowler, who is the Deputy Chair of the Standing Committee on Family and Human Services, will take an interest in this matter so that Michelle’s voice will be heard.

We are under enormous pressure. You only have to see the repossessions and bankruptcies. House repossessions are soaring. In 2006 there were more than 5,000 repossessions in New South Wales alone. Some of them occur because of relationship and marriage break-up—I am happy to admit that—but that is a staggering figure. Repossession orders in New South Wales are now higher under John Howard than they were under Paul Keating in 1998 when interest rates were 17 per cent. We are constantly reminded in the House about interest rates of 17 per cent. Well, mortgage repossessions in New South Wales are now higher under John Howard than they were under Paul Keating.

The Chief Executive of Insolvency Trustee Service Australia, Mr Terry Gallagher, told Senate estimates that bankruptcies grew by 12.5 per cent in nine months to March 2007. Debt agreements, which are binding arrangements between people who cannot pay their debts, have jumped by a massive 32 per cent in nine months to March 2007. Across all forms of personal insolvency total activities increased by 15 per cent, up from seven per cent last year. I repeat that figure: it has increased by 15 per cent, up from seven per cent last year—that is, more than double. Ten or 15 years ago bankruptcy numbers were 13,000 a year, but now they are 30,000 a year—13,000 a year 10 years ago; 30,000 now, which is nearly a tripling. That is what he told the Senate estimates committee on 21 May. What does the Prime Minister say? The people of Australia have never had it so good. In 1990 interest rates were 17 per cent but they were 22 per cent in 1982 when John Howard was Treasurer.

Mrs Irwin—he doesn’t like to be reminded of that.

Mr Price—that is right. Under Howard, Australians are now spending more than ever paying off the interest on their mortgages: 9.1 per cent of their income. This measure has increased by 76 per cent. Interest rates started rising in May 2002 and are 53 per cent more than the peak in September 1989 under Keating. Eight back-to-back interest rate rises have added around $140,000 to the mortgage interest repayments on the average median priced home. This translates to an extra $470 per month. Since coming to power the Howard government has presided over an almost three-fold increase in personal household debt. The total personal debt in Australia has increased from $45.9 billion in January 1996 to a staggering $133.1 billion in November 2006. Insolvency Trustee Service Australia reported that the December
2006 quarter saw a blow-out in bankruptcy numbers in all states except Western Australia. This includes a 30 per cent increase on the corresponding 2005-06 period in New South Wales and an almost 28 per cent increase in Victoria. And what did the Prime Minister do at the last election? He promised to keep interest rates low. I regret to say that there is speculation in the financial press that there is another interest rate rise on the way this year. It is crippling people and families in Western Sydney. They do not believe they have had it so good; they are struggling. But the Prime Minister just does not understand.

In question time today, the acting leader asked the Prime Minister a question about petrol. This was the question: ‘I refer the Prime Minister to his Treasurer’s statement on 11 December 1996 that the government would abandon petrol price surveillance because it would reduce regulation, promote competition and put downward pressure on petrol prices to the benefit of consumers. Can the Prime Minister confirm that the government abandoned price surveillance of petrol on 1 August 1988? Prime Minister, after 11 years, when will the Treasurer’s downward pressure on petrol prices kick in?’

Of course, the question was not answered, and that is not anything new in relation to question time. But that is the point. It has been the Labor members in the House who have been raising the point about price gouging at the petrol pump. We have always argued that the Treasurer should write to the ACCC demanding a closer monitoring of petrol prices and getting behind the retail price of petrol. No-one denies, as petrol is heading for $1.50 per litre, that price gouging exists. Even the Prime Minister and Treasurer now acknowledge, after denying it year on year, that the petrol companies price gouge. They are price gouging.

Under Labor, Kevin Rudd is going to have a petrol cop. We are going to have a petrol prices commissioner, who is going to ensure that petrol gauging does not occur. The honourable member for Fowler, like me, knows what a great boon this is in Western Sydney. Unfortunately, we are very car dependent in Western Sydney. Our transport has been improving, but it has not lessened our dependence on the motor car. So for families in Western Sydney—it does not matter whether they are in Lindsay or McArthur or Fowler or Chifley or Macquarie or Parramatta; it does not matter where they are located—petrol prices hurt. And what does the Prime Minister say? Families have never had it so good. They have never had it so good. I say that families in Western Sydney are struggling. They do not believe that they have had it so good. They want to see some relief. They want some of the pressure taken off them.

You do not take pressure off families in Western Sydney when you have the Prime Minister of the day wanting to spend more than half a million dollars to provide two extra chairs at his private dining room in Parliament House.

Mrs Irwin—Taxpayers’ money wasted again.

Mr Price—Taxpayers’ money. Those extra chairs work out at a quarter of a million dollars each. They must surely be the most expensive chairs in the land and it is no wonder that, once news got out of this proposed extension to accommodate two chairs, those plans were pulled. My point is: why did those plans ever exist in the first place? It is just another example of a tired and very arrogant government who is out of touch with Western Sydney families. There is a litany of money being wasted: $125,000 to relocate a staircase at Kirribilli House; $101,272 to renovate the Lodge dining room; $35,000 to renovate the bathrooms at Kirribilli House; $29,000 for wardrobe construction at Kirribilli House—some wardrobes, some clothes—$64,433 for a new back staircase at Kirribilli House; $82,000 for a 20-seat table and...
chairs at Kirribilli House. These were not especially provided for the Liberal fundraising function that we have heard about today; these were part of the permanent fixtures at Kirribilli House. There is $25,645 to renovate the Prime Minister’s Sydney office; $19,400 for four single-seat Chesterfield lounges and six new chairs for the Canberra office; $16,613 to replace a dinner set at the Lodge. Mr Deputy Speaker, I have not listed every expenditure—far from it—but you can understand, I am sure, that my constituents do not relate to this indulgence. They do not relate to expenditure on such a grand scale. I make the point: this is all their money. It is all taxpayers’ money that is funding these renovations.

But if anything symbolised just how out of touch the Prime Minister has become—why he is no longer able to relate to the so-called Howard battlers—it is this proposed extension of the Parliament House dining room in the Prime Minister’s suite at a cost of $540,000. And I might point out that $65,000 of that has already been spent. There are other things that I could speak on tonight but I notice that the honourable member for Kennedy is in the chamber and I am happy to yield to him.

Mr KATTER (Kennedy) (6.45 pm)—Every single cent from the public purse of course could be accounted for by the opposition leader’s wife, who seems to have made huge amounts of money, which I cannot relate to and my electorate cannot relate to. But I want to make the point that we do not blame people for their wives’ activities and I most certainly would not blame the opposition leader nor hold him accountable on that score.

The Treasurer has said that we have never had it so good in Australia. He has said that he has a balanced budget and there is terrific growth in the economy. I wish I could agree with these three premises. A document was produced in 2003 called Electoral rankings: census 2001. I do not know whether these figures have been upgraded since but I do not doubt for one moment that there would be no change. I note that the honourable member for Grey is here. Of the 40 electorates that are poorest, every single one of them is a country electorate—every one of the 40 with two exceptions. So if you are looking for the poorest people of Australia, start looking in the bush.

Let me put a figure on that. The average income in the country seats—this is a 2001 figure, I emphasise—was $37,232. The average income in the in-between seats was $50,024, nearly 50 per cent more. And the rich seats, the top 30 seats, are all of course in the inner city. They are all the rich people and their average income was $75,868, which is more than double that of the 40 seats of rural Australia. So the rich 30 seats get more than double the income of the poor 40. When you consider that this is a median family income, and that country people tend to have more children than rich city people, that figure is infinitely worse.

When you say that Australians have never had it so good, I look at rural Australia, where our sheep numbers are down 50 per cent, our cattle numbers are down about 22 to 23 per cent, our milk production is off 12 per cent—I do not understand that, really—and our butter and cheese production is down over 20 per cent. I do not know anything about the wheat industry, so I will not speak about it, but we are simply closing our sugar industry down. We are closing a sugar mill every year and we have only got about 26 mills left. Brazil is opening 25 mills this year. You say we have never had it so good; it may well be that in rural Australia we have never had it so bad. Almost every single country town in Queensland has lost population and has continued to lose population for the last 25 years. My own family have owned stores in country towns in Queensland. Every year we have watched our stores go backwards. Whereas
the rich people in the big cities have watched all of their businesses grow, we have not. Our populations have dwindled and so all of our richness of lifestyle—which we thought was very rich, anyway—has diminished very greatly.

That is the first thing: we have never had it so good. Let me move on to the second thing. The Treasurer constantly reiterates that he has balanced the budget. This is a very interesting principle. If you control your revenue, you can set the revenue at whatever figure you like. If you choose to set it 300 per cent higher than the last government did, you should be able to balance your budget. If you have increased the tax revenue from $105,000 million to $282,000 million in the space of 12 years, for that is the increase, you should be able to balance your budget.

The honourable member for Eden-Monaro is shaking his head. I want it put down in Hansard that he is shaking his head. Are those figures wrong, are they? Are the budget figures the Treasurer has produced lies, are they? The figure is $282,000 million. If you add in the revenue from the GST, you come up with a figure of $282,000 million. The tax has increased from $105,000 million under the so-called socialists—and heaven only knows they were disgraceful spendthrifts. You could hardly hold your head up high, Mr Deputy Speaker. The government could hardly be proud of their record in spending money because they have an excellent record of spending money. If they say they balance the budget, surely there is some responsibility on the Treasurer’s shoulders to balance the budget of the country. The Treasurer should not go out and skite about how the government have balanced the budget, when the country he is supposed to be the Treasurer of has one of the most unbalanced budgets on the entire planet.

What would I know about economics? I am just a boy from Cloncurry whose daddy owned a clothing store. I would not know anything about economics. But the former Treasurer of Australia and the former Prime Minister of Australia, Mr Paul Keating, said that when the current account hit $13,000 million—actually $12,597,000 million—the country was in danger of becoming a banana republic. And I saw him in ‘Labor in Power’ and he said: ‘I do not resile from that statement. This country needed a jar and it was my duty to give it to them’. So he said it was disgraceful and we were about to become a banana republic. The then Leader of the Opposition, Mr Howard, in 1995 on a Perth radio station, reminded Mr Keating of his remarks about the banana republic because the current account then was at $26,000 million. He said: ‘If we were a banana republic when it was $13,000 million, what is it now that we are $26,000 million? Tell us, Mr Keating.’ Remember that Mr Howard has also been Treasurer. So here is the second person who was Treasurer and became Prime Minister. The first one said, ‘Banana republic’, and the second one said on Perth radio in 1995: ‘This is the overwhelming problem. The problem above all else is the continuing, worsening deficit on the current account.’ This was not a poor, simple Cloncurry boy; this was the Prime Minister and former Treasurer of Australia, Mr Howard. And there is also the former Prime Minister and former Treasurer of Australia, Mr Keating, who said, ‘$13,000 million; banana republic.’ Mr Howard said, ‘At $26,000 million, it was the overwhelming problem above all else.’ Well, it is now $56,740,000 million. If we were a banana republic at $13,000 million, and it was an overwhelming problem at $26,000 million, I leave it to your imagination what should be said of a current account of $57,000 million.
I and about 3,000 or 4,000 other North Queenslanders are only alive after having heart attacks because we have special tablets that have to be imported from overseas. We simply would not be alive without them, and I am sure there are many people with other diseases who would not be alive if they could not buy tablets from overseas. And if you cannot sell something overseas then you cannot buy something from overseas. And if you are running in the red to the tune of near enough to $60,000 million a year then you had better take a pretty serious look at yourself and say, ‘What the hell is going on here?’

What is going on here is that we decided to free-trade. Excellent; laudable; I would be the first to praise the government for that decision. It was the Keating government’s decision. To some degree it was Mr Whitlam’s government’s decision, actually. Mr Whitlam decided in his great wisdom to take away 25 per cent of our tariffs. Mr Keating took most of what was left, and the current government took out what was finally left. So we are free trading now.

Anyone can go and get the OECD agricultural economic outlook. You can get it off the internet at any time of the day or night. You can go down to the library here and get it. The latest figures I have got here are for 2003—they are a bit slow in getting them out at the OECD—and they show that the average subsidy tariff level is 49 per cent for the OECD countries. For Australia and New Zealand it is virtually nil: six per cent to be exact. But that of course is accounted for mainly by the sugar levy and the dairy levy, both of which are now either phased out or being phased out. So I suppose we are at about four per cent.

That explains why our rural sector is collapsing. We simply cannot survive giving our competitors a 45 per cent start. We are running a 100-metre race and giving a 30-metre start to our opponents. Heavens—I could beat Linford Christie over 100 metres if I was given that sort of start! I would most certainly back myself.

So that is the reason. The OECD does not produce figures for secondary industry, but I know that when the American steel industry was in trouble the United States government quite unashamedly imposed a 30 per cent subsidy on imported steel—bang, straight between the eyeballs. And the President mentioned—and he should be praised for doing so, and he did several times in his speech on the subject—the words ‘communities’ and ‘jobs for people’. So they are not going to stand aside. Rudy Giuliani, in the copy of Time magazine which had Al Gore on the cover, was reported as saying in his speech to the Republican executive conference: ‘The one thing that you have all left out on Clinton’—referring to Hillary Clinton—‘is that she is a free marketer, and this country cannot free-market.’ There speaks the Republican candidate for election in the United States. Maybe our leaders here know more than the Republicans know in the United States; maybe they know more than the Democrats in the United States—neither of whom are going to free-trade in secondary industry, and neither of whom are going to free-trade in primary industry.

There are other ways of helping your primary industries, as seen in the United States. I had never been overseas, but I decided to break my duck early this year and do a quick ethanol tour. I went to Minneapolis, and I filled up my petrol tank there for 70 cents a litre. We fill up, where I come from, for $1.30 a litre. And, in a lot of places, we are lucky if we fill up for $1.30. But the Americans, by giving their country ethanol, have lifted the grain prices from $2.50 a bushel last year to $4 this year.

This is one of the giant industries of the United States, and those proud people have stood by their farmers and rescued their farmers and made them prosperous. This year they will
build 40 ethanol plants in America—and all of the Americas are under ethanol. When I was on this tour Canada announced that they are mandating five per cent ethanol. The Americans—I do not want to go into the legislation—have already effectively mandated 10 per cent ethanol. Brazil—with 200 million people, an annual growth rate of 19 per cent and a GDP bigger than Australia’s—has 25 per cent minimum ethanol. China, hang your head in shame! In one fell swoop, this government, with a 10 per cent mandate—I see that the member for Eden-Monaro is again shaking his head.

Mr Nairn—I did not.

Mr KATTER—Do you agree with this?

The DEPUTY SPEAKER—Order! The member for Kennedy will address his remarks through the chair.

Mr KATTER—I am sorry, Mr Deputy Speaker; the member for Eden-Monaro was talking in the chamber whilst I was speaking. He was shaking his head and I thought he was shaking his head at me, as he did earlier on.

Mr Nairn interjecting—

The DEPUTY SPEAKER—The minister will have his chance in a moment.

Mr KATTER—It sure would be nice if he tuned in, because he represents a grain growing area.

Mr Cameron Thompson interjecting—

Mr KATTER—It is not all grain growing, but he has grain growing in his area. I can name names. It sure would be nice if you put your foot forward and tried to do something about ethanol. All of the Americas are under ethanol. Why is Australia not under ethanol? It is an interesting question. If all of the Americas—Brazil, the United States and Canada—have mandated ethanol, why has this country not mandated ethanol? Why are this country’s grain farmers falling through the floor? Why is this country closing down its giant sugar industry—one of the six giant industries in this country? Why don’t we help our farmers like other countries do?

Mr Cameron Thompson interjecting—

The DEPUTY SPEAKER—The member for Blair will cease interjecting.

Mr KATTER—Your minister said that, unless the states deregulate dairy, they will not get their $150,000 per farmer. So if you want to find out who was responsible for the deregulation of the dairy industry, which took over 30 per cent off the incomes of dairy farmers and delivered to the retail chains a 42 per cent increase in the price of milk, then I think you had better start looking in the mirror, hadn’t you? Look in the mirror, my friend, through you, Mr Deputy Speaker, and you will find your answer.

Mr Cameron Thompson interjecting—

Mr KATTER—You support them. You supported the decision.

Mr Cameron Thompson—What a crock!

Mr KATTER—You are in the government.
The DEPUTY SPEAKER—The member for Kennedy will direct his comments through the chair and will not be baited by the interjections. The member for Blair will cease interjecting.

Mr KATTER—The member for Blair has just torn into me over the issue of dairy deregulation, and I just pointed out that it was his government. I resigned from this government after the dairy decision—I had the decency to resign—because my policies are different from this government’s policies of deregulation. You are the free trader; you are the person responsible for these decisions.

Let me move on. The government speaks about GDP growth, and I know it is wrong because I know that the Australian economy has not grown. So what I did was get out the GDP figures. They are very interesting because the only areas of the economy that have grown above CPI are wholesale and retail sales—Woolworths and Coles. They have grown above 50 per cent. Finance and insurance—primarily the banks—have grown above 50 per cent. Property and business services, which includes accounting, which of course has had a huge revenue boost from the GST have grown above 50 per cent; and of course property—ownership of dwellings—has grown above 50 per cent. But it is only those five sections of the economy that have grown over 50 per cent. Really, they are facades of illusion. Extra profit for Woolworths and Coles is hardly an increase in GDP for Australia; an increase in income for the banks is hardly an increase in GDP.

Whilst I have great admiration for the Prime Minister himself, and whilst I think in many of these areas he has tried very hard for us, the simple fact of the matter is that there has been a massive increase in the budget and that massive increase has gone to health, which is a good thing, and social security and welfare. Health got a $31 billion increase and social security, welfare, got $75 billion. So the increases have come in those two areas—and it is mainly social security. If you look at the unemployment figures, which the Treasurer was skiting about today, they look great. But you get a bit disillusioned when you look at the increase in disability pensions, because if you add the increase in disability pensions to the unemployment figures you come up with a whopping great increase of about 50 per cent in the unemployment figures. But the government is still to be praised for lowering unemployment to some degree.

Finally, if you mandate ethanol and move up to the level we should be at, all of our cars should be running on ethanol. It is cheaper and cleaner than petrol; it takes 25 per cent of our CO₂ emissions out of the atmosphere. These figures are well researched and they are all scientific knowledge. We can develop the water resources of North Queensland and put in a customs duty to finance the building of 100 patrol boats to properly defend our country with guided missile capacity and interception capacity. If we do all of these things, we will have a secondary industry and a primary industry once again in this country. (Time expired)

Mr NAIRN (Eden-Monaro—Special Minister of State) (7.06 pm)—I am pleased to bring to a close the second reading debate on Appropriation Bill (No. 1) 2007-2008 and cognate bills. This budget continues the government’s record of sound fiscal and economic management. Since the government came to office it has run nine budget surpluses, compared with the five budget deficits in the last five years of the previous government. Net government debt is now below zero—that is, we are in a positive net asset position. The unemployment rate is at a 32-year low and inflation and interest rates are at historically low levels.
Since inheriting a deficit of two per cent of GDP—around $20 billion in today’s terms—the government has turned the budgetary situation around, with this budget estimating a cash surplus in 2007-08 of $10.6 billion. The economy has prospered under the government’s stewardship. Over the past decade Australia’s GDP per person has grown faster than the OECD average. The OECD noted last year that living standards in Australia have steadily improved since the beginning of the 1990s and now surpass all G7 countries except the United States. This is in stark contrast to the four decades prior to the 1990s when growth in GDP per person was usually below the OECD average rate of growth. The Australian economy is set to continue its impressive performance. GDP grew by 3.8 per cent in real terms through the year to the March quarter 2007, while inflation has remained contained. The outlook is for solid economic growth, low unemployment and moderate inflation. The unemployment rate is expected to remain near its historic low.

This budget contains a program of investment in education, skills training and transport infrastructure; income tax relief for people on low to moderate incomes, for the fourth year in a row; a doubling of the superannuation co-contribution to help secure retirement incomes; new funding for enhanced housing and education opportunities for Indigenous Australians; a range of initiatives to meet the challenge of climate change; measures to secure and defend our country; and a package of reforms to improve quality and choice in aged care. There is a substantial breadth of initiatives in this budget which will help strengthen the Australian economy and community for the future.

In his contribution to the debate the honourable member for Melbourne moved an amendment to the second reading motion on Appropriation Bill (No. 1) 2007-08. My colleagues on this side of the chamber have responded comprehensively to the assertions in the amendment, so I will not respond in detail. The government obviously does not support the proposed amendment.

The effect of good economic management goes right through our economy. Certainly it has impacted very positively in my electorate of Eden-Monaro—and, in summing up these bills, I want to take part of the time I have to go through some of the very positive aspects that have happened in the electorate of Eden-Monaro.

We should remember that economic management is not just an end in itself but a means to an end and when you get rid of the interest payments on a $96 billion debt, which is what we inherited back in 1996, that money can be used to help Australian families. Certainly we have been able to help families in my electorate of Eden-Monaro in that period of time as we reduced the debt and got rid of that debt, therefore not having to fork out about $8 billion a year in interest payments. The flow-on to the economy and therefore employment has also been extremely positive in my electorate. As a number of people have said, there is no better social security than to have a job. In Eden-Monaro the unemployment rate is at 4.6 per cent. That is almost half what it was when I was elected in 1996.

In the largest city in my electorate, Queanbeyan, just across the border from Canberra, unemployment is now down to a tiny 2.4 per cent. The biggest complaint I get now around many parts of my electorate is that businesses are having difficulty finding people to fill jobs. It is a great problem to have, but that is the current problem for many businesses: they cannot find people to do the work that they have to do.
Many people talk about skills crises and, yes, there are skills shortages, absolutely. But as I point out to many people there was no skills shortage in the late eighties and early nineties. Nobody ever talked about skills shortages back then. Has this just happened? There were no skills shortages back then because there was 10 per cent unemployed. So if you have a high unemployment rate you will not have a skills shortage. When you reduce unemployment to the levels that we have now—4.2 per cent nationally, 4.6 in my electorate and 2.4 per cent in Queanbeyan—there will be shortages because people are looking for people to fill jobs. They have the jobs, but everybody is already in work so of course there is a shortage.

Education has benefited superbly across Eden-Monaro, and probably one the great programs that we introduced in the last couple of years was the Investing in Our Schools program. In fact, I was in Nimmitabel on Friday morning to open the Investing in Our Schools project at the Nimmitabel Public School. They have covered an outside area as part of their project plus they were able to buy additional computers and cover the entrance from the street into the school. Nimmitabel on the Monaro gets pretty cold during the winter, and one of the major problems was when you walked into the school you would get dew and ice in the morning forming, which was quite dangerous for the kids coming to school. So they have covered that area plus an outside area where they can still do things during wintertime and also be in the shade during hot summers. They are great projects for that particular school.

These are the sorts of things that you would think the state education system, which obviously has overall responsibility for funding public schools, would have done something about a long time ago. But no, they could never get it up the priority list for state schools. That is why the Investing in Our Schools program came to the fore. Many of us I am sure, like the member for Blair, would go around their schools and find all these little jobs that just never seemed to get done. State governments would never fund them. So when Brendan Nelson the then minister heard of many of these difficulties in many schools, this is where the Investing in Our Schools program came from. It is addressing those issues for each of the individual schools, not a program for all schools. It is not a one-size-fits-all; it is responding to individual school needs.

Mr Cameron Thompson—Particularly small schools

Mr Nairn—Every school is different—particularly small schools, as the member for Blair says. It enables the school community along with the school—so the local community—to get together and come up with the types of projects that they want funded and put forward, very successfully. In the afternoon on Friday, after opening the project in Nimmitabel, I went to Snowy Mountains Grammar School in Jindabyne where we opened their most recent Investing in Our Schools project—which was the refurbishment of an amenities and toilets area so that the girls in that school have good facilities—toilets, showers, change rooms et cetera—which they have now been able to get through this particular program.

Also in education, the $5 billion endowment fund for universities is a great program. Since I was elected to parliament in 1996, several hundred people have been able to do full-time degrees in Eden-Monaro while remaining at home. Many parts of my electorate are a long way from universities. If you lived in Queanbeyan you could access Canberra, obviously, and possibly at a pinch you could from Cooma as well. However, in the coastal part of the electorate it is much more difficult. It was through assistance from the Australian government that the University of Wollongong established access centres in both Batemans Bay and Bega.
Last year I was in Bega for the opening of the latest addition, as a result of a $500,000 grant from the Australian government, for expansion of the Bega Education Access Centre. So we now have 200 to 300 people doing full-time degrees in that part of the electorate—people who probably would not have gone to university if we did not have that facility. They may have done the highest level of TAFE they possibly could, but they would have had to leave home to go to university. So it has been a great boost, and the $5 billion endowment fund will provide an even greater boost for universities to expand that sort of facility. With the technology that we have available today, we can take education to the people. We do not have to make people travel to the cities to do tertiary education.

Roads is another great example of how a good budget and good economic management has enabled a lot more to be done in my electorate of Eden-Monaro. Road funding from state governments has been a very poor show, and certainly that is the case through my region. Roads to Recovery has been a wonderful program to assist local councils with much needed funding to upgrade roads, and the strategic regional program that was put in place a year or so ago has also been of great value. Because we have done so well economically, additional funding was able to be made available under that program, and the budget announced that additional funding. A week or two after the budget I was therefore able to announce a number of projects in my electorate for road funding, in particular under that strategic regional program. In particular, in the Tumbarumba shire there is $1.67 million for Tooma Road, and, in the Tumut shire, $2.4 million for the Greenhills Access Road.

They are two projects in the newer part of Eden-Monaro—but also there are two other projects which I have been working on for some time, and with local council for a number of years, in Queanbeyan and Bombala. In Queanbeyan we were able to announce funding of $6 million for the completion of Edwin Land Parkway, which will provide an additional connection between Jerrabomberra and Queanbeyan via Old Cooma Road. That particular project should have been funded years ago. Back in 1995, I think, the Carr state Labor government promised $35 million over five years for a ring road for Queanbeyan. The connection from Edwin Land Parkway would have been part of that. How much have we seen of that $35 million? Not a cent—and that was 1995. So we have certainly realised the things that should be done in this regard and the $6 million will allow completion of Edwin Land Parkway.

The other one involved providing $7.522 million to the Bombala Shire for the Snowy River Way, which is basically going to enable a connection between the coast and the mountains. That is also a project that we have been working on for a long time. Bombala Shire is a very small council and has been putting some of its Roads to Recovery and other funding towards it, bit by bit. It would have taken them a couple of decades at least to complete this. The $7.5 million will now enable that road to be sealed. I drive it quite often. In fact, I think I have driven it about four times in the last month because it is a great connecting road from the Cooma-Jindabyne part of my electorate across to Bombala and then on to the coast. It will be wonderful, particularly in wintertime, to have that road sealed. I have been caught in snow on that road in years gone by. It will be an excellent way for tourists to get from the coast to the mountains, rather than going the long way around via the major highways, as they do now. So it will be a great boost for the area. Those are a couple of examples of wonderful projects for my electorate in the roads area coming out of good economic management and being able to provide funding from the budget.
Water is another huge issue in my electorate, and the community water grants have just been fantastic. Schools like Queanbeyan East Public School, Monaro High School and St Pat’s have got funding in the rounds that we have had so far, as has Bombala High—I opened their recycling project a few weeks ago. They got nearly $50,000 from the community water grants. Braidwood Servicemens Club is also saving water. These projects are saving a million litres of water a year or more, which is terrific. Moruya High is another one. And the list went on and on. It was excellent that in the budget the community water grants have been expanded as well, as has the solar rebate program. I was in Tathra not that long ago for the opening of a solar wind generator on the Tathra Surf Club, which accessed a $4,000 subsidy under our solar rebate. Now it is increasing from $4,000 to $8,000 for residents and $12,000 for community groups and schools. There is a program—local people have been pushing to get community installations like surf clubs, community halls and so on, up and down the coast and in other parts of the electorate, onto solar and now they have a great incentive to do that with the increase in rebate that was announced in the budget.

Yes, we have had good economic management, but it is not for the sake of dry accounting standards. We have done it to improve the lives of all Australians, and certainly they have improved substantially in my electorate. Many people move to my electorate in retirement. We have quite a large retirement population, so the further changes in superannuation—many of which come into force from 1 July—have been particularly well received. As we say in our information advertisements, they are the biggest changes and, as we also say, you have worked hard for it, and Australians have. The superannuation changes have been some of the best received changes and reforms over the last couple of years—very fair.

The government believe in local solutions to local problems as well. Most of our programs can be targeted at that local level. We do not want to be Big Brother, telling people what to do. We want to be working with our local communities, and certainly that is what I have been doing as a result of the many regional programs we have. We have local environmental projects, not laws promulgated from some sort of central bureaucracy. We have local energy efficiency projects, not unfair foreign treaties. We even have local preselections in our area, something that, particularly in my electorate, Labor were obviously afraid to do. They could not have a local preselection; they had to bring somebody in from on high.

Unlike Labor, we have the vision and experience for the future. With respect to my own portfolio, I was pleased for the $40 million-odd over the next few years for the single sign-on project, which is all about helping more people interact with government electronically so we can provide better and better services electronically to the people of Australia. That IT project—being carried out by the Australian Government Information Management Office, part of Finance, which comes under my responsibility as Special Minister of State—is a great one.

The budgets bills and the supplementary additional estimates bills provide us with the means to address the significant changes being faced by Australia. The initiatives contained in the budget will help ensure that Australia continues to prosper, will enable responses to important issues to be faced now and will position us to meet the challenges we will have in the future. They are important pieces of legislation that underpin implementing the government’s activities and initiatives over the next 12 months. I commend the bills to the House.
The DEPUTY SPEAKER (Mr Barresi)—The original question was that this bill be now read a second time. To this the honourable member for Melbourne has moved as an amendment that all words after ‘That’ be omitted with a view to substituting other words. The immediate question is that the words proposed to be omitted stand part of the question.

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

APPROPRIATION BILL (No. 1) 2007-2008
Consideration in Detail

The DEPUTY SPEAKER (Mr Barresi)—The Main Committee will now consider the bill in detail. In accordance with standing order 149 the committee will first consider the schedule of the bill.

Mr NAI RN (Eden-Monaro—Special Minister of State) (7.26 pm)—May I suggest that it might suit the convenience of the Main Committee to consider the items of proposed expenditure in the order shown in the schedule which has been circulated to honourable members. I also take the opportunity to indicate to the Main Committee that the proposed order for consideration of portfolios’ estimates has been discussed with the Opposition and other non-government members, and there has been no objection to what is proposed.

The schedule read as follows—
Employment and Workplace Relations Portfolio
Agriculture, Fisheries and Forestry Portfolio
Industry, Tourism and Resources Portfolio
Environment and Water Resources Portfolio
Transport and Regional Services Portfolio
Defence Portfolio
Families, Community Services and Indigenous Affairs Portfolio
Human Services Portfolio
Communications, Information Technology and the Arts Portfolio
Education, Science and Training Portfolio
Immigration and Citizenship Portfolio
Health and Ageing Portfolio
Foreign Affairs and Trade Portfolio
Attorney-General’s Portfolio
Defence Portfolio (continued)
Prime Minister and Cabinet Portfolio
Treasury Portfolio
Finance and Administration Portfolio

The DEPUTY SPEAKER—Is it the wish of the Main Committee to consider the items of proposed expenditure in the order suggested by the minister? There being no objection, I will allow that course to be followed.
Employment and Workplace Relations Portfolio

Proposed expenditure, $4,540,889,000

Ms GILLARD (Lalor) (7.27 pm)—In this consideration in detail I have a series of questions for the minister on the appropriations for the Department of Employment and Workplace Relations. Obviously this is an opportunity for the minister to inform the Australian people about details of the appropriations and we anticipate he will take that opportunity in full. Can I specifically direct the minister to his comments in the parliament that the $4.1 million spent on air costs—the actual advertising time—for the first tranche of the industrial relations ads was financed from the line item workplace relations reform ‘raising awareness’ of the Office of Workplace Services and the Office of Employment Advocate. Obviously, these agencies have been renamed in the meantime. This was a MYEFO entry showing $7.3 million in this financial year and $7.2 million in the forthcoming financial year.

The minister in parliament indicated in general terms that the government’s industrial relations advertising was being financed out of this line item. Can I ask the minister to confirm the following: that for the first tranche of the advertising campaign, the costs of buying the advertising time were $4.1 million—that was for a six-day campaign. Can the minister advise of the costs incurred for the first tranche of the advertising campaign in market research, creative work, preproduction and production? Can the minister verify here what he has verified publicly—that is, that there will be a second tranche of advertising? Can I direct the minister to a report in today’s Australian that on this second tranche of advertising the government will spend $36.5 million? Can the minister confirm whether or not that figure is correct? If it is not correct—it is a report in today’s newspaper—can the minister then advise of the correct figure?

Following advising of the correct figure, will the minister advise whether the line item being used to fund the second tranche of the advertising campaign is the workplace relations reform ‘raising awareness’ line item, which would mean expenditure in total is no more than $7.3 million this year and $7.2 million next year? Can the minister answer those questions and verify whether the government has any plans for further advertising beyond the second tranche, which has been publicly acknowledged by the government?

Mr HOCKEY (North Sydney—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (7.30 pm)—I thank the honourable member for her questions. There were a number of detailed questions there. In relation to the first tranche of advertising, I cannot confirm that the exact figure was $4.1 million. I am happy to provide her with whatever the exact figure was for the media buy over that period, but I do not have those details in front of me. What I can say is that what I said in parliament was absolutely right—that the allocation of funding for the first tranche was coming out of existing funds that were noted in the MYEFO, which was tabled in parliament, from memory, in February. What I said in parliament was absolutely right.

In relation to the second tranche, $36.5 million is a figure I have never seen before. I am not familiar with that. I think it is a creation of someone’s vivid imagination. I note that a number of journalists, particularly at the ABC, speculated that the first tranche would be $50 million or $60 million. On Radio National one morning a broadcaster speculated that. How wrong they were. It was 10 per cent or less of that. That just goes to show that there is a very large amount of fanciful speculation around at the moment.
In relation to any further advertising, as I have said before, we reserve the right to respond to misinformation that is put out by various parties. We have an obligation to properly inform individuals of their entitlements at work. We make no apology for that. It is vitally important that people are fully aware of their rights at work, as they stand under the law and not as a creation of the fanciful imagination of someone in an advertising firm who is serving the interests of a client. We will undertake further advertising because we have an obligation to properly inform Australians of where they can go to get information about workplace laws—the information about appropriate levels of pay and remuneration or classification. I think people would like to know what classification they are entitled to. I only hope there were some businesses that had access to the Workplace Infoline or took advantage of the Workplace Infoline in relation to pay classification, even when it came to signing individual contracts. In one more celebrated case that has had some public recognition, the individual contracts were based on awards, which the Labor Party thinks were okay—a 45c an hour trade-off for all penalty rates. Any rate, that is for the Labor Party.

From our perspective, we think it is appropriate that employers and employees have a one-stop phone number that they can go to. The traffic to that phone number has dropped quite substantially since the advertising campaign was terminated. The advertising campaign led to a very significant increase in the number of phone calls—around 800 per day—and then there was a drop after the advertising stopped. Indeed, the number of hits on the website also dropped dramatically. The number increased dramatically with the advertising and has tapered off since the advertising stopped, which is evidence that the advertising did work. It did properly inform individuals and corporations of their obligations. It was a one-stop shop that people wanted to go to. It is also the case that with the new agencies—the Office of Workplace Services being replaced by the Workplace Ombudsman, and the Office of the Employment Advocate being replaced by the Workplace Authority—there is an obligation—(Time expired)

Ms GILLARD (Lalor) (7.35 pm)—I direct the minister to the fact that we are actually talking about the appropriations bill and the appropriation of taxpayers’ money. In those circumstances I think the Australian taxpayers, through this parliament, have got a right to know what their money is being spent on—that, of course, is the essence of having the budget process. I ask the minister again to answer the questions he did not answer that time. I understand the only answer I got to my questions that time was that the minister had undertaken to the parliament to supply the opposition with the exact figure for the advertising space used for the first tranche of the industrial relations advertising. The figure known to the opposition to date is $4.1 million. We look forward to receipt of the accurate figure, which the minister has undertaken to provide. I ask the minister to also undertake that he will supply to the opposition the costs of the market research, creative work, preproduction and production of the advertisements in that first tranche of advertising.

Secondly, I ask the minister to verify whether there will be a second tranche of advertising. Various statements from the government have certainly publicly indicated there will be a second tranche of advertising. If there is to be a second tranche of advertising, what is it going to cost? That is a figure that ought to be known to the government. If it is not known to the minister now then the minister can undertake to provide it in this place before it rises this evening. It ought not to be a hard figure to ascertain. It is not a confidential or secret figure; it is a fig-
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ure that taxpayers have got a right to know. It is a very simple question: how much is the gov-
ernment intending to spend on the second tranche of industrial relations advertising?

Finally, will there be further tranches of advertising after the second tranche? So, can we
have the other costs of the first tranche; can you tell us what the figure is for the second
tranche; and will there be further tranches of advertising after that? Can the minister also di-
rect this parliament’s attention to where this appropriation is made in the budget papers? Sim-
ple question. Under the Westminster system, this is the minister’s responsibility; this is the
parliament. We are having the appropriations debate. We are entitled to ask questions about
the appropriations. We are entitled to expect that they will be reasonably and fully answered.

Mr HOCKEY (North Sydney—Minister for Employment and Workplace Relations and
Minister Assisting the Prime Minister for the Public Service) (7.38 pm)—The member for
Lalor can use her best schoolmarm voice and try and admonish me for not giving her the ap-
propriate answers. Let me say to her: I am prepared to provide the information in relation to
the first tranche when I can obtain the appropriate figures. Secondly, there have been no final
decisions made in relation to the second tranche, and a third tranche has not even been con-
templated.

Ms GILLARD (Lalor) (7.39 pm)—Can the minister confirm the time frame within which
the government will consider the second tranche? Can the minister confirm what line item in
the appropriations before the parliament now will be used to support the expenditure that
would come with the second tranche? I understand from what the minister has just said that
they have not taken a final decision about the second tranche. That is as it may be and I will
accept what the minister has said. But if there is contemplation of a second tranche then there
must be an appropriation for it. Where is the appropriation in the budget bills that are before
the parliament now? If the minister could identify that appropriation then that would at least
give the Australian public an idea of the outer reaches of what it is that the government might
spend should it determine to engage in a second tranche.

The reason, of course, for having the budget papers is so that people can ascertain what it is
that is planned to be spent. Yes, there are times when appropriations are in the budget papers
and they are not fully expended. If the government determines not to go ahead with the sec-
ond tranche, that may be one of those occasions. But there must be an appropriation in these
budget documents for financing the second tranche. Could the minister direct the attention of
the parliament to where that appropriation line item is to be found?

Mr HOCKEY (North Sydney—Minister for Employment and Workplace Relations and
Minister Assisting the Prime Minister for the Public Service) (7.41 pm)—I know this is going
to defy commonsense, but I am not sure what the Deputy Leader of the Opposition is getting
at. If I say that we have not made any final decisions in relation to the second tranche, why
would she think that we have allocated money to it? We do not know how big it is going to
be; we are not sure of the timing, when it is going to happen. What we do know is that there is
a great thirst amongst the general public for accurate information, factual information about
the workplace relations system that is not made up of spin—the sort of spin that the ACTU is
trying to convince the general public of.

Ms GILLARD (Lalor) (7.41 pm)—Can I finally, on this matter of the advertising, just ask
the minister to confirm that in no part of the appropriations bills before the parliament now is
the financing of the second tranche dealt with—that is, if a second tranche of advertising is to

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Mr HOCKEY (North Sydney—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (7.42 pm)—No, I cannot confirm that because, firstly, I do not know how large the second tranche will be and, secondly, it may come from a reallocation of resources from other places.

Ms GILLARD (Lalor) (7.42 pm)—As the minister would be aware, if a reallocation is, in his terms, ‘made’ then that is a question of a program being underspent. That is obviously not something knowable at this stage. What I am asking him to confirm is that the government, should it determine to proceed with the second tranche of advertising, will make a special appropriation that is not dealt with in these budget papers. I accept by that stage there may be underspends in line items for the department, so it may be that the allocation to that second tranche does not necessarily trigger a full additional allocation to the department—because there may be some underspends that can be redirected. But my question to the minister is quite simple. We have the appropriations bills before the parliament. They deal in line item detail with the expenditure of the department. I am just asking him to confirm that the costs or potential costs of the second tranche of advertising do not appear in these budget papers.

Mr HOCKEY (North Sydney—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (7.43 pm)—Unless there is an item that I have missed that specifically describes a line item for a second tranche of workplace relations advertisements, the question from the Deputy Leader of the Opposition is quite ridiculous. As I have said, no final decision has been made in relation to a second tranche of advertising. That is not difficult to understand: no final decision has been made in relation to a second tranche of advertising.

Of course it could not have been contemplated when the budget was brought down in early May because no final decision in relation to a second tranche of advertising has been made. Therefore, when you work out exactly how you are going to undertake the information campaign and what is required and demanded by the Australian public, you will seek out the appropriate funds for the expenditure in relation to that matter. Obviously that will involve dialogue between me, the Prime Minister, the Minister for Finance and Administration, the Treasurer, I expect, and a range of other people. But there is no great rocket science to that. If the Deputy Leader of the Opposition is trying to be cute about this and trying to find the angle on potential advertising, if she thinks that somehow we have buried a huge amount of gold in the budget papers, then she is wrong—because we have not made a final decision in relation to a second tranche of advertising.

Ms GILLARD (Lalor) (7.45 pm)—I am trying to get to the facts of the matter. Can the minister confirm that, in relation to the selection of the advertising agency that conducted the first tranche of advertising, there was an abbreviated tender process? Can the minister confirm that it was a two-agency pitch—that is, two agencies were asked to tender? Can the minister advise why a more rigorous process was not followed? Can he advise whether the conduct for the selection of this advertising agency was consistent with the government’s purchasing arrangements? Can he advise whether there is a precedent for a two-agency pitch? Can he advise whether the objectives of the Ministerial Committee on Government Communications were satisfied with the way in which these tender arrangements were engaged in?
Mr HOCKEY (North Sydney—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (7.46 pm)—The MCGC process does not fall within my department. It is a process that I understand is run by the Government Communications Unit out of the Prime Minister’s department. Therefore, the Deputy Leader of the Opposition’s questions are more properly addressed to another department.

Ms GILLARD (Lalor) (7.47 pm)—Does the minister mean by that answer that it was not the Department of Employment and Workplace Relations that selected the advertising agency and considered the tenders that came from advertising agencies for the work?

Mr HOCKEY (North Sydney—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (7.47 pm)—I can confirm that the advertising agency was chosen by the Ministerial Committee on Government Communications, not by me or my department.

Ms GILLARD (Lalor) (7.47 pm)—I want to be clear about this. I understand from what the minister is saying that the Ministerial Committee on Government Communications runs the tender process and selects the successful tenderer but that the appropriation that is then used to pay the successful tenderer is a departmental appropriation—that is, the first tranche of the advertising campaign was paid for by the Department of Employment and Workplace Relations, but the Department of Employment and Workplace Relations does not play a role in conducting the tender or selecting the successful tenderer. Is that correct?

Mr HOCKEY (North Sydney—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (7.48 pm)—As I said to the Deputy Leader of the Opposition, we did not run the tender. The tender was run by the MCGC and the Government Communications Unit out of the Prime Minister’s department. The funding for the program comes out of our department, but there are a clear set of rules and guidelines, as I understand it, for government communications, and that was fully adhered to. It was the MCGC that chose the winning tenderer, and the funding for the campaign comes from my department. There are people far more qualified to determine advertising success or failure than me. I am a mere novice at this communications game.

Mr HAYES (Werriwa) (7.50 pm)—Like everyone else in this place, I relish the prospect of growing jobs and growing employment. It is regrettable, however, that in the seat of Werriwa—as is the case in the seat of Macarthur—the unemployment rate is almost double the national average. I would like to put to the Minister for Employment and Workplace Relations some of the underlying assumptions in relation to unemployment. Could the minister confirm that Budget Paper No. 1 states that commodity price stimulus has been evident in the labour market, particularly in relation to construction and mining employment, which grew by 7.6 per cent through the March quarter of 2007? Minister, can you confirm that Budget Paper No. 1 also states that the resource rich states of Queensland and Western Australia grew at a much faster rate—that, in fact, the resource rich states of Queensland and Western Australia grew at a weighted average of 4.9 per cent in 2005-06 compared to 1.9 per cent in New South Wales and Victoria over that same period?

Mr HOCKEY (North Sydney—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (7.51 pm)—I thank the member for Werriwa for his detailed question. I do not have that information in front of me, but I am happy to have it investigated. What I do note is that in the employment figures that came out

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last week the most significant jobs growth was in fact in New South Wales, which was not one of the states immediately identified by the member for Werriwa. That would please the member for Werriwa, coming as he does from an electorate that still has an unreasonably high level of unemployment—around 7.1 per cent, I think.

**Mr Hayes**—It is 7.6 per cent.

**Mr Hockey**—It is 7.6 per cent. I am sorry; I find it difficult to remember all 150 electorates. Unemployment is still too high in parts of Australia, such as the Illawarra and Werriwa, yet in the seat of Lindsay unemployment is 4.4 per cent—and I understand Lindsay is an electorate adjoining Werriwa. What I do know is that the unemployment rate, at 4.2 per cent, is at the lowest level since November 1974. Since the government introduced its Work Choices legislation, we have seen a significant surge in the number of small businesses employing Australians, and that has to be linked. Even Saul Eslake, from ANZ—who is not normally seen as a great friend of the government—said on morning radio that the government’s industrial relations reforms must have contributed to the surge of employment.

Over 360,000 new jobs have been created since the government introduced its new workplace relations regime on 27 March last year, and around 95 per cent—I think the Prime Minister told parliament today it was 94 per cent—of those jobs are full time. As the OECD said, prescriptive labour laws are the greatest barrier to entry into the workforce for those most disadvantaged in the community. The OECD were directly referring in many ways to the unfair dismissal laws that the Labor Party introduced, which created a very heavy burden for small business, leading to many small business people saying that for the first time they were dissuaded from employing people with no employment history because the risk of employing those people was far too great. As a former Minister for Small Business and Tourism, I can tell you that is the single biggest issue for small business. The reintroduction of the unfair dismissal laws for small business will be a brace around the neck of the Labor Party in the lead-up to the next election, if they are seeking to gain the support of the small business community, because the small business community hated those laws and they hate any proposal to go back to those laws—and, of course, that is Labor Party policy.

As for the commodity price stimulus, I am happy to have a look at that. Obviously commodity prices are high at the moment. It should not be considered irrelevant that many businesses also hedged their commodity prices so that the flowthrough to businesses, unless they are trading spot, is hedged and not necessarily a true reflection of the actual spot price at the time—they would not claim that the spot price is in fact flowing directly through to their balance sheets if they have hedged their sales. Therefore, you may not necessarily count the massive commodity prices at the moment as directly flowing through to company balance sheets. There may well be intermediaries there that are capturing the benefits of the hedging, and many of them may be located offshore. Who knows? What I do know is that there is a significant stimulus out there for employment growth and it is called a strong economy. That is flowing right through the country.

**Mr Hayes** (Werriwa) (7.57 pm)—Following on from that question, Minister, is it not also the case that Budget Paper No. 1 states that the Australian economy continues to benefit from the strong growth and world demand in our resources sector and that labour and capital will continue to gravitate towards the mining and construction sectors as a response to growing commodity prices?
Mr HOCKEY (North Sydney—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (7.57 pm)—Of course there is a flow through to the economy of strong commodity prices—of course. There is no dispute about that. We are the beneficiaries of some terrific economic times and specifically not only the massive demand in growth out of China and India but also the recovery in the Japanese economy have had a positive impact. Japan remains one of our biggest commodity markets. I stand to be corrected, but I think very little of our coal actually goes to China, for example. A lot of our coal goes to non-China, non-India markets. But overall you cannot dispute the fact that China and India are helping to stimulate significant demand for commodities and we are reaping the benefit of that.

Naturally enough, that demand for commodities is reflected in the more attractive economic circumstances for exploration and, the more attractive exploration is, the more likely companies will find resources and then the development of those resources with higher commodity prices becomes more attractive. If it is more attractive then there is obviously a greater prospect of appropriate return on investment for those mining companies. So you now are seeing major projects with significant lead times that are far more economically attractive now than they were at a lower commodity price. That is flowing through to construction and through to hospitality services in some of the more remote areas. What we have seen over the last few months is a significant surge in employment in retail and in hospitality. Those industries are lower paying industries than the mining sector or, for that matter, construction. But the surge in employment in retail and hospitality is effectively nationwide. And the fact that in the last few weeks we have seen the unemployment rate drop significantly in South Australia and Tasmania is not necessarily directly as a result of the mining boom but because those economies, as reflected in the national accounts, are starting to perform much better. So if the member for Werriwa is driving at the fact that the economy is doing well today only because of the mining boom, then I think he sorely underestimates the impact of good economic management and the fact that, for example, in the year 2000, when seven out of our top 10 trading partners were in recession or depression, Australia had the fastest growing economy in the OECD. That comes about because we have a diversified economy, an economy that is over 75 per cent services. Mining and agriculture combined represent probably no more than 15 per cent of GDP. What we are seeing are the benefits of a diversified economy. Obviously when you have a resources boom the benefits of that boom do flow through to other industries, but it cannot and will not be the sole determinant of a strong economy. For example, productivity will be dampened a bit this year by the worst drought in 100 years. Naturally enough, farm production is down significantly and that is one of the challenges we have in managing what is a finely tuned but well-balanced economy.

Mr HAYES (Werriwa) (8.02 pm)—Minister, Treasury does forecast that there will be a decline in productivity this year through to the next financial year. I do recall what you said in response to my opening question, particularly where you wanted to make some claims with respect to Work Choices being able to deliver greater productivity in workplaces. But, having regard to the forecast by Treasury—that is, that there will be a decline in productivity over the next financial year—do not you think that is inconsistent with the position that you are now putting in relation to Work Choices delivering greater productivity in workplaces in this country?
Mr HOCKEY (North Sydney—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (8.03 pm)—No, I do not, for two reasons: one is, as I outlined in my response just 30 seconds ago, obviously the impact of a drought is significant when it comes to farm productivity, and that has an impact on the economy. Naturally enough, if a farmer and four farmhands are working on a farm and they have got no crop, productivity is down. And that is a significant issue. It is also the case that we have significant initiatives in the budget that the Labor Party voted against—that is, the Welfare to Work initiatives. On 1 July those initiatives will create a work obligation of 15 hours a week for around 233,000 Australians of working age who are currently in receipt of a single parent pension or a partnered parent pension. Those people who are coming into the workforce will represent probably the greatest surge of new employees into the marketplace since World War II in absolute numbers; there will be nearly a quarter of a million people coming into the workplace. Some of them do work. How much they work we are not sure, but it is estimated that around 140,000 of the 233,000—maybe a few more—are currently undertaking some work.

That infusion of labour into the marketplace is going to have a dampening impact on productivity because these people are essentially unskilled. They have been out of the workforce for an extended period of time in many cases; in other cases they have chosen to not be in the workforce, and therefore they are entering the workplace with low skills and need to be skilled up. Given the fact that, as revealed in these budget papers, the government is significantly increasing funding for training and is increasing funding for education, you can see that we are going to make a contribution to the skilling up of these people. Naturally enough, when you create a surge of nearly a quarter of a million workers into a workforce where there are 10.5 million workers, it is going to have an impact on productivity. But, overall, there is no doubt that our workplace relations changes do have a positive impact on productivity, because flexibility helps to deliver better productivity. It is not difficult to work out. If you have a home based mum who is remunerated on the basis of hourly effort and that home based mum is able to work from home and undertake the work at flexible hours of her choosing, then naturally enough it is more likely that she will improve productivity than if she has a very limited and inflexible arrangement on site at a particular workplace. It is also the case that you get the classic example of industrial relations reform helping to deliver better productivity.

The waterfront is the best example of that. The Labor Party was defending a system of 17 crane movements per hour prior to our reform of the waterfront, and after our reform of the waterfront there were 27 crane movements per hour. In fact, a shipping company came to see me recently and said they had massively improved their productivity in relation to shipping activity. They are happy to go on the public record—I just do not have the notes of the meeting in front of me—saying that, through reform of their workplace, they were able to significantly improve productivity, and that is one of the reasons why they are investing in a new ship that is currently being built to service Australian ports. So the evidence is out there that industrial relations reform does help to deliver better productivity. The best evidence is that what takes four hours to deliver in services today took five hours in 1996.

Mr BRENDAN O’CONNOR (Gorton) (8.08 pm)—It seems to me that the minister is suggesting that if the unemployment figures are good, because they are low, it is the govern-
ment’s performance and, indeed, if productivity is declining it is because of the drought. It seems to me that he picks and chooses. I would like to go to something more specific with respect to the costs of polling, market research and creative development of the current campaign ‘A Stronger Safety Net for Working Australians’, in 2007. In fact, in estimates in 2005 it was uncovered that the government spent approximately $55 million on doing exactly that for Work Choices. I would ask the minister if he could identify precisely the costs for the current campaign in those three categories. I will repeat them: market research, creative development and polling used for the development of the Work Choices brand and, indeed, the current campaign.

Mr HOCKEY (North Sydney—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (8.09 pm)—The honourable member for Gorton said that we cannot pick and choose when it comes to the drought versus productivity. He said that we are not in a position where we can claim credit for the lowest unemployment rate in 33 years and we choose to blame lower productivity on the drought. Well, it is no accident that you have the lowest unemployment rate in 33 years. Once upon a time, people used to think that six per cent unemployment was full employment or five per cent unemployment was full employment and a participation rate of 61 per cent or 62 per cent was around full participation. It is no accident that you end up with an unemployment rate of 4.2 per cent and a participation rate of 65 per cent, which is a record. Of course that participation rate will increase in July-August-September to new record levels as Australia embraces Welfare to Work, the same Welfare to Work that the Labor Party opposed. I understand that the $3.7 billion commitment to Welfare to Work will help to increase the number of people involved in the workplace, and that is a good thing. Our very strong view is that the best safety net that can be provided for Australian families is the opportunity for individuals to take up the offer of a job, to earn an income. This is where we and the Labor Party fundamentally disagree. The Labor Party were quite happy to see these people put on the scrap heap, left on ever-revolving welfare; and that is why they voted against our Welfare to Work initiatives. You cannot criticise them too much for that because it follows in a long line of opposition to every economic reform we have undertaken—be it tax reform, paying off the budget debt, setting up a future fund or privatisation. Privatisation was okay when the Labor Party did it; but when we did it, they had a deep-seated philosophical opposition to privatisation. They said, ‘It is the behaviour of capitalists,’ even though they chose to privatisate TAA, Qantas, the first tranche of the Commonwealth Bank and a range of others.

The DEPUTY SPEAKER (Hon. BC Scott)—Member for Lalor, are you rising on a point of order?

Ms Gillard—No, I am seeking to ask a question.

The DEPUTY SPEAKER—Will the minister take a question?

Mr HOCKEY—I am still answering. I am perfectly entitled to continue. I was finishing my answer.

Ms Burke—In the Main Committee we can seek to ask a question in the middle of a speech.

Mr HOCKEY—in the middle of an answer. Okay, please, ask any question you want.
Ms Gillard—Thank you very much. The minister is always welcome in the Main Committee if he would like to get some experience in here. My question is: can he respond to that part of the member for Gorton’s question—which was not about privatisation; indeed privatisation is not dealt with in these budget papers—about the market research and polling that went into the development of the Work Choices brand and the cost of that, the cost of which has now been wasted because of the discarding of the brand, and the market research and polling costs that have gone into the new campaign?

Mr HOCKEY—I was answering the question where the member for Gorton talked about productivity and the drought. I think it is appropriate that I properly answer his initial question.

Mr Brendan O’Connor—It was a very brief question.

Mr HOCKEY—Well, he should not have asked it if he did not want it answered. He raised this point. I follow on from that by noting that economic reform helps to deliver lower unemployment rates, that structural reform helps to lower unemployment rates and that, provided all the other economic settings are right, you can get better figures and better outcomes in employment. You can also get better outcomes on productivity, but only if you are prepared to undertake the reforms.

Mr BRENDAN O’CONNOR (Gorton) (8.15 pm)—Could I ask the minister specifically about the cost that will be expended for market research, creative development and polling used for the development of the Work Choices brand and, similarly, costs for the development of messaging for the government’s current campaign. We understand that there have been changes—they have been debated in the parliament. We just seek to know the costs associated with the original expenditure and the costs for the government changing its position.

Mr HOCKEY (North Sydney—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (8.15 pm)—I think that is a question in relation to previous budget papers—prior to these budget papers.

Mr Brendan O’Connor—It’s both, in fact.

Mr HOCKEY—These are events that occurred last year—March last year—and I would think that they were in previous budget papers; certainly not in this budget paper. I will seek advice, but I do not think there is anything about Work Choices or any of the expenditure in these current budget papers. We are very happy to talk about Work Choices and our workplace relations system. We are always happy to talk about it because it is one of the reasons why we get to the unemployment rate of 4.2 per cent, with strong economic growth, the foundations for strong productivity growth and the basis upon which you help to build family income. So that is a pretty good formula. Even the member for Gorton, who is a bit wet behind the ears in this place, would understand that. Old Snowy would know—the member for Lingiari is a wise man and would know. He has been around for a very long time and he would be able to verify that you get good economic data only by putting in place the economic reforms that help to deliver it.

I am absolutely convinced that, when it came to marketing programs in the past, years ago, I do not think it was about selling a brand as much as it was about promoting changes to the workplace relations system that took us from a 20th century system that the Labor Party still longs for, and has promised to return to, to a 21st century system of industrial relations where
there is flexibility in the workplace and where Australians are empowered to make their
dreams come true when it comes to their workplace ambitions, rather than relying on the mis-
guided and at times totally inappropriate third-party intervention of the trade union bosses. I
know there is a soft spot amongst the Labor Party brothers and sisters for trade union bosses,
because a lot of you guys come from trade union stock. In fact, 70 per cent of the Leader of
the Opposition’s frontbench are former trade union officials and, of course, 100 per cent of the
parliamentary members of the Labor Party are in fact members of the trade union move-
ment—not that we have got anything against trade unions, mind you. They do a good job for
15 per cent of the electorate.

Ms Gillard—Mr Deputy Speaker, I seek to intervene.

The DEPUTY SPEAKER (Hon. BC Scott)—Is the minister willing to give way?

Mr HOCKEY—Please.

Ms Gillard—As interesting as all this is, it is not a matter related to the appropriations de-
bate, so could I direct the minister’s attention to the question the member for Gorton put to
him about the current budget papers—that is, the cost of creative work, market research and
polling associated with the advertising campaign for the government’s changes.

Mr HOCKEY—As I said before to the member for Lalor, these budget papers do not in-
clude any of the Work Choices expenditure, nor should they. No, I was asked about Work
Choices expenditure and a $55 million campaign. Now, of course that would have been re-
ported in the annual report. The current campaign: there is no current campaign at the mo-
tent. There has been a campaign in the last few weeks and, as we pointed out, the allocation
for that funding came through in the MYEFO, which was tabled in the House in February, and
the Labor Party was so outraged about that advertising campaign and the allocation of funding
to that advertising campaign that they did not say a word. Now they have got the member for
Lingiari trying his best. Now we are scraping it.

Mr SNOWDON (Lingiari) (8.20 pm)—I want to take you to a different hemisphere, at
least as far as your brain is concerned, and that is to ask you about another element of your
portfolio arrangements to do with Community Development Employment Programs, which
are in your budget papers. Is the minister aware that according to the Department of Employ-
ment and Workplace Relations appearance in the Senate estimates committee of 29 May, it is
intended from 1 July that many CDEP participants living in high-cost remote areas—note:
high cost remote areas—will have their allowable CDEP related income reduced by $2,826
from $23,492 to $20,666, a reduction of some 12 per cent. Does the minister understand the
severity of the impact of this income reduction on these Indigenous communities? Can the
minister provide information about the total number of CDEP participants living in remote
communities who will be affected by these changes? I ask the minister to note particularly—
Comrade, I am talking to you!

Mr McGauran—You’re always turning your back on us!

Mr SNOWDON—I understand that there are proposals about reducing top-up, as it is re-
ferred to. I would like you to find what you understand top-ups to be but, in any event, I want
to know whether you understand the implications of these changes on small area labour mar-
kets where there are no external job opportunities and what the implications will be on these
families and communities when they have their incomes effectively reduced by 12 per cent or
almost $3,000. Is the minister aware that a majority of the residents in remote communities of the Northern Territory, South Australia, Queensland, the Kimberley and Western Australia have little or no chance of getting a job that is not CDEP related, given the nature of the small area labour markets? Can the minister tell us how many Aboriginal and Islander communities in Australia, if any, where the job supply exceeds the job demand? Do you understand that in remote communities there is no adequate job market to satisfy the demand for a job for CDEP participants? If you grasp this self-evident fact, how can you explain the reasons stated by the department that the income cut for CDEP workers is so that they will be induced to go out and get a job? On the evidence available in Hansard, the government appears to consider that reducing people’s income will reduce their dependency on welfare and create incentives for people to move into jobs where there are none. If the government has reduced anything, it has reduced CDEP for an unemployment program for a quasi welfare system. Does the minister acknowledge that Indigenous people by and large do not have this attitude of CDEP being a hand-out and does he realise that these people regard CDEP as an opportunity to gain skills and take up any jobs that may arise in their community? Finally, does he know that such people need no incentives to move to employment and in fact would generally welcome an opportunity that currently, as a rule, does not exist?

Mr HOCKEY (North Sydney—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (8.25 pm)—I thank the member for Lingiari for that vast number of questions. I will endeavour to get the answers to all of those as well. I am not sure about the timing of the announcement of those particular changes—

Mr Snowdon—1 July.

Mr HOCKEY—I know that. The changes to CDEP with which I am most familiar are the ones where I announced the change that, from 1 July, those areas where there is an unemployment rate of less than seven per cent would have CDEP removed. And that is because there was a very strong view that, in those areas where unemployment was less than seven per cent, there were opportunities for jobs and CDEP had become a continuous program of support which left people falling into a cargo net from which they were rarely able to climb out.

My understanding is that those changes were affecting around 7,000 Indigenous Australians. That is a relatively small number but obviously the changes were significant for them. Those areas were mainly metropolitan areas, but there were some urban fringes where those changes were making a difference. They were broadly supported by the Indigenous leadership of Australia. The aim of those reforms, in abolishing CDEP in those areas where the unemployment rate was less than seven per cent, was to try and get people into work. As I said before, that is the best safety net we could possibly provide to people.

Having said that, we were not simply going to convert them from CDEP recipients and put them on the dole and leave them nowhere. That is why we have beefed up the Structured Training and Employment Program, STEP, which is focused on trying to train people—

Mr Snowdon—Mr Deputy Speaker, I wish to ask a question.

The DEPUTY SPEAKER (Hon. BC Scott)—Will the minister take a question?

Mr HOCKEY—Well, I was keen to finish.

The DEPUTY SPEAKER—The member for Lingiari—
Mr HOCKEY—I do not have to take it.

Mr Snowdon—you do not have to, but you will because you are a very nice bloke.

The DEPUTY SPEAKER—the member for Lingiari will ask his question. If the minister is—

Mr HOCKEY—I want that on the record, so I am happy to take that. It will go nicely on my campaign brochures.

Mr Snowdon—I am fully apprised of the broader policy initiatives and of their implications. The questions I have asked are particular to people who live in small, remote communities and the impact these changes will have on them and their families. I will just give you an example. I was at a place called Minjilang last Friday—

The DEPUTY SPEAKER—the member for Lingiari, you are asking a question—

Mr Snowdon—I am asking a question.

The DEPUTY SPEAKER—it should be short.

Mr Snowdon—People were paying $2.50 a litre for fuel.

The DEPUTY SPEAKER—the member for Lingiari—

Mr Snowdon—Can you explain—

The DEPUTY SPEAKER—the member for Lingiari is defying the chair.

Mr Snowdon—I am asking a question.

The DEPUTY SPEAKER—the member for Lingiari is defying the chair. When you are given the call to ask a question, you will ask a question and it will be short and it will be brief.

Mr Snowdon—I am. Can you tell me—

The DEPUTY SPEAKER—could you bring your question to a conclusion.

Mr Snowdon—I will. Can you tell me what I am supposed to say to a senior Aboriginal man living on the adjacent community of Warruwi—where there is no employment market—who asked me last Friday: ‘Prices are going up but our wages are coming down. Why are you doing that?’

Mr HOCKEY—Mr Deputy Speaker, I am happy to look into that specific case. If the member for Lingiari wants to provide me with the information outside of this chamber I would be happy to have a look at it.

I will just say this: the intention of CDEP reform has always been and always will be about trying to get people into work. The changes that we have made are not about the allocation of funds. In fact, the changes to CDEP, I understand, are actually costing more money than continuing with the CDEP as it stands. And therefore we are very focused on how we can get people off CDEP and into work. As for the specific issues raised by the member for Lingiari, I am happy to have a look at them.

Proposed expenditure agreed to.

Agriculture, Fisheries and Forestry Portfolio

Proposed expenditure, $745,671,000

Mr Snowdon (Lingiari) (8.31 pm)—I ask the minister whether he could detail the measures being taken in the context of Northern Australia to incorporate Aboriginal rangers
introduction difficulties arising. As I understand it, AQIS makes use of Indigenous officers and, at the same time, our program for avian influenza also incorporates Indigenous communities. I am open to ideas on how to improve the involvement of those who are on the ground and best know the country, but as I understand it a significant number of individual Indigenous officers and communities more generally are involved in our biosecurity efforts.

Mr Snowdon (Lingiari) (8.32 pm)—I thank the minister for his response, but the point I want to get to, Minister, is exactly the relationship that exists between your department and the services which it carries out and those Aboriginal communities. What is envisaged in terms of providing additional training opportunities and indeed employment opportunities for these rangers who would otherwise be earning CDEP? What is proposed in terms of providing additional capacity for your department to provide real jobs for these people carrying out the functions which might otherwise be carried out by one of your agencies or in conjunction with one of your agencies? I understand that the budget papers go to some depth to talk about the proposals to change CDEP employment, including in your department, where functions carried out by your department overlap the CDEP communities—in this case, ranger programs. I would like to know how many rangers you expect to be transferred into full-time employment as a result of initiatives from your department.

Mr McGauran (Gippsland—Minister for Agriculture, Fisheries and Forestry) (8.33 pm)—I thank the honourable member. He speaks of real jobs. Obviously, to be employed or seconded to AQIS or Biosecurity Australia would be a real job. We would not be creating jobs to alleviate unemployment issues. Obviously, a significant number of Indigenous persons have a lot to offer our efforts in these fields. We would fully train them as we do all of our officers. We would of course assign job descriptions. We would not waste their time any more than they would want to waste ours. If the member is suggesting that we should—and I am sure he is not—employ people to solve a social or employment problem, then I do not think I am going to be of a great deal of assistance. But if he is suggesting we should look more closely at acquiring the skills and experience that Indigenous persons throughout Northern Australia can bring to the tasks of quarantine and biosecurity surveillance then I agree with him.

Mr Snowdon (Lingiari) (8.35 pm)—With great respect, I am not at great odds here with you, I am just trying to establish the budget papers—

The Deputy Speaker (Mr Jenkins)—The member will address his remarks through the chair.

Mr Snowdon—With great respect to you and through you to the minister, the budget papers refer to a number of jobs, from memory in excess of 800, that will be created as a result of moneys made available through another agency that include something like $12 million; I forget the figure, but an amount of money allocated in the budget to create real jobs in communities and in areas where currently other agencies are employing people to do work under CDEP. I make this observation because it is true that the quarantine services, and Customs and other agencies work closely with these communities and these communities carry
out work on their behalf at times. The question is: what number of jobs will arise out of this
budget measure in your portfolio?

Mr McGauran (Gippsland—Minister for Agriculture, Fisheries and Forestry) (8.36
pm)—I fear perhaps wrongly that the member for Lingiari is leading me down a dead-end
street here. Are you seeking to elicit from me a minimal number of jobs that you can then use
against the minister for workplace relations? But, in any event, I will take advice before reply-
ing to the member more authoritatively.

Mr Hayes (Werriwa) (8.36 pm)—No doubt you find the same thing as you move about
as we do—that is, you visit many of the rural communities and what people want to talk to
you about is certainly issues of quarantine and, more particularly, avian born viruses; bird flu
to be specific. What provisions are being made in terms of firstly the modelling undertaken by
the department in relation to bird flu; what is the potential impact it would have on our agri-
culture industries; and, based on that, what provisions and budget provisions are being made
with AQIS to address issues at the quarantine levels associated with the bird flu?

Mr McGauran (Gippsland—Minister for Agriculture, Fisheries and Forestry) (8.37
pm)—The member for Werriwa raises a very good point. As he well knows, an outbreak of
bird flu in Australia—and, thankfully, we are to date mercifully free of the disease—would be
devastating, leaving aside any suggestion of a human pandemic. Our measures have been in
place for some time now. We have substantially invested extra resources at border protection
and scientific skills upgrade in the 2005 budget. I stand to be corrected, I do not believe there
are any new measures in this particular budget in regard to avian influenza, but we do have
increased funding on biosecurity more generally. We tackle this first and foremost at the bor-
der, so I think I am safe in saying we have employed between 600 and 800 new AQIS officers
at this point. I am definitely sure we have employed several hundred more over the last two to
three years. We have installed obviously the X-ray machines so that almost all passengers are
screened for avian influenza and, of course, passengers arriving from avian influenza affected
countries, and 100 per cent postal is X-rayed and inspected if need be. At the same time we
have plans with industry. We work very closely with the chief veterinary officer. We have
simulated an outbreak of avian influenza in an exercise 12 months ago. We found the system
works well but not perfectly and, obviously, involves all jurisdictions and a great many agen-
cies from local government through to state and Commonwealth bodies.

At the same time we have a Northern Australia strategy, which the member for Lingiari
would be familiar with, on which we are particularly vigilant. We also have programs in In-
donesia, which is most likely to be the stepping-off point for any birds bringing in avian influ-
enza. Our risk profile says that the introduction of avian influenza is most likely to come from
wild birds. Here we can take some degree of comfort—not that we rely on it for a moment—
from the fact that the particular species which could carry avian influenza are not known to
visit Australia. Again, we are on a high state of alert at all times, we have a very high level of
expenditure and the industry is on the lookout for any sign of the disease. We also work with
small operations—what you could loosely term, without being disrespectful, as backyard op-
erations—and their flying in of geese or ducks that could introduce it. So we take a multi-
faceted approach. We also work closely with overseas countries, agencies and the like. This is a
major preoccupation for the Department of Agriculture, Fisheries and Forestry.
Mr HAYES (Werriwa) (8.41 pm)—Minister, in relation to the fisheries portfolio, and specifically its impacts on those electorates on the east coast principally in New South Wales, where I come from, can you discuss the initiatives being used presently to plan the build-up of our fishery stocks over the next five years? What restrictions would we be likely to see occur as a consequence of the planning for that? What sort of costs would you anticipate flowing through to the industry?

Mr McGAURAN (Gippsland—Minister for Agriculture, Fisheries and Forestry) (8.42 pm)—The government announced a fishing buyback scheme some nine months ago totalling $150 million to purchase fishermen’s licences and another approximately $70 million for onshore affected businesses and onshore affected communities. The $150 million buyback scheme has now been completed. There has been some funding under the onshore affected businesses, but essentially most of that $70 million under the two programs is still being considered by the Minister for Fisheries, Forestry and Conservation, Senator Abetz.

We have seen a substantial reduction, therefore, in the catch effort in most fisheries, whether it be the northern prawn or south-eastern trawl fisheries. There was only a reduction of about 16 per cent of the effort in the Bass Strait scallop fisheries, which we find very disappointing. Ideally it would have been about 50 per cent, which matches some of the reduction in the other fisheries. It was done by way of a tender system and the tenders put in by the Bass Strait scallop fishermen were not seen to be value for taxpayers’ funds in the way that the tenders in the other fisheries were.

We are starting from a solid base for the management of the long-term sustainability of these fisheries as well as providing a better and more secure income stream for the remaining fishers—I should not just say fishermen. As I understand it, the Minister for the Environment and Heritage will under his powers deem which catches are sustainable and which are not. Senator Campbell, as minister for the environment, in the middle of last year or earlier announced a number of species which would not be available to fishers.

We believe that we have tried to sustain and secure both the livelihood of fishers and their communities as well as the fishing stock by way of this significant buyback. From here on in, it will be very much a management issue. Australia can hold its head high. There are some species that we are gravely concerned about as having been overfished, but overall Australia has a good record and we intend to maintain it.

Mr SNOWDON (Lingiari) (8.45 pm)—Minister, I do not want you to particularly refer to the budget papers as closely as I am going to now, but output 7, Scientific advice, on page 53 of the portfolio budget statements has as an objective:

To promote more sustainable, competitive and profitable Australian agricultural, food, fisheries and forestry industries by delivering effective, timely, policy-relevant scientific advice, assessments and tools for decision making.

The question I have relates to climate change. I would like to know what research and modelling has been undertaken by your agency to look at the impact of climate change on the pastoral industry of Northern Australia. Given that forecasters tell us that the north is getting wetter and the south-east and eastern seaboard is getting drier, what research has been undertaken by your agency in relation to this matter and what information can you bring to us? Also, in relation to fisheries, has any research been undertaken or sponsored by your department.
which would indicate to us how the fisheries might be affected by any climate change modelling?

Mr McGAURAN (Gippsland—Minister for Agriculture, Fisheries and Forestry) (8.46 pm)—With regard to the agricultural side of the portfolio, I have a climate change action plan which I am funding to the degree of several million dollars. I have asked for projects from researchers and industries and we will be considering them over time. It is much debated. Some people see climate change and agriculture simplistically. The north will get wetter and the further south you come it will get drier and hotter. Farmers are constantly looking at research through their research and development corporations and companies—different varieties, different pastures, different management practices. All that is happening at a grassroots level in preparation for climate change or to survive and manage as best they can through the drought.

At the moment, for most farmers, it has been drought management. Climate change, which may have influenced or even brought about the drought—in the worst case scenario—is allowed for by primary producers but it is really handling the dry conditions. If that becomes a permanent or semi-permanent state, they have had the last few years experience to see them through it.

State governments are doing a lot also. They are probably doing more of the modelling and the scenarios as to what certain regions will look like with this current climatic trend over the next 20 or 30 years. There is a lot of information around. As you know, for Northern Australia Senator Heffernan’s Northern Australia Land and Water Task Force holds great promise for potential expansion of agriculture in the north, and I am sure the member for Lingiari wants to support it.

Mr SNOWDON (Lingiari) (8.48 pm)—Can the minister tell us the detail of Senator Heffernan’s task force? Who is on it? What industry bodies are represented on it? I raise that because I have had a number of industry sectors approach me and say that they are concerned about the make-up of Senator Heffernan’s task force and that it does not contain a broad cross-section of people with appropriate industry expertise in Northern Australian agriculture or pastoralism.

Mr McGAURAN (Gippsland—Minister for Agriculture, Fisheries and Forestry) (8.49 pm)—I would appreciate it if the member for Lingiari could ensure those inquirers that Senator Heffernan is a great one for consultation and discussion and even negotiation. There is no possibility whatsoever that anybody with a view or an opinion will not have an opportunity to express it and influence the deliberations of that task force. Senator Heffernan approaches his responsibilities with an open mind and will cast the net widely to obtain the best possible advice.

But to finish my previous answer: with regard to climate change modelling, the government has funded CSIRO to the tune of several million dollars to establish a new climate change flagship, so we are heavily dependent on CSIRO. With regard to fisheries, presumably the warming of the water would be the major effect of climate change that would affect the industry or fish stocks. Again, we are dependent on research bodies such as the CSIRO Division of Fisheries or the University of Tasmania, as well as some of the state fishery research institutes.
Mr SNOWDON (Lingiari) (8.50 pm)—I am very genuine about this question. I am not trying to be a smart arse.

The DEPUTY SPEAKER—Order! The honourable member will withdraw that remark.

Mr SNOWDON—I withdraw. I would appreciate it if you could detail who Senator Heffernan has on his task force and what their backgrounds are.

Mr McGAURAN (Gippsland—Minister for Agriculture, Fisheries and Forestry) (8.51 pm)—I cannot do so off the top of my head. I have seen a list of the people who make up the task force, and I have been mightily impressed by the diversity of their backgrounds and the depth of experience and knowledge they will bring to the task. I certainly know that Senator Ron Boswell is on the task force—and I know the weight he will bring to its deliberations.

Mr Snowdon—Could you let us know?

Mr McGAURAN—Most certainly. It is a matter of public record, I am sure.

Mr Snowdon—You will provide that information?

Mr McGAURAN—If it is a matter of public record, I am happy to provide it. I am sure that I have seen the names—now that I think of it, it might have been a cabinet list!

Mr SNOWDON (Lingiari) (8.51 pm)—My point is that it is of great interest and relevance—and not for any political purpose—to people involved in water, in particular in Northern Australia, and for the agriculture sector in particular and for primary industry in general. It is very important that they know who is on the committee, how it will operate and who they can go to for representations—apart from writing a letter to Senator Heffernan. They need to know whether there is a secretariat, who runs it, who controls it and what its guidelines are.

Mr McGAURAN—Could you let us know?

Ms BURKE (Chisholm) (8.52 pm)—Coming back to the minister’s points about fish stocks: given that the industry have taken the pain of giving up their licences, what is the government going to do about the incursion of illegal fishers into our waters? The industry have taken the pain of giving up their licences and no longer fishing and they are seeing their stock depleted, day in, day out, by the incursions of illegal fishers, particularly from Indonesia, who come into our waters and take our stock. On top of that, there are numerous sightings and reports of these boats landing on the far-flung regions of Australia’s coastline, often bringing livestock with them. There could be birds. Monkeys have been sighted and captured. Avian flu can come in quite easily through that, as well as other fairly devastating diseases that we currently do not have here. So what is the government doing in respect of the illegal fishing industry, which could wipe out our stock more easily than our own fishermen have done?

Mr McGAURAN (Gippsland—Minister for Agriculture, Fisheries and Forestry) (8.53 pm)—Illegal fishing in our northern waters is a pressing problem and it is a high priority for the government. We tackled this in the 2005 budget with several hundred million dollars for cross-agency cooperation and a joint effort by Customs, the Australian Federal Police, the Australian Fisheries Management Authority and AQIS. We work in conjunction with the Western Australian government, the Northern Territory government and especially the Indonesian government. The Indonesians have a terrible illegal fishing problem and they have no tolerance for it. They have suffered enormously from illegal fishers—who are mostly, but not
solely, Chinese—and they want to cooperate. We have a number of projects with the Indonesian government to give new industries to a number of these impoverished and far-flung fishing villages. We have some cottage industries starting up and, to the extent that it is possible, there is greater policing by the Indonesian central government. There is no wavering on the part of the Indonesian government.

I think it has borne fruit. We seem to have capped it at least—and I stand to be corrected by my colleague the Minister for Fisheries, Forestry and Conservation, Senator Abetz—and have begun to reduce the number of incursions. A lot of this has been due to the work of the Navy and some sensible measures by us, including that we burn the boats. We have five incinerator sites along the coast now. They can be burnt at sea or there can be multiple towing to a site. It is really quite a logistical or operational problem. By the time you tow them to the designated site, you have taken away the Navy patrol boat for several days. A lot of those sorts of measures are of high deterrent value. As well, there have been some jailings and confiscation of property and the like. So the problem has not gone away. It is not as extensive as it was, say, six to 12 months ago, but it will require continual vigilance.

**Mr Hayes** (Werriwa) (8.56 pm)—Minister, one of the things introduced in the budget papers this year concerns investment in hardwood plantations. What will be the impact of investment in the hardwood plantation industry? What will be the impact on exports from hardwood as well as from woodchip? In which direction do you consider our markets will be growing?

**Mr McGauran** (Gippsland—Minister for Agriculture, Fisheries and Forestry) (8.56 pm)—The government has the 2020 vision and target for the plantation industry, especially hardwood plantations—the most popular being blue gums. For that reason, we have a tax arrangement for forestry managed investment schemes, built on the basis that there is no country in the world that has a plantation industry without a subsidy or a grant because of the patient capital needed 10, 15 or more years before harvesting. It is just a fact of life: if you want a plantation industry, you must have a tax incentive. We do it through managed investment schemes and they are not without controversy, as the honourable member would be well aware.

I am often asked by rural communities, even in my own electorate of Gippsland, why the government provides such a tax arrangement for urban investors or retirees who are not farming the land directly. There are a number of reasons. The first is that state governments have progressively locked out the industry from the hardwood resource in native forests. As a result there is a greater scarcity of hardwood than ever before. Also, there are import replacement issues. We run a big enough deficit of $1 ½ billion or more on imported timber or timber products. In addition to that there are the environmental benefits that go with plantations. There are a great many rural communities who do not see the benefit of plantations.

The Bureau of Rural Science has done a study which shows that the net gain to rural communities in job creation and economic stimulus is greater than any loss of farming land, but that has not convinced many rural communities. It is a sensitive and difficult issue. There are many in the dairy, beef and pastoral industries who believe they cannot compete for land against Great Southern Plantations Ltd or Timber Corporation Ltd and so on. I can tell you that I have faced many angry audiences in rural areas wanting to know why the government has favoured these companies with what they regard as favourable taxation concessions. We
believe it is a sound policy, but we have to be mindful of the planning aspects regarding plantations. I think states have a great deal more work to do here. The matter remains under consideration, but the government does differentiate between non-forestry managed investment schemes and forestry managed investment schemes. We do not support non-forestry managed investment schemes in the way we have special arrangements for forestry MISs.

Proposed expenditure agreed to.

**Industry, Tourism and Resources Portfolio**

Proposed expenditure, $1,301,242,000.

Debate (on motion by Mrs Gash) adjourned.

Main Committee adjourned at 9.01 pm
QUESTIONS IN WRITING

Media Monitoring and Clipping Services
(Question No. 4135)

Mr Bowen asked the Minister representing the Minister for the Arts and Sport, in writing, on 7 September 2006:
(1) What sum was spent on media monitoring and clipping services engaged by the Minister’s office in 2005-06.
(2) What was the name and postal address of each media monitoring company engaged by the Minister’s office.

Mr McGauran—The Minister for the Arts and Sport has provided the following answer to the honourable member’s question:
(1) $3,251.86
(2) Media Monitors Australia Pty Ltd
PO Box 2110
Strawberry Hills NSW 2010

Rehame Australia Monitoring Service Pty Ltd
PO Box 537
Port Melbourne VIC 3207

Media Monitoring and Clipping Services
(Question No. 4136)

Mr Bowen asked the Minister representing the Minister for Human Services, upon notice, on 7 September 2006:
(1) What sum was spent on media monitoring and clipping services engaged by the Minister’s office in 2005-06.
(2) What was the name and postal address of each media monitoring company engaged by the Minister’s office.

Mr Brough—The Minister for Human Services has provided the following answer to the honourable member’s question:
(1) The Minister’s office spent $57,802.67 exclusive of GST on media monitoring in 2005-06.
(2) The names and postal addresses are as follows:
Media Monitors
PO Box 2110
Strawberry Hills
NSW 2012
Factiva
(Dow Jones Reuters Business Interactive)
6th floor, Commodity Quay
Mr Bowen asked the Minister for Vocational and Technical Education, in writing, on 7 September 2006:

(1) What sum was spent on media monitoring and clipping services engaged by the Minister’s office in 2005-06.

(2) What was the name and postal address of each media monitoring company engaged by the Minister’s office.

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

(1) The sum spent by the Minister for Vocational and Further Education’s office on media monitoring and clipping services was $38,242.03 (GST exclusive). This amount includes the cost of transcription services.

(2) The name and postal address of each media monitoring company engaged by the office of the Minister for Vocational and further Education, was as follows:

<table>
<thead>
<tr>
<th>Company name</th>
<th>Postal address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media Monitors Australia Pty Ltd</td>
<td>PO Box 2110 Strawberry Hills NSW 2012</td>
</tr>
</tbody>
</table>

Mrs Elliot asked the Attorney-General and the Minister representing the Minister for Justice and Customs, in writing, on 12 September 2006:

(1) What programs have been administered by the Minister’s department in the federal electorate of Richmond since October 2004.

(2) In respect of each project or program referred to in Part (1), (a) what is its name, (b) by whom is it operated and (c) what are its aims and objectives.

(3) What grants have been provided to individuals, businesses and organisations by the Ministers’ department in the federal electorate of Richmond since October 2004.

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

(1) and (2) Information about the programs administered by my Department and their aims and objectives is contained in Portfolio Budget Statements and other publicly available documents.
(3) The National Emergency Volunteer Support Fund

<table>
<thead>
<tr>
<th>Title of Grant</th>
<th>Recipient</th>
<th>Amount (GST Exclusive)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upgrade and repair safety railing on Kingscliff Coast Guard Tower</td>
<td>Australian Volunteer Coast Guard Association Kingscliff</td>
<td>$4,158</td>
</tr>
</tbody>
</table>

The Local Grants Scheme

<table>
<thead>
<tr>
<th>Title of Grant</th>
<th>Recipient</th>
<th>Amount (GST Exclusive)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilitate the completion of the Emergency Risk Management Plan for the Byron Shire</td>
<td>Byron Shire Council</td>
<td>$25,000</td>
</tr>
<tr>
<td>Procure equipment for the Byron Shire Emergency Operations Centre</td>
<td>Byron Shire Council</td>
<td>$18,000</td>
</tr>
</tbody>
</table>

The Local Grants Scheme and the National Emergency Volunteer Support Fund have been administered by my Department. The two programs were established under the Australian Government’s Working Together to Manage Emergencies initiative.

In addition to grants provided directly to recipients in the federal electorate of Richmond during the reporting period through the ‘Working Together to Manage Emergencies’ initiative, residents will have also benefited to some extent from a number of state-wide projects. Funding has been provided to a range of volunteer agencies including the State Emergency Services, Rural Fire Service, Salvation Army and St John Ambulance for strategic state-wide projects with the positive impact of those projects being widely felt through improved training, enhanced recruitment and better equipment.

Legal Aid Program

My Department administers the Legal Aid Program through which Legal Aid New South Wales is funded to provide legal assistance for individuals for matters arising under Commonwealth law.

This funding is allocated for the provision of services in the State of New South Wales and is not provided on an electorate basis. The services provided include legal information and advice, duty lawyer services and grants of aid for legal representation. Details of individual grants of aid are subject to privacy provisions.

Legal Aid New South Wales has an office located in Lismore at Suite 6, Level 4, 29 Molesworth Street, Lismore, through which individuals in the Richmond electorate can access legal aid services. Telephone legal advice is also available to individuals in Richmond toll free on 1300 888 529.

The funding provided for New South Wales for the relevant period is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-05</td>
<td>44.083</td>
</tr>
<tr>
<td>2005-06</td>
<td>45.053</td>
</tr>
<tr>
<td>2006-07</td>
<td>45.801</td>
</tr>
</tbody>
</table>
Community Legal Services Program
The Australian Government provides recurrent funding to 128 community legal centres across Australia to provide a range of legal and related services under the Community Legal Services Program. Twenty-nine of these organisations are located in New South Wales.

While there are no funded organisations located in the electorate of Richmond, there are several organisations which are funded to provide state-wide, or semi state-wide services to eligible disadvantaged clients residing in any electorate in New South Wales: Women’s Legal Service, Consumer Credit Service, HIV/AIDS Legal Centre, Immigration Advice and Rights Group, Tenants Advice Service, Environmental Defenders Office, NSW Disability Discrimination Legal Centre, and The Aged Care Rights Centre.

Funding for community legal centres located in New South Wales and funded under the Community Legal Services Program since 2004-05 follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-05</td>
<td>4,910,450</td>
</tr>
<tr>
<td>2005-06</td>
<td>5,060,513</td>
</tr>
<tr>
<td>2006-07</td>
<td>5,161,513</td>
</tr>
</tbody>
</table>

Financial Assistance Schemes
My Department administers schemes for the provision of financial assistance for legal costs and related expenses. These schemes exist to provide assistance in cases where legal aid is not generally available from legal aid commissions and where the circumstances give rise to a special Commonwealth interest. People and organisations in the electoral division of Richmond can apply for assistance directly from the Australian Government under these schemes. It has been a long-standing practice, endorsed by successive Attorneys-General, not to provide information in relation to individual applications in order to protect the confidential information of applicants and to comply with obligations imposed by the Privacy Act 1988.

Legal Aid for Indigenous Australians
My Department has administered the Legal Aid for Indigenous Australians Program since July 2004. The Aboriginal Legal Service (NSW/ACT) Limited is funded to provide services in New South Wales (including Australian Capital Territory and Jervis Bay Territory), which covers the electoral division of Richmond. The services provided include: information, initial advice, minor assistance and referrals; duty lawyer assistance; and legal casework services covering criminal, civil and family law matters.

The Aboriginal Legal Service (NSW/ACT) Limited was the successful tenderer for the provision of legal aid services to Indigenous Australians in New South Wales (including Australian Capital Territory and Jervis Bay Territory) which was undertaken in 2006. Prior to the tender, services in this region were provided by a number of Indigenous organisations, including the Many Rivers Legal and Administrative Services in the electoral division of Richmond.

The following funding has been provided:

<table>
<thead>
<tr>
<th>Year</th>
<th>Organisation</th>
<th>Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-05</td>
<td>Many Rivers Legal and Administrative Services</td>
<td>$1,968,425</td>
</tr>
<tr>
<td>2005-06</td>
<td>Many Rivers Legal and Administrative Services</td>
<td>$2,339,559</td>
</tr>
<tr>
<td>2006-07</td>
<td>Aboriginal Legal Service (NSW/ACT) Limited</td>
<td>$13,930,849</td>
</tr>
</tbody>
</table>
Notes:
1. Aboriginal Legal Service (NSW/ACT) Limited has responsibility for providing legal aid services to a wider region than the area previously serviced by the Many Rivers Legal and Administrative Services.
2. Funding amounts include GST.

**National Community Crime Prevention Programme (NCCPP)**

The Community Technology Centres Association of South Tweed Heads (CTCA) was announced as a successful grants recipient under the NCCPP in September 2006. The CTCA will receive funding of $122,000 for the Safe Cyber Communities Project.

Sexual Harassment Claims

(Question No. 4495)

Mr Kelvin Thomson asked the Attorney-General, in writing, on 14 September 2006:

For each financial year since 1 July 2000, how many sexual harassment claims have been reported in the Minister’s department and agencies.

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

**Attorney-General’s Department**

In 2000-2001 two claims were received. These relate to the Australian Protective Service when it was part of the Department. No claims have been received from 2001-02 to 30 June 2006.

**Administrative Appeals Tribunal**

During the period the Administrative Appeals Tribunal had one claim in 2003/2004.

**Australian Crime Commission**

Since the inception of the Australian Crime Commission on 1 January 2003 there have been two reported sexual harassment claims, both in 2004-05.

**Australian Customs**

Australian Customs introduced a formal reporting system for harassment claims during 2004/05. Prior to that time the only source of data was the Code of Conduct statistics.

From the records available there is no data to report for the years 2000/01 through to 2002/03. Reports for the remaining years are below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Reported Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/04</td>
<td>Nil</td>
</tr>
<tr>
<td>2004/05</td>
<td>Nil</td>
</tr>
<tr>
<td>2005/06</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>3</td>
</tr>
</tbody>
</table>

**Australian Federal Police** (Includes the Australian Institute of Police Management and the Australian Centre for Policing Research)

All serious matters of sexual harassment are referred to the Australian Federal Police (AFP) Professional Standards (PRS) for investigation. PRS has received 18 sexual harassment claims during the period, as indicated in the following table:
Financial Year | Referrals to AFP Professional Standards (PRS)
---|---
2000/01 | 1
2001/02 | 2
2002/03 | 2
2003/04 | 10
2004/05 | 2
2005/06 | 1
Total | 18

Seven of the matters referred to PRS resulted in substantiation of the allegation.

The AFP Confidant Network provides confidential advice and support to AFP employees in relation to workplace issues and the reporting of inappropriate behaviour. The AFP received an additional 20 inquiries or referrals in relation to sexual harassment through the Confidant Network. These figures appear in the table below.

Those records pertaining to the Confidant Network do not distinguish between the referral of a minor conduct issue and a general inquiry, seeking advice about sexual harassment, with no subsequent complaint. All matters relating to conduct were assessed by the Confidant Network as being minor in nature and referred to AFP Management for conciliation between the parties.

Financial Year | Inquires or Referrals to the AFP Confidant Network (not forwarded to PRS)
---|---
2000/01 | 4
2001/02 | 6
2002/03 | 3
2003/04 | 1
2004/05 | 3
2005/06 | 3
Total | 20

**Australian Government Solicitor**

There has been one sexual harassment claim for the period, which was reported in 2001-02.

**Australian Security Intelligence Organisation**

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Number of claims</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000-01</td>
<td>1</td>
</tr>
<tr>
<td>2001-02</td>
<td>0</td>
</tr>
<tr>
<td>2002-03</td>
<td>0</td>
</tr>
<tr>
<td>2003-04</td>
<td>1</td>
</tr>
<tr>
<td>2004-05</td>
<td>0</td>
</tr>
<tr>
<td>2005-06</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
</tr>
</tbody>
</table>

Note: All other portfolio agencies recorded no sexual harassment claims for the period 1 July 2000 to 30 June 2006.
Human Services: Unauthorised File Access
(Question No. 4620)

Mr Kelvin Thomson asked the Minister representing the Minister for Human Services, in writing, on 14 September 2006:

(1) For each financial year since 1 July 2000, on how many occasions have departmental employees accessed files or records without proper authorisation.

(2) In each instance identified in Part (1), (a) what action was action taken against the employee and (b) if the unauthorised access involved customer records, in how many instances was the customer notified.

(3) Are employees able to access personal or customer files without (a) being detected, or (b) leaving a record of their access.

(4) What auditing procedures exist to monitor employee access to files and records.

Mr Brough—The Minister for Human Services has provided the following answer to the honourable member’s question:

Core Department

(1) There have been no occasions where staff of the core department have accessed files or records without proper authorisation.

(2) See the response to Question 1.

(3) (a) No.

(b) No.

(4) The Department periodically audits electronic access to files and records.

Child Support Agency

(1) The CSA Fraud Prevention Team (FPT) commenced investigations from December 2005. Prior investigations were undertaken by the Australian Taxation Office (ATO) on behalf of the CSA. Access to pre-December 2005 ATO records is unavailable.

Since inception of the CSA FPT in December 2005, 1 substantiated instance of unauthorised access has been identified and 6 matters identified since July 2006 that are still under investigation.

(2) (a) In the substantiated instance, the employee was dismissed.

(b) It should be noted that this type of information is not recorded on the case management systems of the Australian Tax Office or CSA. To obtain this information, the original files would have to be retrieved from storage which would take a considerable amount of time and cost.

In the majority of these investigations (prior to recent software tools and proactive auditing mentioned below), the customer was the complainant and therefore already knew of the access.

(3) (a) No.

(b) No.

(4) All accesses are recorded on audit user history logs. These date back to 1993 and are held by the ATO which maintains those logs on behalf of the CSA.

Proactive data matching is undertaken to identify unauthorised access. This is a new software tool which detects suspected unauthorised access to customer records. It proactively searches CSA’s customer case management system and identifies behaviours that may signal non-work related access. Staff are unable to detect the tool’s presence.

In addition, CSA undertakes proactive monitoring of accesses to high profile customers.
(1) CRS Australia has had the following number of employees accessing files or records without proper authorisation since 1 July 2000:

1 July 2000 – 30 June 2001: 0
1 July 2001 – 30 June 2002: 0
1 July 2002 – 30 June 2003: 0
1 July 2003 – 30 June 2004: 4
1 July 2004 – 30 June 2005: 0
1 July 2005 – 30 June 2006: 0

(2) (a) An investigation was undertaken by an independent investigator who found all four employees were found to have breached the APS Core of Conduct in that they did not act with care and diligence and also did not treat the complainant with respect and courtesy. All received counselling from a senior manager and were issued with a direction to write formal letters of apology to the complainant. While it is understood there was no malicious intent by the four employees, they were further cautioned regarding their obligations to comply with the Code of Conduct as set out in the Public Service Act 1999, and the values and behaviours expected of them as members of the Australian Public Service. The range of repercussions for breaches of the Code of Conduct was detailed and they were cautioned about their future behaviour.

(b) All four instances of unauthorised access were for the same former client’s file. A formal letter of apology was forwarded to the former client.

(3) (a) No.
(b) No.

(4) The following auditing procedures exist to monitor employee access to files and records:

Audits are conducted when indicated as part of an investigation, or in response to specific requests. Automated monitoring of logs of access to electronic records has been implemented and an audit of this access is scheduled for 2007.

**Fiji Military: Equipment**

*(Question No. 4887)*

Mr McClelland asked the Minister for Defence, in writing, on 27 November 2006:

(1) What equipment was provided to the Fijian military as part of Operation Valiant.

(2) What are the “stores [that] remain on loan to the Fijian Government”, referred to in the 2005-06 Defence Annual Report (page 95).

(3) Under what conditions was the equipment loaned to the Fijian military and when, and under what criteria, is it to be returned.

Dr Nelson—The answer to the honourable member’s question is as follows:

(1) The following table provides the list of stores provided to the Republic of Fiji Military Forces (RFMF) under Operation Valient – the codename for Australia’s contribution to the RFMF mission in Iraq – to allow participation in the United Nations Assistance Mission in Iraq (UNAMI).

(2) Major Australian military equipment items that remain on loan to the RFMF include personal chemical protective equipment, and personal ballistic protective equipment including Kevlar helmets and protective fragmentation vests. All weapons, two flare guns, the ambulance and 156 combat helmets have been returned.
(3) Stores were loaned to the RFMF at the request of the Fiji Government to assist Fiji to contribute safely and effectively to UNAMI. With the exception of consumables, the stores were loaned on condition that they be returned to Australian custody in Iraq when no longer required or at the completion of the RFMF contribution to UNAMI.

(4) All stores on loan remain Australian property, and are subject to a six monthly stocktake by RFMF personnel in Iraq. This stocktake is scrutinised and reconciled by Headquarters Joint Operations Command.

Table of Equipment Loaned to the Republic of Fiji Military Forces

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.56mm F1 ball ammunition</td>
<td>113,400</td>
</tr>
<tr>
<td>5.56mm F1 link ammunition</td>
<td>161,040</td>
</tr>
<tr>
<td>9mm M882 ball ammunition</td>
<td>60,000</td>
</tr>
<tr>
<td>7.62mm ball F4 link ammunition</td>
<td>16,920</td>
</tr>
<tr>
<td>12 gauge frangible ammunition</td>
<td>500</td>
</tr>
<tr>
<td>Heckler &amp; Koch MP5 submachine guns</td>
<td>24</td>
</tr>
<tr>
<td>Black nylon trouser belts</td>
<td>24</td>
</tr>
<tr>
<td>Individual air mattresses</td>
<td>24</td>
</tr>
<tr>
<td>Chemical protective gear</td>
<td>24</td>
</tr>
<tr>
<td>Chemical protective mask</td>
<td>24</td>
</tr>
<tr>
<td>Sleeping bags/mosquito domes</td>
<td>24</td>
</tr>
<tr>
<td>Digital video photo camera</td>
<td>2</td>
</tr>
<tr>
<td>M4 Benelli shotgun 1</td>
<td>3</td>
</tr>
<tr>
<td>Garret G-2 handheld metal detector</td>
<td>3</td>
</tr>
<tr>
<td>Surefire10X Dominator spotlight</td>
<td>4</td>
</tr>
<tr>
<td>Surefire M2 flashlights</td>
<td>24</td>
</tr>
<tr>
<td>Shotgun ammunition pouches</td>
<td>24</td>
</tr>
<tr>
<td>Pelican case model #1650 (hardened carry case)</td>
<td>24</td>
</tr>
<tr>
<td>Pelican case model #1520 (hardened carry case)</td>
<td>8</td>
</tr>
<tr>
<td>Laptop, IBM compatible</td>
<td>3</td>
</tr>
<tr>
<td>Ambulance 1</td>
<td>1</td>
</tr>
<tr>
<td>Combat body armour (Level 2 protection)</td>
<td>184</td>
</tr>
<tr>
<td>Datascopc Rangefinder</td>
<td>2</td>
</tr>
<tr>
<td>9mm magazine pouches</td>
<td>106</td>
</tr>
<tr>
<td>Garret metal detectors</td>
<td>5</td>
</tr>
<tr>
<td>9mm thigh holsters</td>
<td>24</td>
</tr>
<tr>
<td>Flares</td>
<td>24</td>
</tr>
<tr>
<td>9mm MK3 Browning pistol 1</td>
<td>24</td>
</tr>
<tr>
<td>Heckler &amp; Koch single shot P2A1 flare gun 1</td>
<td>2</td>
</tr>
<tr>
<td>Kevlar combat helmet 2</td>
<td>184</td>
</tr>
<tr>
<td>Oakley M frame multiple shooting lens</td>
<td>35</td>
</tr>
<tr>
<td>Field binoculars</td>
<td>38</td>
</tr>
<tr>
<td>Lightweight blanket</td>
<td>184</td>
</tr>
<tr>
<td>Rations</td>
<td>400</td>
</tr>
<tr>
<td>Glock holster</td>
<td>24</td>
</tr>
<tr>
<td>X-1 Raptor Pack (specialist backpack with water bladder)</td>
<td>24</td>
</tr>
<tr>
<td>Royal Robbin tactical vests</td>
<td>24</td>
</tr>
</tbody>
</table>

Notes
1. Items have been returned
2. 156 Kevlar combat helmets have been returned

QUESTIONS IN WRITING
(Question No. 5010)

Mr Kelvin Thomson asked the Minister representing the Minister for Human Services, in writing, on 7 December 2006:

Did the recommendations of the Access Card and Consumer Privacy Taskforce Report No. 1, which was rejected by the Government, impact on the viability of the Access Card/Smartcard business case.

Mr Brough—The Minister for Human Services has provided the following answer to the honourable member’s question:

The Government did not reject the Access Card and Consumer Privacy Taskforce Report No. 1. The Taskforce report, informed by the views of 120 representative groups and over 100 public submissions, made 26 recommendations. Of the 26 recommendations, 22 were supported by Government, 2 were partially supported with an intention to find a means of implementing the recommendations and two recommendations in relation to the inclusion of a digitised signature and a card number, were not supported.

Veterans’ Affairs: Missing Property

(Question No. 5149)

Mr Kelvin Thomson asked the Minister for Veterans’ Affairs, in writing, on 7 December 2006:

(1) For each financial year from 1 July 2004, what was the total cost to the Minister’s department of departmental property reported missing.

(2) For the financial year 2005-06, what items of property were reported missing and what was the cost of each.

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

(1) 2004-05 $9,208
    2005-06 $5,440

(2) One video tape & DVD valued at $40
    One data projector valued at $5,400

The total cost of Memorial property reported missing since 1 July 2004 is:

<table>
<thead>
<tr>
<th></th>
<th>2004-05</th>
<th>2005-06</th>
<th>2006-07 *</th>
</tr>
</thead>
<tbody>
<tr>
<td>General assets unaccounted for and written off following stocktake</td>
<td>$6,088</td>
<td>$7,102</td>
<td>Not available – stocktake currently underway</td>
</tr>
<tr>
<td>Shop inventory written off following stocktake</td>
<td>$5,319</td>
<td>$1,105</td>
<td>Not available – stocktake currently underway</td>
</tr>
<tr>
<td>Theft</td>
<td>$375</td>
<td>$110</td>
<td>$0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$11,407</td>
<td>$8,207</td>
<td></td>
</tr>
</tbody>
</table>

Memorial assets unaccounted for or reported as missing for 2005-06 stocktake were:

<table>
<thead>
<tr>
<th>Asset</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beam and former - Lancaster move</td>
<td>$1,062.00</td>
</tr>
<tr>
<td>Monitor LCD neovo x-17av</td>
<td>$1,041.00</td>
</tr>
<tr>
<td>Projector</td>
<td>$963.00</td>
</tr>
<tr>
<td>DVD player pioneer DVD 7300d</td>
<td>$697.00</td>
</tr>
<tr>
<td>Workstation 2 x corner 2100x3300x600/800/600</td>
<td>$601.00</td>
</tr>
<tr>
<td>DVD pioneer 7300 with timer/cabling</td>
<td>$433.00</td>
</tr>
<tr>
<td>Workstation 2000 x 1800 x 800/600 dove grey</td>
<td>$386.00</td>
</tr>
<tr>
<td>Custom mirror and wall mount</td>
<td>$317.00</td>
</tr>
<tr>
<td>Hudson stand</td>
<td>$245.00</td>
</tr>
<tr>
<td>Corner workstation 2400x2900x800/600</td>
<td>$231.00</td>
</tr>
<tr>
<td>Cabinets swing door</td>
<td>$193.00</td>
</tr>
<tr>
<td>Meeting table</td>
<td>$193.00</td>
</tr>
<tr>
<td>Flexi-arm stand</td>
<td>$108.00</td>
</tr>
<tr>
<td>Monitor plasma 42mp2 NEC</td>
<td>$83.00</td>
</tr>
<tr>
<td>Ceiling mount brackets</td>
<td>$82.00</td>
</tr>
<tr>
<td>Screentechnics 100” matt pull down screen</td>
<td>$63.00</td>
</tr>
<tr>
<td>Screen 16:9 Fujitsu plasma 42” pd4203</td>
<td>$50.00</td>
</tr>
<tr>
<td>Petty Cash from Section</td>
<td>$50.00</td>
</tr>
<tr>
<td>Controller - program for gallery VCR’s</td>
<td>$42.00</td>
</tr>
<tr>
<td>Radio - two way portable</td>
<td>$39.00</td>
</tr>
<tr>
<td>Licence plates from leased vehicle</td>
<td>$30.00</td>
</tr>
<tr>
<td>Computer pmg4 733</td>
<td>$25.00</td>
</tr>
<tr>
<td>DVD player</td>
<td>$25.00</td>
</tr>
<tr>
<td>Lathe</td>
<td>$25.00</td>
</tr>
<tr>
<td>Projector lens zpll-zm-100</td>
<td>$25.00</td>
</tr>
<tr>
<td>Sony VPL LFM 30 lens</td>
<td>$25.00</td>
</tr>
<tr>
<td>Treasure Trail sign</td>
<td>$20.00</td>
</tr>
<tr>
<td>Studio display monitor (m6356zm/a)</td>
<td>$13.00</td>
</tr>
<tr>
<td>Studio display monitor (m6356zm/a)</td>
<td>$13.00</td>
</tr>
<tr>
<td>Studio display monitors - 80,000 women</td>
<td>$13.00</td>
</tr>
<tr>
<td>Studio display monitors m6356zm/a LCD</td>
<td>$13.00</td>
</tr>
<tr>
<td>Toy soldier from diorama</td>
<td>$10.00</td>
</tr>
<tr>
<td>Cabinet - security class b</td>
<td>$8.00</td>
</tr>
<tr>
<td>DVD player Pioneer v7300d zone 4</td>
<td>$8.00</td>
</tr>
<tr>
<td>Pioneer v7300 DVD</td>
<td>$8.00</td>
</tr>
<tr>
<td>Touch screen monitor</td>
<td>$8.00</td>
</tr>
<tr>
<td>Apple computer monitor</td>
<td>$4.00</td>
</tr>
<tr>
<td>Cabinet - flameable liquid storage</td>
<td>$4.00</td>
</tr>
<tr>
<td>Lens - camera 28-85 f3.5/4.5</td>
<td>$4.00</td>
</tr>
<tr>
<td>Lens kit - wide angle rpm 3500 camera</td>
<td>$4.00</td>
</tr>
<tr>
<td>Prodisc video main including auto play/loop</td>
<td>$4.00</td>
</tr>
<tr>
<td>Projector - slide with case</td>
<td>$4.00</td>
</tr>
<tr>
<td>Radio - 2 way portable tranceiver</td>
<td>$4.00</td>
</tr>
<tr>
<td>Radio - portable 2 way</td>
<td>$4.00</td>
</tr>
<tr>
<td>Radio - portable 2 way</td>
<td>$4.00</td>
</tr>
<tr>
<td>Ram card model pcmica - flash card 350mb</td>
<td>$4.00</td>
</tr>
<tr>
<td>Video player (isp3004)</td>
<td>$4.00</td>
</tr>
</tbody>
</table>
Veterans’ Affairs: Fuel Costs
(Question No. 5168)

Mr Kelvin Thomson asked the Minister for Veterans’ Affairs, in writing, on 7 December 2006:

(1) For each financial year from 1 July 2004, what sum has the Minister’s department spent on fuel.
(2) How many cars does the department currently own or lease and how many of those cars run on LPG.
(3) Does the department plan to purchase any cars that run on LPG or to convert cars running on petrol to LPG.

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

<table>
<thead>
<tr>
<th>Asset</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workstation 2100 x 1800</td>
<td>$4.00</td>
</tr>
<tr>
<td>Workstation 2100 x 1800</td>
<td>$4.00</td>
</tr>
<tr>
<td>Case - carry (art)</td>
<td>$2.00</td>
</tr>
<tr>
<td>Computer memory chip</td>
<td>$2.00</td>
</tr>
<tr>
<td>Octalite 109cm dm reflector</td>
<td>$2.00</td>
</tr>
<tr>
<td>Solution centre dispensing system</td>
<td>$2.00</td>
</tr>
<tr>
<td>Tcd-d8 Sony compact DAT walkman</td>
<td>$2.00</td>
</tr>
<tr>
<td>Desk - spacemate dove grey</td>
<td>$1.00</td>
</tr>
<tr>
<td>Recorder - video cassette VHS r</td>
<td>$1.00</td>
</tr>
<tr>
<td>“Touch screen 17”</td>
<td>No value</td>
</tr>
<tr>
<td>Aua - screen for AV</td>
<td>No value</td>
</tr>
<tr>
<td>Chair - settee 2 seater</td>
<td>No value</td>
</tr>
<tr>
<td>Chair - settee 2 seater</td>
<td>No value</td>
</tr>
<tr>
<td>Chair - settee 2 seater</td>
<td>No value</td>
</tr>
<tr>
<td>Chair - settee 2 seater</td>
<td>No value</td>
</tr>
<tr>
<td>Chair - settee 2 seater</td>
<td>No value</td>
</tr>
<tr>
<td>Chair - settee 2 seater</td>
<td>No value</td>
</tr>
<tr>
<td>Chair - settee 2 seater</td>
<td>No value</td>
</tr>
<tr>
<td>Chair - settee 3 seater</td>
<td>No value</td>
</tr>
<tr>
<td>Chair - settee 3 seater</td>
<td>No value</td>
</tr>
<tr>
<td>Chair - settee 3 seater</td>
<td>No value</td>
</tr>
<tr>
<td>Chair - settee 3 seater</td>
<td>No value</td>
</tr>
<tr>
<td>Chair - settee upholstered 2 seater</td>
<td>No value</td>
</tr>
<tr>
<td>Fax - portable</td>
<td>No value</td>
</tr>
<tr>
<td>Monitor - computer</td>
<td>No value</td>
</tr>
<tr>
<td>Telephone mobile Nokia 5110</td>
<td>No value</td>
</tr>
<tr>
<td>Video display card</td>
<td>No value</td>
</tr>
<tr>
<td>Video display card</td>
<td>No value</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$7,212.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>The Department of Veterans’ Affairs</th>
<th>The Australian War Memorial</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) 2004-05 $237,675.92</td>
<td>2004-05 $30,856.76</td>
</tr>
<tr>
<td>2005-06 $242,211.18</td>
<td>2005-06 $24,175.62</td>
</tr>
<tr>
<td>(2) 109 cars owned or leased with 2 running on LPG</td>
<td>11 vehicles leased, of these 3 are run on LPG</td>
</tr>
<tr>
<td>(3) No</td>
<td>No</td>
</tr>
</tbody>
</table>
Immigration and Citizenship: Computer Technology  
(Question No. 5198)

Mr Kelvin Thomson asked the Minister for Immigration and Citizenship, in writing, on 7 December 2006:
Is the Minister’s department considering the use of auto-population computer technology that would enable the exchange of personal details and particulars of individuals between departments; if so,  
(a) with which departments and  
(b) what personal details are proposed to be shared.

Mr Andrews—The answer to the honourable member’s question is as follows:
No.

Veterans’ Affairs: Electricity and Water  
(Question No. 5226)

Mr Kelvin Thomson asked the Minister for Veterans’ Affairs, in writing, on 7 December 2006:
(1) For each financial year since 1 July 2004, what sum has the Minister’s department spent on (a) electricity and (b) water.  
(2) Since 1 July 2000, what measures has the department instigated to reduce electricity and water usage.

Mr Billson—The answer to the honourable member’s question is as follows:
Department of Veterans’ Affairs
(1) (a) 2004-05 $649,085.40  
2005-06 $656,792.99  
(b) 2004-05 $99,755.00  
2005-06 $104,114.32  
Note: Some tenancies do not have individual water metering therefore water costs are included in overall lease costs and not reported above.

(2) The Department has adopted a range of measures, such as leasing energy efficient office space, purchasing low energy appliances, installing water saving devices on taps, installing energy management systems on lighting and air-conditioning, increasing our usage of energy efficient lighting and awareness raising for staff.

Australian War Memorial
(1) (a) Electricity is supplied to the Memorial’s complexes at Campbell (4 buildings) and Mitchell (3 buildings) ACT. A number of the buildings in these complexes contain 24/7 climate controlled facilities set to meet the conservation requirements of the collection.

<table>
<thead>
<tr>
<th>Year</th>
<th>Electricity Expenditure</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-05</td>
<td>$648,300.27 (excl GST)</td>
<td>New CEW Bean Building occupied in March 2006</td>
</tr>
<tr>
<td>2005-06</td>
<td>$704,704.88 (excl GST)</td>
<td>New CEW Bean Building occupied in March 2006</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$1,389,005.15 (excl GST)</td>
<td>New CEW Bean Building occupied in March 2006</td>
</tr>
</tbody>
</table>

(b) Water is supplied to the Memorial’s complexes at Campbell (4 buildings) and Mitchell (3 buildings) ACT. Water consumption for buildings is controlled by the Memorial but it should be noted that water to the grounds of the Campbell complex are controlled by the National
Capital Authority (NCA) (note: the NCA advises significant reductions to grounds consumption have occurred).

<table>
<thead>
<tr>
<th>Year</th>
<th>Water Expenditure</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-05</td>
<td>$65,296.64 (excl GST)</td>
<td>18/5/04-16/6/05</td>
</tr>
<tr>
<td>2005-06</td>
<td>$64,295.03 (excl GST)</td>
<td>18/5/05-30/6/06</td>
</tr>
</tbody>
</table>

**TOTAL**  $129,591.67 (excl GST)

The Memorial reports annually to the Department of Environment and Heritage on its energy use (*Energy use in the Australian Government’s Operations* published by the Australian Greenhouse Office). These publications document the Memorial’s energy use performance in all relevant Commonwealth end-use categories. The Memorial shows continued efficient energy use.

(2) The Memorial has introduced a number of measures to reduce electricity and water usage:

**Electricity Use Reduction Initiatives**
- The establishment of an Energy and Environment Committee to oversee the management of energy (including electricity)
- Regular energy audits and communication campaigns.
- Extension of the temperature and humidity control bands of climate controlled facilities;
- Review of Standard Operating Procedures for the movement of items in climate controlled facilities to reduce access time and allow for more efficient scheduling for the movement of items and the scaling down of after hours events in these areas
- Changes to the Building Management System to enable closer monitoring of plant and equipment under consideration
- Increased monitoring of building management practice eg lighting levels, delamping, etc.
- Fitting of electronic expansion valves to chillers to improve running efficiency and thereby reduce energy usage
- Installation of variable speed drives to save energy and improve the power factor
- Current major project reviewing cooling requirement for Main Building Campbell for an energy efficient cooling upgrade.

**Water Use Reduction Initiatives**
- All new building works and fitting replacement incorporates the use of water efficient fittings/designs
- The newly occupied CEW Bean Building at the Campbell has incorporated water saving initiatives including collection and re-use of storm water, water saving showerheads, waterless urinals
- The current development of the Memorial’s Main Building, scheduled to be completed in late 2007 also includes the use of water saving shower heads and waterless urinals.
- It should be noted that the National Capital Authority controls water use for the extensive grounds at the Campbell complex (the NCA advises water consumption on the memorial’s grounds has been reduced considerably).
Disability Support Pension
(Question No. 5330)

Ms George asked the Minister representing the Minister for Human Services, in writing, on 6 February 2007:

(1) Can the Minister explain why a constituent in the electorate of Throsby, who had been in receipt of a Disability Support Pension (DSP) for the past five years, and working in supported employment at Greenacres, received a letter notifying “Cancellation of Disability Support Pension”.

(2) Can the Minister explain why the same DSP recipient was denied an advocate during the assessment interview with Health Services Australia.

(3) Did the denial of an advocate breach any Commonwealth guidelines; if so, what action will be taken to prevent the future occurrence of such a breach.

(4) Can the Minister explain why the constituent was told during the assessment to get a “proper job” even though the constituent was employed full time, was paid at pro-rata award wages and was a valued employee at Greenacres.

(6) How can an individual with a lifelong disability, who works in supported employment programs and is paid at pro-rata award wages, be deemed ineligible for the Disability Support Pension and be transferred to the Newstart Allowance.

(7) Will the Minister ensure that people with lifelong disabilities, who are employed in supported employment programs, are quarantined from the Government’s Welfare to Work changes; if not, why not.

Mr Brough—The Minister for Human Services has provided the following answers to the honourable member’s question:

(1) Disability Support Pension recipients may be selected for a review to ensure that they receive their correct entitlement. The Disability Support Pension recipient in question was selected for such an entitlement review. As part of the review the person was referred for a Job Capacity Assessment. As a result of the review, the Disability Support Pension was cancelled and the individual was sent a letter notifying the individual of the cancellation. It is Centrelink policy to notify people in writing of a decision to cancel their payment.

In this case, the Disability Support Pension recipient requested Centrelink to reconsider the decision. In doing so, it became evident that the Job Capacity Assessor was not initially informed that the Disability Support Pension recipient was working in supported employment. The Centrelink delegate reviewed the decision and Disability Support Pension was restored.

(2) The individual was not denied an advocate. The Job Capacity Assessment organisation that conducted the assessment has advised that the individual arrived with their partner and the partner declined to participate in the assessment interview.

(3) Please see answer to Question 2.

(4) The Job Capacity Assessment Provider has advised that the individual told the assessor that they were working full time and did not indicate this was with a Business Service. The assessor had no information available to them that would have indicated this position was not in an open employment situation. The assessor has confirmed that she did not advise the client to get a “proper job”.

(6) A person who works in supported employment and who is not capable of work at or above the relevant minimum wage because of their impairment, is not deemed ineligible for the Disability Support Pension.

(7) Disability Support Pension recipients may be reviewed from time to time, to ensure that they receive their correct entitlement. These reviews have been in place for many years. People in sup-
ported employment are not excluded from such reviews. The type of review for which the customer in question had been selected, was unrelated to the Welfare to Work changes. However, Disability Support Pensioners who are assessed as not being able to undertake work at or above relevant award wages will not have their pension cancelled on the basis of work capacity.

**Throsby Electorate: Programs**

(Question No. 5385)

Ms George asked the Minister for Veterans’ Affairs, in writing, on 8 February 2006:

(1) In respect of the federal electorate of Throsby, will the Minister provide details of the programs administered by his/her department and relevant agencies under which community organisations, businesses or individuals can apply for funding.

(2) In respect of each Commonwealth-funded program identified in Part (1), (a) what sum was allocated, in total, to eligible participants in the federal electorate of Throsby in (i) 2005 and (ii) 2006; (b) what is the name and address of each of the funding recipients and (c) what sum was allocated to each of them in (i) 2005 and (ii) 2006.

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

(1) Information about the programs administered by the department and the aims and objectives of such programs is contained in Portfolio Budget Statements.

(2) The specific information, with the exception of the address of the funding recipient, can be obtained from documents available from the House of Representatives Table Office. To provide the address of each funding recipient is an unreasonable burden on Departmental resources.

**United States Air Force: Aircraft Visit**

(Question No. 5449)

Mr Melham asked the Minister for Defence, in writing, on 15 February 2007:

Since 1 January 2005, on what dates did United States Air Force aircraft visit (a) Christmas Island airport (b) Cocos Island airport and (c) Learmonth Airport and (d) Royal Australian Air Force Base Pearce, and what type of aircraft was involved on each occasion.

Dr Nelson—The answer to the honourable member’s question is as follows:

This data is provided based on available Defence records but may not capture all USAF movements into the requested locations. Defence movement records for transiting USAF aircraft are not held for more than twelve months for RAAF Pearce. This information is provided from collated file data and is not guaranteed to capture all USAF movements into RAAF Pearce.

(a) Since 1 January 2005, one United States Air Force (USAF) aircraft that has visited Christmas Island Airport. It was a USAF C32B on 4 November 2006.

(b) Since 1 January 2005, no USAF aircraft have visited Cocos Island Airport.

(c) Since 1 January 2005, one USAF aircraft has visited Learmonth Airport. It was a USAF C17A on 2 June 2005.

(d) The dates and type of USAF aircraft that visited RAAF Pearce since 1 January 2005 are listed in the following table:
RAAF Pearce – USAF Aircraft Movements Since 1 January 2005

<table>
<thead>
<tr>
<th>Arrival Date</th>
<th>Aircraft type</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 August 2005</td>
<td>C17</td>
</tr>
<tr>
<td>26 August 2005</td>
<td>C17</td>
</tr>
<tr>
<td>1 September 2005</td>
<td>C17</td>
</tr>
<tr>
<td>17 November 2005</td>
<td>KC 135</td>
</tr>
<tr>
<td>17 November 2005</td>
<td>B-1B</td>
</tr>
<tr>
<td>3 December 2005</td>
<td>C17</td>
</tr>
<tr>
<td>11 January 2006</td>
<td>C17</td>
</tr>
<tr>
<td>21 February 2006</td>
<td>C17</td>
</tr>
</tbody>
</table>

Swan Island Training Area
(Question No. 5450)

Mr Melham asked the Minister for Defence, in writing, on 15 February 2007:

Further to the response to question No. 3733 (Hansard 3 November 2006, page 115), on what dates since 1 January 2004 has the Swan Island Training Area provided a venue for (a) naval training in the use of radar flares, (b) facilities for Army Reserve training and (c) a small demolitions range for Army use, and what Australian Defence Force units have been involved in these activities.

Dr Nelson—The answer to the honourable member’s question is as follows:

For security reasons, it would be inappropriate to provide further details on the training activities I outlined in my response to question No.3733.

Project Land 134
(Question No. 5579)

Mr Fitzgibbon asked the Minister for Defence, in writing, on 22 March 2007:

In respect of the LAND 134 project: (a) what is the current contract price; (b) what was the original contract price, and at the dollar value for which year; (c) what was the original budget; (d) what is the current budget; (e) what was the originally scheduled capability delivery date; (f) has the full capability specified for the project been developed; if so, when did that occur; if not, when will it occur; and (g) when was the contract signed.

Dr Nelson—The answer to the honourable member’s question is as follows:

(a) The contract price is $79.358 million, (in 2002 dollars), for the acquisition contract and seven years of support.

(b) Defence signed a contract for $78.979 million, for which Land 134 budgeted $53.310 million for the acquisition contract and two years of support. Army budgeted $25.669 million for the remaining five years’ support.

(c) The original Land 134 budget established in 2001 was $73.974 million (in 2002 dollars).

(d) The current Land 134 budget is $83.236 million (in 2007 dollars).

(e) The originally scheduled capability delivery date was October 2006.

(f) The capability has been developed and the system was accepted in November 2006. The full capability will be delivered to Army in November 2007.

(g) The contract was signed on 29 January 2003.
Defence Materiel Organisation  
(Question No. 5588)

Mr Fitzgibbon asked the Minister for Defence, in writing, on 26 March 2007:
In respect of any project under the management of the Defence Materiel Organisation that is currently
behind schedule:
(a) what is the title and nature of each project,
(b) what is the additional expenditure associated with the delay in delivery;
(c) what is the expected length of the delay; and
(d) what is the reason for the delay.

Dr Nelson—The answer to the honourable member’s question is as follows:
There are currently 230 funded Major Capital Equipment projects managed within the Defence Materiel
Organisation (DMO).
(a) Public information on the status of Approved Major Capital Equipment Projects may be found at
section two of the Defence Portfolio Budget Statements 2007-08.
(b) There is only one project that presently requires additional funds associated with project delay. There
are five under review and the estimates for additional expenditure for these projects are commercially sensitive. Releasing the exact details could prejudice ongoing project negotiations and / or reviews.
(c) The forecast length of delay varies from a minimum of two weeks out to a number of years for
some legacy projects. The delays will not necessarily delay the initial delivery into service of the
project or the final delivery into service.
(d) The reasons for the delays are many, with the majority being contractor delay (both domestic and
foreign). Other causes include DMO and other Government agency delays, delays with facilities,
platforms being available due to operational tempo, and delays with contract formation or varia-
tion.
Chief Executive Officer DMO is available to provide a personal briefing on individual projects un-
der management in the Defence Materiel Organisation.

Project Land 106-M113  
(Question No. 5589)

Mr Fitzgibbon asked the Minister for Defence, in writing, on 26 March 2007:
In respect of project Land 106-M113 Armoured Personnel Carrier upgrade: (a) when was the contract
for the upgrade signed; (b) what was the original budget for the upgrade and at which year’s dollar value;
(c) what is the current budget for the upgrade and at which year’s dollar value; (d) what date was
specified in the original contract for the delivery of fully operational upgraded M113 Armoured Person-
nel Carriers; (e) have any fully operational upgraded M113 Armoured Personnel Carriers been delivered
to date; if so, when did deliveries commence and how many vehicles have been delivered; if not, when
is delivery expected to commence; (f) when was the technical specification for the upgraded M113 Ar-
mourd Personnel Carriers determined; and (g) is the level of protection provided by the upgraded
M113 Armoured Personnel Carriers sufficient to withstand attacks from the full array of weaponry that
could be encountered by the Australian Defence Force during its operations.

Dr Nelson—The answer to the honourable member’s question is as follows:
In respect of project Land 106-M113 Armoured Personnel Carrier upgrade:
(a) The current contract for the upgrade of the M113 was signed on 15 July 2002.
(b) and (c) The budget for the upgrade has not changed in real terms and is $603 million in January 2007 prices.

(d) The first upgraded M113 Armoured Personnel Carrier production vehicle was contracted for delivery in April 2006.

(e) No fully operational upgraded M113 Armoured Personnel Carriers have been delivered. Delivery of the first systems is scheduled for November 2007; however, Defence assesses that this may slip to mid 2008 due to unresolved problems with the brake system.

(f) The technical specification for the upgraded M113 Armoured Personnel Carriers was agreed by Defence and the contractor as an attachment to the contract signed on 15 July 2002. The contracted armour specification for the upgraded M113 Armoured Personnel Carrier vehicles was last revised on 30 August 2005.

(g) The upgraded M113 Armoured Personnel Carrier has a ballistic protection system that can defeat a vast array of conventional weapon types. However, no armoured vehicle in operation anywhere around the world today can withstand the full array of weaponry that could be encountered in modern operations.

**Project Air 5077**

(Question No. 5590)

Mr Fitzgibbon asked the Minister for Defence, in writing, on 26 March 2007:

In respect of project Air 5077 – Wedgetail Airborne Early Warning and Control:

(a) what is the current budget for the project and at which year’s dollar value;

(b) what was the original budget for the project and at which year’s dollar value;

(c) what was the original scheduled delivery date for the first fully operational Wedgetail aircraft;

(d) when is the first fully operational Wedgetail aircraft expected to be delivered;

(e) what are the reasons for the delay;

(f) will the Wedgetail aircraft and its systems meet 100 per cent of the contractually specified capability;

(g) does the Commonwealth intend to pursue the contractor for liquidated damages in respect of any delivery delay; if not, why not;

(h) what sum could the Commonwealth expect to retrieve from the contractor for liquidated damages.

Dr Nelson—The answer to the honourable member’s question is as follows:

(a) $3,534.3 million (December 2007 prices).

(b) Cabinet approval at contract signature was $3,110.5 million (December 2000 prices).

(c) November 2006.

(d) March 2009.

(e) The first three months’ delay was due to prolonged industrial action by the International Association of Machinists in Seattle in 2005. The remaining 25 months’ delay was primarily due to problems associated with system and software integration and testing, radar and electronic support measures maturity, data link development and aircraft modification.

(f) The Boeing Company is expected to deliver a fully specification-compliant Wedgetail capability.

(g) Yes.

(h) The sum is subject to commercial confidentiality.
Royal Australian Air Force: Air Command Base
(Question No. 5595)

Mr Murphy asked the Minister for Defence, in writing, on 26 March 2007:

(1) Was the Royal Australian Air Force (RAAF) Air Command Band at the RAAF Base in Richmond, NSW, established in 1932; if not, on what date was the band formed.

(2) Is he aware that the RAAF Air Command Band has supported charitable causes throughout Australia, including Legacy, Rotary and the Lions Club, by playing at numerous concerts without charge; if not, why not.

(3) Is he aware of proposals to disband the RAAF Air Command Band at the RAAF Base in Richmond, NSW; if so, why is the band being disbanded; if not, why not.

(4) Will he ensure that the RAAF Air Command Band at the RAAF Base in Richmond, NSW, is not disbanded now or at any time in the future; if so, how; if not, why not.

Dr Nelson—The answer to the honourable member’s question is as follows:

(1) A small part time brass band was formed at Richmond in 1932 to meet the requirements of the base. The current Air Command Band was formed in 1988.

(2) I am aware that both the Air Command Band and the RAAF Central Band support charitable causes whenever their primary military duties allow.

(3) The Air Command Band has not been disbanded, it has been amalgamated with the RAAF Central Band and every member of the Air Command Band has been offered the opportunity to continue in service with the new amalgamated RAAF Band. The existing RAAF Bands were amalgamated in order to more effectively use Permanent Air Force positions to meet operational requirements, by enabling reservists to serve as RAAF musicians. By making better use of reservists the new, amalgamated band will be better able to provide military musical support across Australia as well as continuing to support military and civilian organisations in both Melbourne and Sydney.

(4) The decision to amalgamate the Air Command Band with RAAF Central Band has already been taken and the new, amalgamated RAAF Band will be operational with effect January 2008.

Royal Australian Navy Ships
(Question No. 5617)

Mr Fitzgibbon asked the Minister for Defence, in writing, on 28 March 2007:

(1) What assurance can he provide that Royal Australian Navy (RAN) ships in the Persian Gulf will be able to defend themselves in the event of an armed conflict developing between Iran and the United States (US).

(2) What assurance can he provide as to the capacity of RAN ships to protect themselves, or be protected against, land-based or air-launched missile attacks.

(3) What assurance can he provide that RAN ships are appropriately armed to deal with swarms of rocket-armed or suicide-intended small boats—a known Iranian tactic.

(4) Has he sought undertakings from Australia’s allies that sufficient warning of attacks would be given to allow Australian ships to manoeuvre safely—in particular, through the Straits of Hormuz—before the commencement of an attack.

Dr Nelson—The answer to the honourable member’s question is as follows:

(1) Every ship deployed to the Persian Gulf is fully prepared to operate in the anticipated threat environment. This preparation involves fitting additional equipment and weapons to enhance the ship’s self-protection capability and undertaking dedicated training activities. The preparation culminates in a rigorous assessment of crew proficiency and the ship’s material condition. During the training
and assessment process, the ship is required to demonstrate an ability to defend itself against the range of possible threats. All aspects of the ship’s readiness for the mission are assessed by the Fleet Commander before it can deploy to the Persian Gulf.

Ships also operate under robust rules of engagement that include the right of self defence. The ships deployed to the Persian Gulf are the RAN’s most capable platforms in terms of self-defence capabilities and they are well equipped to deal with any likely eventuality should armed conflict develop between Iran and the United States.

(2) The ability to competently conduct Anti-Ship Missile Defence is one of the required proficiencies each ship must successfully demonstrate before deploying to the Persian Gulf.

(3) Ships and crews deployed to the Persian Gulf are trained and tested against small boat attacks. This capability must be sufficiently demonstrated prior to deployment.

(4) The ADF is completely integrated into Coalition Force operations and planning in the Persian Gulf. There are Liaison Officers embedded in a number of US and Coalition Headquarters, including the Naval Command, and they provide situational awareness on activities and allied planning in the Middle East.

Ships deployed to the Persian Gulf are integrated into Coalition Force operations, communications, intelligence and other information exchange systems. This integration, combined with embedded Liaison Officers, ensures Australian units have access to sufficient intelligence warnings of both Coalition Force and threat activities.

Consular Assistance
(Question No. 5624)

Mr Byrne asked the Minister for Foreign Affairs, in writing, on 28 March 2007:

(1) How many cases of substantial consular assistance were provided to Australians overseas in the financial year (a) 2003-04, (b) 2004-05 and (c) 2005-06 in the categories of (i) welfare, (ii) travellers’ emergency loans, (iii) whereabouts, (iv) hospitalisation, (v) medical evacuation, (vi) death, (vii) repatriation, (viii) arrest and (ix) prisoner.

(2) How many Australian overseas posts are connected to the Consular Emergency Centre through (a) direct transfer or (b) reverse-charge telephone call system.

(3) Are any Australian overseas posts not connected to the Consular Emergency Centre; if so (a) which posts, (b) why are they not connected and (c) what plans, if any, are there to connect them.

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

(1) The numbers and categories of substantial consular cases in the financial years 2003-04, 2004-05, and 2005-06 are as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>2003-04</th>
<th>2004-05</th>
<th>2005-06</th>
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<td>6255</td>
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<tr>
<td>Travellers Emergency Loans</td>
<td>454</td>
<td>395</td>
<td>393</td>
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<tr>
<td>Whereabouts</td>
<td>711</td>
<td>16545</td>
<td>8457</td>
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<tr>
<td>Hospitalisation</td>
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</tr>
<tr>
<td>Prisoner</td>
<td>215</td>
<td>166</td>
<td>291</td>
</tr>
</tbody>
</table>

QUESTIONS IN WRITING
(2) (a) The number of DFAT overseas posts connected to CEC through direct transfer is 70. (b) The number of DFAT overseas posts that have a reverse-charge, toll-free or free-call telephone call systems is 27. Some posts have both capabilities.

(3) (a) DFAT overseas posts not connected to the CEC through direct transfer, reverse-charge, toll-free or free-call telephone call systems are Paris, Pohnpei and Tarawa. (b) In the cases of Pohnpei and Tarawa, they have PABX systems which do not have the functionality to allow a direct transfer, reverse-charge, toll-free call or free-call to the CEC. Local telephone infrastructure also does not allow international toll-free calls to be made. A 24-hour local duty officer telephone number is available for after-hours emergency consular needs. In the case of Paris, the embassy has a local arrangement whereby bilingual staff take after-hours calls and provide support or referral. (c) The PABXs in Tarawa and Pohnpei are scheduled to be upgraded to DFAT provided PABXs in July 2007 and by December 2009 respectively.

Pensions and Allowances

(Question No. 5647)

Ms Owens asked the Minister representing the Minister for Human Services, in writing, on 29/03/2007:

(1) How many pensioners in (a) Australia, (b) NSW, (c) the federal electorate of Parramatta and (d) the postcode area (i) 2115, (ii) 2116, (iii) 2117, (iv) 2118, (v) 2142, (vi) 2145, (vii) 2146, (viii) 2147, (ix) 2148, (x) 2150, (xi) 2151, (xii) 2152 and (xiii) 2153 have had their pensions (A) cancelled, or (B) reduced, as a result of Centrelink’s most recent assets test review.

(2) What is the average length of time taken by Centrelink to cancel pensions following an assets test review.

(3) How many pensioners in (a) Australia, (b) NSW, (c) the federal electorate of Parramatta and (d) the postcode area (i) 2115, (ii) 2116, (iii) 2117, (iv) 2118, (v) 2142, (vi) 2145, (vii) 2146, (viii) 2147, (ix) 2148, (x) 2150, (xi) 2151, (xii) 2152 and (xiii) 2153 (A) appealed the outcome of the most recent Centrelink assets test and (B) had their pensions (i) fully or (ii) partly restored.

Mr Brough—The Minister for Human Services has provided the following answer to the honourable member’s question:

(1) Centrelink is not able to readily provide information regarding the number of pensioners who have had their pensions cancelled or reduced nationally, by state, electorate or postcode area, or the length of time to cancel pensions as a result of Centrelink’s most recent assets test review. To obtain this information would be highly resource intensive and I cannot justify the level of expenditure that would be required to obtain it.

(2) Please see answer to part 1.

(3) Centrelink is not able to readily provide information regarding the number of pensioners who have appealed the outcome of the most recent assets test review and had their pension restored either partially or fully, nationally, by state, electorate or postcode area. To obtain this information would be highly resource intensive and I cannot justify the level of expenditure that would be required to obtain it.
Visas

(Question No. 5663)

Mr McClelland asked the Minister for Foreign Affairs, in writing, on 8 May 2007:

(1) In 2004, did Poland remove the requirement for Australian tourists visiting that country to obtain a Polish tourist visa.

(2) Have Korea, Japan and New Zealand each removed the requirement for Polish tourists to those countries to obtain a tourist visa.

(3) Will the Australian Government similarly consider removing the requirement for Polish tourists to Australia to obtain a tourist visa.

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

(1) Yes

(2) The Australian Government does not comment on bilateral arrangements between third parties.

(3) No. Australia has a universal visa system whereby all non-Australian citizens travelling to Australia, regardless of nationality, are required to hold a valid visa.

Australia-Russia Nuclear Safeguards Agreement

(Question No. 5664)

Mr McClelland asked the Minister for Foreign Affairs, in writing, on 8 May 2007:

(1) Does the existing Australia-Russia Nuclear Safeguards Agreement (1990) contain restrictions on the supply of Australian uranium from Russia to Iran; if not, (a) has the Government discussed the matter with the Russian Government at any stage and (b) what issues were raised in the discussion; if so, can the Government verify adherence to the restrictions.

(2) During the current negotiations to expand the terms of the Australia-Russia Nuclear Safeguards Agreement, has the Australian Government raised concerns with the Russian Government over the latter’s assistance to the Iranian nuclear program; if so, (a) what specific concerns were raised and when, and (b) what responses were received from the Russian Government; if not, does the Australian Government plan to raise such concerns.

(3) What assurances has the Government sought that (a) Russia is able to comply with its nuclear safeguards commitments under the International Atomic Energy Agency and (b) Russia’s nuclear safeguards system is sufficient to withstand the significant expansion of its nuclear power industry over the coming decade.

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

(1) Yes. All of Australia’s bilateral nuclear safeguards agreements, including the 1990 Australia-Russia agreement, require that Australia’s consent must be obtained before Australian obligated nuclear material can be transferred to a third country. Under longstanding Australian policy, consent is given only for transfers to countries with which Australia has a bilateral nuclear safeguards agreement. Australia does not have such an agreement with Iran.

(2) No. The Russian Government has supported international action against Iran’s sensitive nuclear activities, including United Nations Security Council Resolution 1696 which made mandatory the suspension of all Iran’s uranium enrichment and heavy water activities, and Resolutions 1737 and 1747 which imposed sanctions on Iran’s enrichment-related, reprocessing and heavy water-related activities, and the development of nuclear weapon delivery systems. The Russian Government also supported the package of incentives, including guaranteed access to civil nuclear power, offered to Iran by the five permanent members of the United Nations Security Council (the United States, United Kingdom, France, Russia and China) and Germany in June 2006.
The Government notes that the Russian Government’s assistance to Iran’s nuclear program, namely building and supplying fuel to Iran’s light water reactor at Bushehr, is not in contravention of United Nations Security Council Resolutions on Iran’s nuclear program. Under Operative Paragraph 3 (b) of United Nations Security Resolution 1737, provision to Iran of equipment for light water reactors and low-enriched uranium when it is incorporated in assembled nuclear fuel elements for light water reactors is not prohibited. The agreement between Russia and Iran for Russia to provide nuclear fuel to the Bushehr reactor also requires that all spent nuclear fuel be returned to Russia. The Government also notes that the Russian Government has not supplied nuclear fuel for the Bushehr nuclear power reactor.

(3) The Government has not sought any specific assurances from Russia that it is able to comply with its nuclear safeguards commitments to the International Atomic Energy Agency (IAEA). These commitments are treaty-level commitments between Russia and the IAEA and the IAEA has not made any unfavourable comment on Russia’s compliance with its safeguards commitments. Moreover, Russia has received substantial assistance, from the IAEA and several governments, in upgrading its capabilities in the nuclear safeguards and security areas. The Government has no reason to believe Russia’s safeguards system will not be able to deal with the anticipated significant expansion of its nuclear power industry.

Forest Products
(Question No. 5666)

Mr Melham asked the Minister for Trade, in writing, on 8 May 2007:
Further to his response to question No. 3470 (Hansard, 13 June 2006, page 220), would he provide the most recent information from his department on the (a) quantity, (b) price and (c) destination of forest products exported from states and territories in the Asia Pacific region.

Mr Truss—The answer to the honourable member’s question is as follows:
My Department has no information on this matter beyond that available in published public sources.

Forest Products
(Question No. 5667)

Mr Melham asked the Minister for Foreign Affairs, in writing, on 8 May 2007:
What is the most recent information from his department on the (a) quantity, (b) price and (c) destination of forest products exported from states and territories in the Asia Pacific region.

Mr Downer—The answer to the honourable member’s question is as follows:
My Department has no information on this matter beyond that available in published public sources.

Growth Hormones
(Question No. 5670)

Mr Georganas asked the Minister for Agriculture, Fisheries and Forestry, in writing, on 8 May 2007:
(1) What growth hormones are used in cattle in Australia.
(2) Each year, how many cattle in Australia are injected with growth hormones.
(3) Are there any restrictions on the use of growth hormones in Australian cattle; if so what are those details.

Mr McGauran—The answer to the honourable member’s question is as follows:
(1) The following hormonal growth promotants, or HGP’s, are registered in Australia for use on cattle:
- oestradiol, progesterone, testosterone, trenbolone acetate and zeranol.

QUESTIONS IN WRITING
(2) It is not possible to give figures for the exact number of cattle treated with HGP implants, however, in 2005/2006 almost 6 million doses of HGPs were supplied into the Australian market with somewhere between 3 and 6 million animals treated.

(3) There are restrictions placed on the use of HGPs. The legal supply and use can only take place if the HGPs are registered by the Agricultural Pesticides and Veterinary Medicines Authority (APVMA).

All registered veterinary chemical products, including HGPs, have an APVMA-approved label which provides instructions and limitations on the use of the product. The approved label of each registered HGP product has restraints of the general nature:
- DO NOT use this product on any other species of animal
- USE ONLY in steers (or cows, as relevant to the product)
- DO NOT use this product on HGP-free accredited cattle
- This product may only be supplied in accordance with the Agvet Code Regulations.

The States and Territories place further restrictions on the use of HGPs in cattle:
- treated animals must be identified by an ear punch;
- the dose must be implanted in the ear; and
- records must be kept of the treatment of individual animals.

Regulations 47-54 of the Agvet Code Regulations provide that HGPs may only be supplied by importers and retailers who have a notification number allocated by the APVMA. Persons who purchase HGPs must fill in a form at the time of supply which records the quantity of HGPs supplied.

**Airport Noise Insulation Program**

*(Question No. 5676)*

Mr Georganas asked the Minister for Transport and Regional Services, in writing, on 8 May 2007:

(1) What criteria must be met by schools in (a) South Australia and (b) the federal electorate of Hindmarsh to qualify for insulation under the Government’s Airport Noise Insulation Program.

(2) Why was St George College, a school located in close proximity to the Adelaide Airport, not insulated under the Government’s Airport Noise Insulation Program.

(3) Which schools in (a) South Australia and (b) the federal electorate of Hindmarsh have been insulated under the Airport Noise Insulation Program and how did each qualify for insulation under the program.

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

(1) In order to be eligible for insulation assistance under the Adelaide Airport Noise Insulation Programme a school must be an accredited school located within the 25-noise exposure contour, as measured using the Australian Noise Exposure Forecast (ANEF) system.

(2) I am advised that St George College has been insulated under the Adelaide Airport Noise Insulation Programme. Insulation work was completed on 23 February 2005.

(3) I am advised that St George College is the only school that has been insulated under the Adelaide Airport Noise Insulation Programme.
Tourism: Programs  
(Question No. 5693)

Mr Martin Ferguson asked the Minister for Industry, Tourism and Resources, in writing, on 8 May 2007:
What costs have been incurred to date by: (a) the establishment of the Industry Implementation Advisory Group; (b) the roll-out of the revitalised Brand Australia campaign in the identified key overseas markets; (c) the roll-out of the domestic tourism campaign; (d) the first two rounds of the Australian Tourism Development Program; (e) the first two rounds of the Tourism and Conservation Partnerships initiative; and (f) the Business Ready Program for Indigenous Tourism.

Mr Ian Macfarlane—The answer to the honourable member’s question is as follows:
(a) Senator Stephens has previously asked this question. Please refer to Parliamentary Question No 3078 for the answer.
(b) Senator Stephens has previously asked this question, during the 2006-07 Additional Budget Estimates Hearing. Please refer to Hansard 16/02/07, Page E49, Question AI-53 for the answer.
(c) Senator Stephens has previously asked this question. Please refer to Parliamentary Question No 3078 for the answer.
(d) to (f) Senator Stephens has previously asked these questions, during the 2006-07 Additional Budget Estimates Hearing. Please refer to Hansard 16/02/07, Page E49, Question AI-53 for the answers.

Tourist Shopping  
(Question No. 5694)

Mr Martin Ferguson asked the Minister for Industry, Tourism and Resources, in writing, on 8 May 2007:
To ask the Minister for Small Business and Tourism—In respect of the Review of the Administrative Arrangements for Tourist Shopping: (a) when did the Government consider the findings of the review; (b) when will the outcomes of the review be made public; (c) have State and Territory governments been consulted about the implementation of the review’s findings; if so, what was the outcome of the review?

Mr Ian Macfarlane—The answer to the honourable member’s question is as follows:
(a) An Inter Departmental Committee (IDC) was set up in 2005 to review the administrative arrangements for tourist shopping in Australia. The IDC report was provided to the Australian Government in late 2006 for consideration.
(b) The Australian Government announced a number of changes to the tourist shopping arrangement in its 2007-08 budget (Budget Paper No. 2 pages 26-27 and Budget Paper No. 3 page 48).
(c) State and Territory Governments are currently being consulted in relation to the changes announced in the 2007-8 budget.

Development Assistance Committee  
(Question No. 5700)

Mr McMullan asked the Minister for Foreign Affairs, in writing, on 8 May 2007:
(1) Did the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development hold High Level Meetings with member countries on 3-4 April 2007 to review the experience of reporting on the new Official Development Assistance (ODA) eligible items, which were added in 2004 and 2005.
(2) Did the participating countries consider extending the DAC guidelines for ODA eligibility to include reform and non-military training of military forces, and peacekeeping; if so, (a) what was Australia’s position on the issue, (b) did Australia support the proposed extension and (c) was the proposal adopted.

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

(1) Yes

(2) Yes

(a) We did not support reopening consideration of the matter.

(b) No

(c) No. Instead it was agreed that the DAC Working Party on Statistics would continue its work to deepen understanding of the existing boundary of ODA in this field, while the Conflict, Peace and Development Co-operation Network would conduct a one-off data collection and gather good practice on contributions to conflict, peace and security activities that included non ODA elements.

Sudan

(Question No. 5729)

Mr Danby asked the Minister for Foreign Affairs, in writing, on 10 May 2007:

(1) What is the Government’s current policy on the situation in Darfur.

(2) Has Australia announced its support for an international arms embargo against the Sudan.

(3) Can he confirm claims made by Amnesty International and reported on BBC World on Tuesday, 8 May, that Chinese and Russian arms sales, including sales of Nanchang Q-5/A-5 air support fighters by China, and Russian helicopter gunships by Russia, to Sudan, continue unabated.

(4) Can he, or his department, confirm that the United Nations and non-government organisations have sighted Sudanese military aircraft in the airspace above Darfur.

(5) What is the Government’s position on arms sales to the Sudanese Government, a government that has been accused of genocide.

(6) Does Australia support an indictment made against the Sudanese Interior Minister and the leader of the Janjaweed militia; if so, what steps can Australia take to bring these and other figures to the International Criminal Court.

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

(1) Australia shares the widespread international concern at the extreme urgency of the humanitarian and security crisis in Darfur, and considers that strengthening of the international peacekeeping mission in the region is essential. Australia shares international concerns about the viability of the Darfur Peace Agreement, and considers that political processes may need reinvigoration to ensure there is a peace to keep.

We have strongly supported UN Security Council actions on Darfur, including measures to impose an arms embargo and a no-fly zone over Darfur, as well as travel bans and asset freezes on individuals who impede the peace process or commit crimes or atrocities (Resolution 1591 of March 2005). We also support UN Security Council Resolution 1706 of August 2006, which extended the mandate of the United Nations’ Mission in Sudan (UNMIS) from Southern Sudan to include Darfur.

(2) Yes. On 29 March 2005, the UN Security Council imposed an arms embargo on all parties to the Darfur conflict, including the Government of Sudan (Resolution 1591). I welcomed this decision in a media release of 6 April 2005.
(3) No.

(4) In his most recent report on Darfur to the UN Security Council (23 February 2007), the UN Secretary-General noted that the Government of Sudan had intensified aerial bombardment of rebel positions, including civilian targets. The report described specific incidents of airborne attacks by Government of Sudan forces in Northern Darfur (15 November 2006; 11, 20 and 21 December 2006) and Southern Darfur (4 and 5 December 2006). The Secretary-General also commented that Sudanese Government forces had expanded aerial bombings into new areas of Darfur since 16 January 2007.

(5) Australia strongly supports UN Security Council Resolution 1591 and has implemented the arms embargo into domestic law under Regulation 7 of the Charter of the United Nations (Sanctions—Sudan) Regulations 2005 and Regulation 13CM of the Customs (Prohibited Exports).

(6) Australia is aware that on 2 May 2007 the International Criminal Court Pre-Trial Chamber I issued arrest warrants in respect of a former Minister of State for the Interior and an alleged Janjaweed militia leader in respect of alleged war crimes and crimes against humanity. These indictments followed the referral of the situation in Sudan to the ICC by the Security Council in Resolution 1593 (2005). Australia supported that referral by the Security Council. It is for the Prosecutor of the ICC to decide whether action should be pursued in respect of other persons.

Human Rights: Vietnam

(Question No. 5758)

Mr Ripoll asked the Minister for Foreign Affairs, in writing, on 22 May 2007:

(1) Does the Government have any programs in place to assist the Vietnamese Government in the promotion of human rights, including the freedoms of religion, expression and association, in that country; if not, does the Government intend to support any such programs in the future.

(2) How is the Government responding to the concerns of the Vietnamese community in Australia on the issues referred to in Part (1).

(3) Is the Government aware of the imprisonment of internet activist Trong Quoc Huy and human rights lawyer Li Thi Cong Nhan; if so, has the Government made any representations to the Vietnamese Government on their behalf; if not, does the Government intend to make any such representations.


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

(1) Yes.

(2) The Government holds consultations with representatives of the Vietnamese community in Australia.

(3) The Australian Government is aware of these cases. We make regular representations to Vietnam on human rights issues, including cases of concern.

(4) The Government has in place a range of measures to assist the Vietnamese Government advance human rights issues.
Russia
(Question No. 5763)

Mr Murphy asked the Minister for Foreign Affairs, in writing, on 22 May 2007:

(1) Is he aware of reports that the recent civil unrest in Tallinn, Estonia, has been prompted by elements of the Russian Government; if not, why not.

(2) Has he sought assurances from the Russian Government that it has not interfered with the democratically elected government of the Republic of Estonia or the internal politics of Estonia; if so, what are the full details of those representations; if not, why not.

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

(1) Yes, the Government is aware of reports alleging Russian Government involvement in the recent civil unrest in Tallinn, Estonia.

(2) The Government has not made representations to the Russian Government regarding this matter. The Government looks to the Governments of Estonia and Russia to resolve the issue diplomatically.