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SITTING DAYS—2008

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FORTY-SECOND PARLIAMENT
FIRST SESSION—THIRD PERIOD

Governor-General
Her Excellency Ms Quentin Bryce, Companion of the Order of Australia

House of Representatives Officeholders
Speaker—Mr Harry Alfred Jenkins MP
Deputy Speaker—Ms Anna Elizabeth Burke MP
Second Deputy Speaker—Hon. Bruce Craig Scott MP

Members of the Speaker’s Panel—Hon. Dick Godfrey Harry Admas MP, Hon. Kevin James Andrews MP, Hon. Archibald Ronald Bevis MP, Ms Sharon Leah Bird MP, Mr Steven Georganas MP, Hon. Judith Eleanor Moylan MP, Ms Janelle Anne Saffin MP, Mr Albert John Schultz MP, Mr Patrick Damien Secker MP, Mr Peter Sid Sidebottom MP, Hon. Peter Neil Slipper MP, Mr Kelvin John Thomson MP, Hon. Danna Sue Vale MP and Dr Malcolm James Washer MP

Leader of the House—Hon. Anthony Norman Albanese MP
Deputy Leader of the House—Hon. Stephen Francis Smith MP
Manager of Opposition Business—Hon. Joseph Benedict Hockey MP
Deputy Manager of Opposition Business—Mr Luke Hartsuyker MP

Party Leaders and Whips
Australian Labor Party
Leader—Hon. Kevin Michael Rudd MP
Deputy Leader—Hon. Julia Eileen Gillard MP
Chief Government Whip—Hon. Leo Roger Spurway Price MP
Government Whips—Ms Jill Griffiths Hall MP and Mr Christopher Patrick Hayes MP

Liberal Party of Australia
Leader—Hon. Malcolm Bligh Turnbull MP
Deputy Leader—Hon. Julie Isabel Bishop MP
Chief Opposition Whip—Hon. Alex Somlyay MP
Opposition Whip—Mr Michael Andrew Johnson MP
Deputy Opposition Whip—Ms Nola Bethwyn Marino MP

The Nationals
Leader—Hon. Warren Errol Truss MP
Chief Whip—Mrs Kay Elizabeth Hull MP
Whip—Mr Paul Christopher Neville MP

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

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<td>Tuckey, Hon. Charles Wilson</td>
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<td>Turnbull, Hon. Malcolm Bligh</td>
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PARTY ABBREVIATIONS
ALP—Australian Labor Party; LP—Liberal Party of Australia;
Nats—The Nationals; Ind—Independent

Heads of Parliamentary Departments
Clerk of the Senate—H Evans
Clerk of the House of Representatives—IC Harris AO
Secretary, Department of Parliamentary Services—A Thompson
RUDD MINISTRY

Prime Minister

Deputy Prime Minister, Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion

Treasurer

Minister for Immigration and Citizenship and Leader of the Government in the Senate

Special Minister of State, Cabinet Secretary and Vice President of the Executive Council

Minister for Finance and Deregulation

Minister for Trade

Minister for Foreign Affairs

Minister for Defence

Minister for Health and Ageing

Minister for Families, Housing, Community Services and Indigenous Affairs

Minister for Infrastructure, Transport, Regional Development and Local Government and Leader of the House

Minister for Broadband, Communications and the Digital Economy and Deputy Leader of the Government in the Senate

Minister for Innovation, Industry, Science and Research

Minister for Climate Change and Water

Minister for the Environment, Heritage and the Arts

Attorney-General

Minister for Human Services and Manager of Government Business in the Senate

Minister for Agriculture, Fisheries and Forestry

Minister for Resources and Energy and Minister for Tourism

Hon. Kevin Rudd, MP

Hon. Julia Gillard, MP

Hon. Wayne Swan MP

Senator Hon. Chris Evans

Senator Hon. John Faulkner

Hon. Lindsay Tanner MP

Hon. Simon Crean MP

Hon. Stephen Smith MP

Hon. Joel Fitzgibbon MP

Hon. Nicola Roxon MP

Hon. Jenny Macklin MP

Hon. Anthony Albanese MP

Senator Hon. Stephen Conroy

Senator Hon. Kim Carr

Senator Hon. Penny Wong

Hon. Peter Garrett AM, MP

Hon. Robert McClelland MP

Senator Hon. Joe Ludwig

Hon. Tony Burke MP

Hon. Martin Ferguson AM, MP

[The above ministers constitute the cabinet]
RUDD MINISTRY—continued

Minister for Home Affairs
Assistant Treasurer and Minister for Competition Policy and Consumer Affairs
Minister for Veterans’ Affairs
Minister for Housing and Minister for the Status of Women
Minister for Employment Participation
Minister for Defence Science and Personnel
Minister for Small Business, Independent Contractors and the Service Economy and Minister Assisting the Finance Minister on Deregulation
Minister for Superannuation and Corporate Law
Minister for Ageing
Minister for Youth and Minister for Sport
Parliamentary Secretary for Early Childhood Education and Childcare
Parliamentary Secretary for Defence Procurement
Parliamentary Secretary for Defence Support
Parliamentary Secretary for Regional Development and Northern Australia
Parliamentary Secretary for Disabilities and Children’s Services
Parliamentary Secretary for International Development Assistance
Parliamentary Secretary for Pacific Island Affairs
Parliamentary Secretary to the Prime Minister
Parliamentary Secretary for Social Inclusion and the Voluntary Sector and Parliamentary Secretary Assisting the Prime Minister for Social Inclusion
Parliamentary Secretary to the Minister for Trade
Parliamentary Secretary to the Minister for Health and Ageing
Parliamentary Secretary for Multicultural Affairs and Settlement Services

Hon. Bob Debus MP
Hon. Chris Bowen MP
Hon. Alan Griffin MP
Hon. Tanya Plibersek MP
Hon. Brendan O’Connor MP
Hon. Warren Snowdon MP
Hon. Dr Craig Emerson MP
Senator Hon. Nick Sherry
Hon. Justine Elliot MP
Hon. Kate Ellis MP
Hon. Maxine McKew MP
Hon. Greg Combet AM, MP
Hon. Dr Mike Kelly AM, MP
Hon. Gary Gray AO, MP
Hon. Bill Shorten MP
Hon. Bob McMullan MP
Hon. Duncan Kerr MP
Hon. Anthony Byrne MP
Senator Hon. Ursula Stephens
Hon. John Murphy MP
Senator Hon. Jan McLucas
Hon. Laurie Ferguson MP
SHADOW MINISTRY

Leader of the Opposition  
The Hon Malcolm Turnbull MP

Shadow Treasurer and Deputy Leader of the Opposition  
The Hon Julie Bishop MP

Shadow Minister for Trade, Transport, Regional Development and Local Government and Leader of The Nationals  
The Hon Warren Truss MP

Shadow Minister for Broadband, Communications and the Digital Economy and Leader of the Opposition in the Senate  
Senator the Hon Nick Minchin

Shadow Minister for Innovation, Industry, Science and Research and Deputy Leader of the Opposition in the Senate  
Senator the Hon Eric Abetz

Shadow Minister for Infrastructure and COAG and Shadow Minister Assisting the Leader on Emissions Trading Design  
The Hon Andrew Robb AO, MP

Shadow Minister for Foreign Affairs and Manager of Opposition Business in the Senate  
Senator the Hon Helen Coonan

Shadow Minister for Finance, Competition Policy and Deregulation and Manager of Opposition Business in the House  
The Hon Joe Hockey MP

Shadow Minister for Energy and Resources  
The Hon Ian Macfarlane MP

Shadow Minister for Families, Housing, Community Services and Indigenous Affairs  
The Hon Tony Abbott MP

Shadow Special Minister of State and Shadow Cabinet Secretary  
Senator the Hon Michael Ronaldson

Shadow Minister for Human Services and Deputy Leader of The Nationals  
Senator the Hon Nigel Scullion

Shadow Minister for Climate Change, Environment and Water  
The Hon Greg Hunt MP

Shadow Minister for Health and Ageing  
The Hon Peter Dutton MP

Shadow Minister for Defence  
Senator the Hon David Johnston

Shadow Minister for Education, Apprenticeships and Training  
The Hon Christopher Pyne MP

Shadow Attorney-General  
Senator the Hon George Brandis SC

Shadow Minister for Agriculture, Fisheries and Forestry  
The Hon John Cobb MP

Shadow Minister for Employment and Workplace Relations  
Mr Michael Keenan MP

Shadow Minister for Immigration and Citizenship  
The Hon Dr Sharan Richmond Stone

Shadow Minister for Small Business, Independent Contractors, Tourism and the Arts  
Mr Steven Ciobo

[The above constitute the shadow cabinet]
SHADOW MINISTRY—continued

Shadow Minister for Financial Services, Superannuation and Corporate Law
The Hon Chris Pearce MP

Shadow Assistant Treasurer
The Hon Tony Smith MP

Shadow Minister for Sustainable Development and Cities
The Hon Bruce Billson MP

Shadow Minister for Competition Policy and Consumer Affairs and Deputy Manager of Opposition Business in the House
Mr Luke Hartsuyker MP

Shadow Minister for Housing and Local Government
Mr Scott Morrison

Shadow Minister for Ageing
Mrs Margaret May MP

Shadow Minister for Defence Science and Personnel and Assisting Shadow Minister for Defence
The Hon Bob Baldwin MP

Shadow Minister for Veterans’ Affairs
Mrs Louise Markus MP

Shadow Minister for Early Childhood Education, Childcare, Status of Women and Youth
Mrs Sophie Mirabella MP

Shadow Minister for Justice and Customs
The Hon Sussan Ley MP

Shadow Minister for Employment Participation, Training and Sport
Dr Andrew Southcott MP

Shadow Parliamentary Secretary for Northern Australia
Senator the Hon Ian Macdonald

Shadow Parliamentary Secretary for Roads and Transport
Mr Don Randall MP

Shadow Parliamentary Secretary for Regional Development
Mr John Forrest MP

Shadow Parliamentary Secretary for International Development Assistance and Shadow Parliamentary Secretary for Indigenous Affairs
Senator Marise Payne

Shadow Parliamentary Secretary for Energy and Resources
Mr Barry Haase MP

Shadow Parliamentary Secretary for Disabilities, Carers and the Voluntary Sector
Senator Cory Bernardi

Shadow Parliamentary Secretary for Water Resources and Conservation
Senator Fiona Nash

Shadow Parliamentary Secretary for Health Administration
Senator Mathias Cormann

Shadow Parliamentary Secretary for Defence
The Hon Peter Lindsay MP

Shadow Parliamentary Secretary for Education
Senator the Hon Brett Mason

Shadow Parliamentary Secretary for Justice and Public Security
Mr Jason Wood MP

Shadow Parliamentary Secretary for Agriculture, Fisheries and Forestry
Senator the Hon Richard Colbeck

Shadow Parliamentary Secretary for Immigration and Citizenship and Shadow Parliamentary Secretary Assisting the Leader in the Senate
Senator Concetta Fierravanti-Wells
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Tuesday, 2 December 2008

The SPEAKER (Mr Harry Jenkins) took the chair at 2 pm and read prayers.

MINISTERIAL ARRANGEMENTS

Mr RUDD (Griffith—Prime Minister) (2.00 pm)—I inform the House that the Minister for Trade will be absent from question time today. The Minister for Resources and Energy will answer questions in relation to trade and the Minister for Defence will answer questions in relation to foreign affairs on his behalf.

QUESTIONS WITHOUT NOTICE

Interest Rates

Mr TURNBULL (2.01 pm)—My question is addressed to the Prime Minister. Given that Australia’s banks now benefit from the Australian taxpayer backed wholesale funding and deposit guarantees, when will the Prime Minister finally change his tune and join the coalition in unequivocally telling the banks to pass on any official interest rate cut in full to borrowers across the country—no ifs, no buts, just pass it on?

Mr RUDD—I thank the Leader of the Opposition for his question. I have noted from the newspapers in recent weeks how convivial the relationship is between the Leader of the Opposition and the Australian banking industry. I suggest to the Leader of the Opposition that at a time of global financial crisis the stability of the banking system is of first and fundamental importance. I remind the Leader of the Opposition that at a time of global financial crisis the stability of the banking system is of first and fundamental importance. I remind the Leader of the Opposition that of what Treasury advised me to be 13 AA rated banks around the world today four are in Australia. Some six or seven are in Canada. That goes to the effectiveness of Australia’s prudential regulatory authorities. It also goes to the way in which the banks have conducted their own financial arrangements.

On the question of interest rate reductions, I also find it remarkable that the party represented by those opposite, which presided over 10 interest rate rises in a row, would provide anyone on this side of the House with a lecture about how interest rate policy should be conducted in this country. I suggest that the Leader of the Opposition should reflect on his own statements in recent times, in which he said that a 25 basis point rise was nothing to get terribly excited about. I say to the Leader of the Opposition that the government’s position today is as it has always been, and that is that any official interest rate reduction should be passed through by the banks as rapidly as possible.

Economy

Mr RAGUSE (2.03 pm)—My question is to the Prime Minister. Will the Prime Minister outline why decisive and early action is needed to respond to the global financial crisis?

Mr RUDD—Honourable members may be aware of statements from the United States overnight from the US National Bureau of Economic Research. This is the body that officially records recessions in the US and it announced overnight that the economy of the United States entered into recession in December 2007. The NBER dates recessions based on their analysis of economic activity, and the NBER committee noted that declines in major indicators like employment, manufacturing activity, retail sales and industrial production met the standard of a recession. A large factor is employment, and the United States has lost 1.2 million jobs so far this year.

Although the committee noted that the recession started in December, they went on further to note that events were getting worse. I quote from their statement of 1 December US time:
Many of these indicators, including monthly data on the largest component of GDP, consumption, have declined sharply in recent months.

This bad data from the United States has also been reflected in developments in equity markets in the last 24 hours. The Dow Jones industrial average dropped 680 points or 7.7 per cent. We have seen European stocks similarly affected. Overnight, they were lower, with the FTSE 200 down 5.2 per cent.

What we see here is an unfolding series of events: negative developments in global financial markets impacting on the real economy, in turn impacting back on financial markets—in this case, the equities markets. That is why action by governments nationally and through international coordination is necessary to turn back this tide.

In addition to the United States having officially entered into recession, according to the National Bureau of Economic Research, we have a large number of other economies around the world which have also entered recession. In the Euro area, that has been confirmed. Japan, Germany, Italy, Sweden, Singapore, Hong Kong and New Zealand, among others, are in recession. We see not only these economies entering into recession but also a large number of economies entering into budget deficits, with some 23 of the 30 OECD countries forecast to be in deficit in 2009, including the world’s three largest economies, the United States, Japan and Germany. On top of that, we see their unemployment data rising. In fact, unemployment is forecast to rise by eight million across the OECD in the course of 2009.

Australia is not immune from the global financial crisis, nor are we immune from the impact on our real economy. That is why in MYEFO we forecast downwards revisions as far as growth is concerned. We forecast that unemployment would rise in Australia. If recession deepens around the rest of the world, there is a grave risk that these figures could become worse. In responding to these adverse global and economic developments it is quite important to be clear cut about the fact that there are no easy solutions and no quick fixes. This will be a long and drawn out crisis.

But this government’s policy is clear. It is about two things: firstly, stabilising Australian financial markets and, secondly, taking whatever action is necessary to continue to support economic growth and jobs into the future in order to protect Australia to the greatest extent possible from the impact of the global financial crisis. On the question of the stabilisation of financial markets, those measures undertaken by the government include the bank guarantees that we have provided, including bank guarantees for more than 15 million deposit accounts as well as the term funding guarantees for our banks, building societies and credit unions—a necessary action in order to stabilise the Australian financial system.

Of course, the second objective of government policy in these difficult global economic circumstances has been to continue to support growth and jobs. That has underpinned the government’s Economic Security Strategy. That is why in October we released a $10.4 billion stimulus package capable of supporting additional employment of some 75,000 jobs in the economy. Part 2 of the government’s Economic Security Strategy has been the support that we have offered to the car industry of some $6.2 billion, also necessary to support long term the 200,000 jobs in the Australian automotive sector which depend on the continued vitality of that sector, which is under grave stress.

Part 3 of the Economic Security Strategy was what the government did in concert with local government with our $300 million package of injection into local economic ac-
tivity and jobs creation through the first meeting of the Australian Council of Local Government held in Canberra. Part 4 was the agreement reached with premiers and chief ministers in the Council of Australian Governments meeting held most recently in Canberra last weekend, injecting $15.1 billion—again an injection necessary for long-term reform but also an injection necessary to continue to support growth and jobs, an injection itself capable of generating a further 133,000 jobs. Part 5 of our Economic Security Strategy will be our nation-building agenda which we will proceed to announce over the coming months.

The government’s course of action in responding to these adverse international economic circumstances is clear cut. We have seen the impact of recession in the United States. We have seen the impact of recession across the OECD, including in the world’s three largest economies. We see the impact that has on their own budget circumstances. We see the impact that has, in turn, on employment. The year 2009 will be a tough year ahead. The government’s economic strategy is clear. The global financial crisis will affect Australia’s growth and jobs. We are concerned that the global economic recession will further impact negatively on Australia’s projections in both these areas, but the government strategy is clear cut and the government is resolute in implementing that strategy for the future.

DISTINGUISHED VISITORS

The SPEAKER (2.10 pm)—I note that we have in the galleries today, as we had in the galleries yesterday—and I am sure during the week we will have more—visitors from teams competing in the Pacific School Games. These teams represent schools throughout Australia and the region. On behalf of the House, may I wish those competitors and their families who are visiting, have visited or will visit, a warm welcome to the House and all the best in their competitions during the week.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Interest Rates

Mr TURNBULL (2.10 pm)—My question is to the Prime Minister. I refer the Prime Minister to his misguided and mistaken message to Australian borrowers earlier this year that the inflation monster was out of control in Australia. What does the Prime Minister have to say to those Australian mortgage holders who took his irresponsible and politically motivated comments on inflation seriously and locked into fixed rate loans fearing interest rates would rise because of his inflation monster and who are now paying interest at rates well above current prevailing interest rates?

Mr RUDD—The honourable Leader of the Opposition asked me about inflation. I would draw his attention to repeated statements by the Reserve Bank of Australia over a long period of time about the inflationary challenges which existed in the Australian economy and the capacity constraints which underpinned those inflationary pressures—a failure on the part of the previous government to invest in infrastructure and in skills at a critical time of need. The consequence of that was successive interest rate rises, and the consequence of that was felt by Australian mortgage payers right across the country with 10 interest rate rises in a row. I would suggest the honourable Leader of the Opposition pay very close attention to the economic record of those opposite on the inflation question and on the interest rate question. This government has a clear economic strategy for the period ahead. We intend to get on with the business of running the economy.
Mr Turnbull—On a point of order, I invite the Prime Minister to table the statements by the Reserve Bank in which it referred to inflation as a ‘monster’ or ‘out of control’. I think he will struggle to lay his hands on them.

The SPEAKER—The Leader of the Opposition will resume his place. That is not a point of order.

Schools

Ms Saffin (2.12 pm)—My question is to the Minister for Education. Will the minister please update the House in relation to its transparency and accountability reforms for Australian schools?

Ms Gillard—I thank the member for Page for her question. Of course, she is very interested in education reform and making sure that every school in her electorate is a great school. The Rudd government’s priorities are to ensure that every Australian child receives a world-class education and that every school in this country, no matter what school system it is from—whether it is a government school, an independent school or a Catholic school—is a great school.

At the COAG meeting on Saturday we took some very big steps forward for this new era of education reform for this education revolution. Those steps included a new era of transparency, school by school, including making sure that the needs and characteristics of the student population are apparent, as are its academic results and the teaching and financial resources at its command. We took a step forward on a quality national curriculum. We ensured that there would be more than $42 billion invested through the new national education agreement. We committed more than $500 million—indeed, $550 million—to raising the quality of teaching and of school leadership in this country. There is a new investment of $1.1 billion in disadvantaged schools, a $540 million investment in literacy and numeracy and a new $635 million investment in government primary schools to end a longstanding funding inequity.

We have the Schools Assistance Bill 2008 in the Senate, and its agenda is complementary to the agenda agreed at COAG on Saturday. I want to make it absolutely clear that there is not one requirement or expectation for government schools that the government is not also putting onto non-government schools. We want complete equity—all requirements and all expectations on schools, government and non-government, to be the same. The Schools Assistance Bill that is in the Senate deals with a new transparency and accountability framework—that is, it deals with exactly the transparency and accountability measures that we have agreed through COAG will be there for government schools. Within that framework we will be asking schools to report on information about resources available to schools, and there will be a financial questionnaire to the department—and there is a financial questionnaire to the department now. I have indicated, in making publicly available information about school resources, that it is not now and has never been the intention of the government to require publication that would identify individual donors or payers. It is not now, and it has never been, the intention of the government to do that.

The government is committed to a national curriculum. We went to the last election promising a national curriculum and we have had 12 months of development of a national curriculum. That work is going very well and there is cooperation. The non-government system has been involved in that work every step of the way, with the Catholic and independent schools systems serving with representatives on the national curriculum board.
Of course, the shadow minister for education stands in the way of these reforms. He has described transparency and national curriculum as offensive. He said that they are things that should be opposed. I would like to inform the House that, in dealing with education reform and the future for Australian children, I have had some constructive discussions today with Senator Xenophon, who is committed to ensuring that Australian students get good quality education. He is taking a constructive approach to the bill. He has raised with the government some technical amendments that he would like to see made to the bill. But he is committed to ensuring that non-government schools open their doors next year with the benefit of government resources. He is also committed to ensuring that there is a national curriculum and that there are transparency arrangements.

We have discussed with Senator Xenophon, who is taking a constructive approach, some amendments relating to the minister’s power to refuse to authorise payment or to delay payment if the audit of a school or school authority is expressed to be qualified. Obviously, the government recognises it is a big thing to act in such a matter and potentially to delay or withhold funds. Senator Xenophon has raised the suggestion about this being a disallowable instrument. That is a constructive suggestion and one the government is prepared to work on.

Given that the Reserve Bank has now cut interest rates since the summit, why have the minister and his government failed to get the banks to pass on the interest rate cuts in full to farmers, particularly on agricultural loans and overdrafts?

Mr BURKE—I thank the shadow minister for his question. The government continues to say, as we have always said, that just as we expect interest rate cuts to be passed on as soon as possible to residential customers, so too do we have that expectation for Australia’s farmers and Australia’s small businesses.

The comments quoted were made by me at a summit held on a Friday when I had a high expectation that we would begin to see those cuts coming through. Most of the banks then went ahead with cuts on the Monday following that Friday, but the 75 basis points cut, which happened subse-
quently, has largely not been passed on at all to Australia’s farmers. When I addressed the Farm Writers Association, only last Friday, I again pressed the expectation, and I continue to make the expectation of the government clear to the banks, that just as we expect residential customers to receive the benefits of cash based products—obviously if it is a market based product then it is not based on the Reserve Bank cash rate—so too do we expect the same for Australia’s farmers.

Disability Services

Mr DANBY (2.22 pm)—My question is to the Minister for Families, Housing, Community Services and Indigenous Affairs. Given that tomorrow is International Day of People with Disability, will the minister update the House on the Australian government’s commitment to supporting people with disabilities?

Ms MACKLIN—I would like to particularly thank the member for Melbourne Ports for his question because he is a great advocate for people with disabilities. As he said, tomorrow is a very significant day for people with disabilities. Last Saturday, at the Council of Australian Governments meeting, a major agreement was reached that will certainly help to see the lives of people with disabilities, their families and their carers improved. At that meeting it was agreed that the Commonwealth will inject more than $400 million in new funds for more services and important reform in a new National Disability Agreement.

It is very important to acknowledge that this is on top of the $1.9 billion agreed to by disability ministers in May this year. At that meeting in May of all the state and territory disability ministers along with my Parliamentary Secretary for Disabilities and Children’s Services, the member for Maribyrnong, it was agreed that this money would be spent to provide more than 24,000 additional places in much needed supported accommodation, respite and in-home care. All of these additional services have now been rolled into the National Disability Agreement.

The $1.9 billion included $100 million which the Prime Minister announced in May. He announced that additional $100 million to go specifically to meet the needs of those carers who are getting older and are finding it more and more difficult to care for the people they love. The Prime Minister and my cabinet colleagues will recall that at our community cabinet in Penrith earlier this year a mother told an extraordinary story of her life caring for her son, who is now 26 years old, and of just how difficult it has been for her and the burden that she has carried for all of his life as she has cared for him. She of course has done that out of love for him, as all members would acknowledge. But, more than anything, she is concerned about what is going to happen to him as she ages. So that was the purpose of the additional $100 million in funding that was announced following that very important meeting in Penrith.

The Commonwealth is now providing the highest level of indexation—more than six per cent—ever provided under a disability agreement. The new National Disability Agreement will see Commonwealth investment into state run disability services reach $5.3 billion over the next five years. This will bring the Commonwealth’s contribution to these disability services to more than $1.25 billion a year by the time the agreement ends in 2013. This is a very significant increase on the $620 million that was provided by the previous government in the 2007 funding year.

We now have common agreement across the states and territories for reform in this important area. Our funding commitment includes a $70 million sign-on bonus to pro-
mote our reform agenda, and that will cover population service benchmarking, single access points, improved access to aids and equipment, and better quality assurance. This has, I am pleased to say, as recently as yesterday been recognised by Carers Australia. They said:

The National Disability Agreement reached on the weekend shows that the Rudd government is not only listening to the concerns of people with disability, carers and their families, but is also prepared to act.

We are acting to improve the lives of hundreds of thousands of people with a disability. We want them to be able to live as independently as possible; to participate in the community, free from the barriers of access, discrimination or exclusion; and to get the services and support that they need.

Broadband

Mr TRUSS (2.27 pm)—My question is to the Minister for Infrastructure, Transport, Regional Development and Local Government representing the Minister for Broadband, Communications and the Digital Economy. Minister, given that none of the tenders submitted to build the national broadband network goes close to meeting the government’s election promise to provide fibre to the node to 98 per cent of the Australian population, what is the real cost of meeting the government’s guarantee to provide regional Australia with access to a world-class, fibre-to-the-node broadband network?

Mr ALBANESE—I thank the shadow minister for his question. The fact is that under the former government’s plan for broadband they had two systems: one for the city—one for my electorate, in which you could get world-class broadband services—and another for his own. The one for his own, of course, was a second-class system.

What we saw from those opposite over 12 long years was a different plan every month but no action. There were different plans for regional communities, different plans for the nation, but no actual progress. What this government is committed to as part of our commitment to lifting world-class infrastructure and nation building is $4.7 billion as our contribution to building the national broadband network. We know this is critical for Australia’s economic growth. We know that when it comes to national broadband we rate below Slovenia when it comes to world-class broadband.

Mr Cobb—Mr Speaker, I rise on a point of order. If the minister does not know the answer to that question, then let him say so and sit down instead of trying to avoid it.

The SPEAKER—The member for Calare will resume his seat. The minister will respond to the question.

Mr ALBANESE—Of course we also have for schools the hundred million dollar program done by the Deputy Prime Minister for fibre to the schools, which will work in with our computers in schools program. When it comes to a national broadband network and modern communications we stand for progress. They stand with the world of dinosaurs. They are not only opposed to our national broadband network, they are not only opposed to national infrastructure and they are not only opposed to nation building; they are actually opposed to the computers themselves.

Mr Truss—I rise on a point of order on relevance, Mr Speaker. I asked specifically about the cost of delivering a world-class...
broadband scheme to regional Australia, as the government promised, and the minister is simply not attempting to answer.

The SPEAKER—I would remind the minister that the question was to do with broadband.

Mr ALBANESE—Absolutely, Mr Speaker, because we on this side know that to get broadband in schools you actually need a computer, something that is not understood by those opposite. When it comes to infrastructure, whether it be communications, whether it be rail, whether it be roads, whether it be water, whether it be ports, those opposite stand opposed to every single initiative of the Rudd government. But we will not be deterred from our nation-building agenda.

Interest Rates

Mr SYMON (2.33 pm)—My question is to the Treasurer. Will the Treasurer inform the House of the decision taken by the Reserve Bank board today?

Mr SWAN—I thank the member for his question. I can inform the House that the Reserve Bank has just announced that it will be reducing the official cash rate by 100 basis points to 4.25 per cent. We join with the families and the businesses of the nation in welcoming this very substantial relief. This is a vital rate cut from the Reserve Bank, delivered at a time when all our joint efforts are directed towards strengthening the economy and protecting Australian jobs. For these reasons the government does expect the banks to pass this on in full. Decisions taken by the RBA since September can give savings of up to something like $600 a month for families with a $300,000 mortgage.

I am pleased to say that I have just been informed that the Commonwealth Bank will receive a monthly saving on their mortgage of $193 per month. This is certainly welcome news for all of those who have a mortgage with the Commonwealth Bank.

With this cut in official interest rates and the Economic Security Strategy that we have put in place and those payments coming on stream this month, monetary and fiscal policy are working together to give relief to families and to protect jobs. I would just like to quote from the Reserve Bank’s statement, which said:

Together with the spending measures announced by the government, and a large fall in the Australian dollar exchange rate, significant policy stimulus will be supporting demand over the year ahead.

So what we have is fiscal policy and monetary policy working in tandem to strengthen the Australian economy. That is why the government took early action. That is why the government took decisive action to support Australian families and businesses in the context of the global financial crisis. This means that all arms of policy are directed at buffering this country from the worst that the world can throw at us. That is why strong action and early action are so vital and the government will not hesitate to take further action should that be necessary.

Interest Rates

Mr HARTSUYKER (2.36 pm)—My question is to the Prime Minister. Prime Minister, the standard interest rate charged by the big four banks ranges from 19.24 per cent to 21.14 per cent on credit cards. Given today’s reduction in the cash rate to 4.25 per cent, what decisive action is the government taking to ensure that credit card holders benefit from the reductions in the cash rate?

Mr RUDD—in response to the honourable member’s question, it is important that
the banks act to pass on interest rate cuts to the maximum number of customers using the maximum range of credit instruments. That is absolutely the case. The honourable member should reflect on the historical record of the credit card rates during the period his own party was in office. But, then again, the facts can be very discomforting.

This government, as the Treasurer has just indicated, welcomes the statement by the Reserve Bank. It represents a significant further easing in monetary policy. As the Treasurer has just indicated to the House, what we have now is monetary policy and fiscal policy acting in order to stimulate the economy. The government’s policy and the nation’s policy is clear: we are confronting a global financial crisis that is becoming a global economic crisis and this government is determined to act ahead of the curve and to act in partnership with monetary policy to do everything within our power to support growth, families and jobs into the future. That is our policy; what is yours?

**Health Funding**

*Mr BIDGOOD* (2.38 pm)—My question is to the Minister for Health and Ageing. Will the minister outline to the House the importance of the preventative health reforms agreed to by COAG at the weekend?

*Ms ROXON*—I thank the member for Dawson for his ongoing interest in health issues and particularly for his interest in prevention. On the weekend we saw huge new investments in our hospital system. We have mentioned these in the House already, but there will be $4.8 billion going into our hospitals. There will be a sustainable indexation rate, money going into emergency departments, money going into elective surgery, money going into workforce reform and a significant investment in closing the gap for Indigenous people.

What has not received so much attention yet is our commitment to prevention and our determination, as we indicated before the election, to engage in serious discussions with the states and territories to deliver a partnership on dealing with prevention to tackle the long-term pressures on our health system and our workforce. The Prime Minister mentioned yesterday the importance of making sure we take these decisions early because of the long-term trends that we need to turn around, whether they are the growing rates of chronic disease or the staggering 676,000 preventable admissions which end up in our hospitals each and every year. This could be prevented if we invested more in prevention—a deal that we did over the weekend with the states and territories.

$872 million over six years is going into prevention. This is the single largest investment in preventative health that has ever been made by an Australian government. Much of that funding is going to go directly to programs. The sorts of programs include healthy children initiatives to provide health programs targeted at kids and schools, preschools and childcare centres, including healthy-eating and physical activity programs, and healthy workers initiatives to provide programs which reach into our workplaces, including smoking cessation programs, information about the health risks caused by excessive alcohol consumption and support for employers to provide programs which improve the healthy weight of their workforce. These initiatives will aim to reach 35 per cent of the Australian workforce—that is 3.8 million workers—over the next six years.

Also, as well as these initiatives targeting kids and workers, there are initiatives targeted at communities to support improved physical activity and nutrition in around 115 local government areas, especially those that are socioeconomically disadvantaged, over
the next six years. The partnership will also extend the successful Measure Up campaign that I launched recently in Canberra. I understand that a number of my colleagues have been using a tape measure around their waistlines.

Mr Rudd interjecting—

Ms ROXON—I was not looking at you, Prime Minister! We want to make sure that the Measure Up campaign is targeted to particularly include at-risk groups in the community. Those of us who live more sedentary lives than others are certainly at risk. These are concrete initiatives that are going to make a real difference to communities around Australia, with active and practical assistance to provide people with incentives to improve their health. This is another historic reform.

A proportion of funding has also been reserved for reward payments which are going to go to the states and territories who meet agreed targets. For example, some short-term targets include increasing the proportion of the population who meet those healthy weight guidelines, while longer term targets include reducing the hazardous consumption of alcohol and reducing the daily smoking rates from 16.6 per cent to 10 per cent within 10 years. This is a fundamental change in the way that we conduct the business of health, investing now in our hospitals and acute services but also investing for the long term to ensure that we create incentives to become the healthiest country that we can be. I am sure that in years to come we will thank both the Prime Minister and the premiers for having the determination to sign up to these initiatives in workplaces, primary schools, childcare centres and communities across the country and this important change in investing in preventative health.

Hospitals

Mr DUTTON (2.42 pm)—My question is to the Prime Minister. On 22 October this year, the Prime Minister’s website, under the heading ‘Fixing our hospitals’, said:

... if significant progress toward the implementation of the ... reforms has not been achieved by mid-2009, the Government will seek a mandate from the Australian people at the following federal election for the Commonwealth to take financial control of Australia’s 750 public hospitals.

Of course, that reflected the Prime Minister’s election commitment. I have here a printout from the website this morning which shows that the section containing that commitment to a referendum has been deleted. Does the Prime Minister stand by his election promise to the Australian people either to fix Australia’s public hospitals or to take them over?

Mr RUDD—I am glad the member for Dickson has time to examine my website given his other activities in recent days directed at his friend and colleague the member for Curtin.

Opposition members interjecting—

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

Mr RUDD—They are such a happy, united company, the HMAS Liberal Party—divided on the deputy leadership, divided on the treasurership, divided it now seems on forest carbon sinks, divided on the national water policy, divided on most things. But I thank the member for Dickson for his question.

The government’s position on this has not changed one bit. I would strongly suggest that the member for Dickson reflect on statements I have made most recently in response to a question, I think, from the Australian at a press conference after COAG when I was asked the very same question. Our policy has not changed. We believe first
and foremost that it is necessary to partner with the states and territories in exercising cooperative federalism. Secondly, we will make a judgement during the course of 2009 in terms of whether the overall allocation of roles and responsibilities and the general reform program are being effectively implemented. If there is a failure of that, as I have indicated in the past, our position we took to the people prior to the last election remains valid. It has not changed one bit. Could I say to those opposite, as they scramble around for something to say in question time today: you had better go and chase something else, because this one remains a fundamental part of government policy.

I find it remarkable, though, that those opposite would have the temerity to raise any questions about health funding in this chamber. Those opposite should hang their heads in shame about their disinvestment in the nation’s public hospitals over so many years. Let me repeat the figures that I drew to the House’s attention yesterday. In the period to the last Australian health care agreement the indexation which you provided to the state hospital system was some 5.3 per cent. That came nowhere near meeting the cost escalation factors experienced by state and territory hospital systems, taking into account the cost of employing health professionals as well as the technology factors now being deployed in hospitals. You knew that at the time. You simply short-changed the states and territories. I would draw to the attention of those opposite the fact that the previous five-year health care agreement was actually 6.3 per cent. So even against your own historical standard you were consciously and deliberately—

Mr Tuckey—I’ve got to protect you, sir.

The SPEAKER—The member for O’Connor will resume his seat. I have got the point. I understand that you are trying to protect me. I would remind the Prime Minister of the need to address his remarks through the chair.

Mr Rudd—For the previous government to give a lesson on high morality to the current government about adequate levels of funding and reform in relation to the hospital system frankly is breathtaking. They sucked out a billion dollars from the system as a consequence of the last health care agreement, and the former minister for health knows that to be a fact. They failed even to meet the standards they set for themselves in the previous five-year health care agreement. This government delivered an indexation factor of 7.3 per cent under the prospect of—

Mr Dutton interjecting—

Dr Kelly interjecting—

The SPEAKER—The Prime Minister will resume his seat. The parliamentary secretary and the member for Dickson will remain quiet.

Dr Kelly interjecting—

The SPEAKER—The parliamentary secretary will withdraw that remark.

Dr Kelly—I withdraw, Mr Speaker.

Mr Rudd—The government, through the current Australian health care agreement, has agreed to a 7.3 per cent annual indexation factor with the states and territories, resulting in an Australian health care agreement of in excess of $60 billion for the coming five-year period. But beyond that—and I say this to the member for Dickson, if he is interested in the facts as opposed to he and the Leader of the Opposition only being interested in politics—the facts are these: in terms of the national policy partnerships that we also agreed to with the states and territories on preventative healthcare, on emergency departments and on Australian health workforce needs for the future, putting those factors together, you are looking at an overall
increase in the Commonwealth’s allocation to the states in excess of 10 per cent.

That constitutes the basis for real investment in the nation’s desire to have a decent health and hospital system for the future. We have put our money where our mouth is, we have embarked upon a reform program and we have said that it must be delivered on the ground through the measures that we have agreed with the states and territories in the various instruments that we have signed with them. That remains our commitment to the future. I would suggest to those opposite, if they were to have any skerrick of credibility on this question, why did they pull money—billions of dollars—out of the hospital system and then turn around opportunistically to accuse the states and territories of failing to run a first-class hospital system in the country? It is easy to do. It is easy to produce your budget bottom line that way—pull the money out of hospitals, pull the money out of the emergency departments, pull the money out of elective surgery. That is what you did year in, year out. The government has a policy of funding reform and functional reform for the future of the hospital system, and this government is proud of its achievements.

Housing Affordability and Homelessness

Mr CHeESEMAN (2.49 pm)—My question is to the Minister for Housing and Minister for the Status of Women. What will be the impact of the recent Council of Australian Governments meeting in the areas of housing and homelessness?

Ms PLIBERSEK—I want to start by thanking the member for Corangamite for the question. He is a member who is very concerned and very interested in housing affordability in his electorate. Probably not a week goes by without him contacting me personally or my staff to ask about the National Rental Affordability Scheme or the Housing Affordability Fund and how he can encourage applications for these new programs from people or organisations in his electorate.

The Council of Australian Governments meeting last weekend was one of the most important meetings in the history of the Commonwealth and Commonwealth-state relations, particularly as it relates to housing. Overall the COAG agreement provided $15.1 billion of additional funding. That is expected to lead to an extra 133,000 jobs.

When it comes to housing and homelessness, COAG was important because it signed off on a National Affordable Housing Agreement, for the first time bringing together funding from all the areas of involvement of the Commonwealth government in housing into one program that will help deliver a single strategy to deliver more affordable homes for more Australians. The National Affordable Housing Agreement will see the Commonwealth and the states and territories work together on issues of housing and homelessness. It will end the blame game between the Commonwealth and the states. For the first time the governments have agreed to act on and publicly report on a number of very important indicators: the rate of homelessness, for example; the level of rental stress; the number of affordable homes that are available for purchase; the efficiency of the housing market itself, including the supply of residential lots—making sure that there is enough land out there to build on; and housing outcomes for Indigenous Australians.

COAG signed off on a $10 billion deal on housing and homelessness over the weekend, including $6 billion from the Commonwealth into the National Affordable Housing Agreement to fund public and community housing and core homelessness services. Importantly, there is an extra $800 million in
there of new money for homelessness services—$400 million from the Commonwealth and $400 million from the states.

There is $1.94 billion over 10 years for Indigenous housing, building 4,200 new homes and providing major upgrades for 4,800 homes. There is an additional $400 million in capital funding for new public and community housing, including specialist models for people who have been homeless. That money is to be spent over the coming two years—2008-09 and 2009-10. So it is great not just to have those new homes on the ground urgently for the people who need them but for it to play an important role as part of the economic stimulus aims of the government.

This builds on the $2.2 billion housing package in the May budget that has already seen new affordable rental properties. It has already seen new homes that homeless Australians have moved into, and new projects, like common ground facilities and facilities for young homeless people, underway, and it has seen thousands of young Australians taking out first home saver accounts. Those measures, of course, are complemented by the $1½ billion first home owner grant boost.

The decisions made at the COAG meeting on the weekend were welcomed by the housing and homelessness sector. Tony Nicholson said, of our homelessness response:

It should be something that all Australians can have a sense of pride about, that we are leading the way.

When it comes to rental accommodation, Noel Dyett of the Real Estate Institute of Australia said:

This funding is important; our research shows that there is a great deal of financial stress for those in rental accommodation … We need to look at solutions that will reduce the gap between supply and demand for rental accommodation in a tight market.

The COAG agreement on housing does that. It does a number of other things. I am very proud of it. This House should be proud of it too.

**Soil Carbon Research**

**Mr WINDSOR** (2.54 pm)—My question is addressed to the Minister for Agriculture, Fisheries and Forestry and relates to the possible closure by the New South Wales government of the Glen Innes Agricultural Research and Advisory Station, and the issue of soil carbon research. The minister would be aware that there has been a recent flurry of research into soil carbon as a potential aid to reducing atmospheric carbon dioxide. Is the minister aware that the Glen Innes research station has been recording soil carbon levels since 1934, as part of an experiment to develop stable and productive crop rotations? Minister, as this centre is one of a few in the world that have recorded this valuable scientific evidence, could you investigate any possible partnership arrangements at the federal level that may keep this vital resource operating?

**Mr BURKE**—I thank the member for New England for the question, and acknowledge the strong interest in soil carbon that he has had ever since he arrived in this place, particularly the advocacy of no-till and minimum-till farming and the outcome for soil carbon there. I am very happy to investigate the issues that the member for New England has asked about. The government is quite determined to see what can be done in this space of soil carbon. At the ABARE outlook conference earlier this year—which was opened, for the first time ever, by the Prime Minister—I was tasked with commissioning new research and looking at what could be done in furthering the Commonwealth’s involvement with respect to soil carbon.

The climate change research fund, which I had the opportunity to speak about last
week—the $46.2 million fund—is one of the mechanisms by which we are doing that, but to the extent that at Glen Innes there is extra information and a depth of knowledge going back to 1934 that would not exist in many places in the world, I am very happy to see if there are ways in which we might be able to work together. Certainly I will be conducting an investigation along the lines requested.

Workplace Relations

Ms COLLINS (2.56 pm)—My question is to the Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion. Does the Fair Work Bill implement Labor’s policy Forward with Fairness, and what are the impediments to the government implementing its election policy?

Ms GILLARD—I thank the member for Franklin for her question. I know she is deeply interested in ensuring that workers in her electorate are treated fairly at work. Last week the Leader of the Opposition said to the Australian people that Work Choices was dead. Clearly, his political strategy at that time was to pretend Work Choices was dead and, if he was ever in a position to, to bring Work Choices back. But unfortunately the Leader of the Opposition’s political strategy is now lying in tatters at his feet, because despite his staking his leadership on saying Work Choices is dead, last night in this House members of the Liberal Party and members of the Opposition came out loud and proud as Work Choices supporters, one after another, as they spoke in this House.

I refer to just one contribution, a contribution by the member for Hume, who does not appear to be in the chamber at the moment. Last night he said:

Quite obviously, if there are no amendments which address my concerns regarding the rights, privacy and economic freedom of small business as outlined by me in my contribution tonight to this debate, I will not be supporting this bill.

One after another, they came out as Work Choices supporters, loud and proud, last night. They went to their party room meeting this morning and rolled their leader. They want to be Work Choices supporters to a man and a woman, because the Liberal Party is the party of Work Choices. Of course, what they need to do now, and what they are in the course of doing, is to find a misrepresentation of the Fair Work Bill so big that it would justify them publicly moving away from the rhetoric of ‘Work Choices is dead’ to not supporting the Fair Work Bill. So they are prepared to make any misrepresentation that comes to their minds in order to try and extricate themselves from this political position and to vote against the Fair Work Bill. The campaign of misrepresentation has already started.

Talk about slow learners. They are doing exactly what they did in 2006 and 2007. What they tried to do with Work Choices before the election is say to the Australian people: ‘Don’t look at the unfairness, don’t look at how people are losing their penalty rates and overtime, don’t look at the fact that there are no unfair dismissal rights or that the industrial umpire is dying, don’t look at that; look over here at the union bogeyman.’ That was their political trick in the lead-up to the 2007 election. Of course, the Australian people said to them, ‘Don’t treat us as if we are two-year-olds. We can see right through this and we can see that you are trying to distract our attention from the fundamental unfairness of Work Choices.’ Well, they are at it again, because they are now lashing out, in their twisting and turning to get away from Work Choices’ dead rhetoric, by raising what the bill provides for union right of entry and what it provides in relation to access to records to investigate breaches.
The myth they are trying to make is that, somehow, never before in this country have there been these kinds of abilities in the industrial relations system. No-one should fall for this myth, because the provisions in the Fair Work Bill about right of entry and access to employee records are basically the provisions that applied in this country from 1988 to 2005. If anybody actually wants to do the comparison they should get out their workplace relations law for the time period between and compare it. In making this myth, they do not want the Australian public to know that. They are pretending to the Australian public that somehow this is something different. We are not going to allow them to get away with these distortions. All they are trying to do is cover up the fact that they are and always will be the party of WorkChoices. If they vote against the government’s Fair Work Bill, all that is about is ensuring that WorkChoices stays for longer.

What they want, what they have always wanted and what they supported in government was a WorkChoices policy of rip-offs. That is what they support now and that is what they have come out with today, loud and proud: WorkChoices supporters, one and all. No-one should look at what the Leader of the Opposition says; they should watch what he does to support WorkChoices.

Ms GILLARD—I thank the shadow minister for education for his question. In interjections yesterday he said to this parliament that he thought money spent on computers in schools was not worth doing. He does not want Australian students to have the learning tool of the 21st century. If he believed Australian students should have the learning tool of the 21st century then presumably when he was a member of the government he would have ensured that the government did something comprehensive to get computers into schools. But of course it fell to this government, when we came into office, to audit and see that some of the students in the schools were without computers that were less than four years old. Many of them were in schools where the computer to student ratio was eight to one or worse—eight kids, nine kids, a dozen kids or 15 kids fighting to get access to one computer, left with completely outmoded technology or not having access to computers at all.

This government is acting, as part of its digital education revolution, to make sure that students have access to the learning tools of the 21st century. The shadow minister can go around with his hysterical misrepresentations all he likes, but the facts are these: the government is delivering its program; it has delivered round 1; it is in the middle of delivering round 2. This is working to get computers to kids in schools.

Ms GILLARD—The program will deliver an effective one to one ratio. We worked with our state and territory colleagues to deal with questions about on-costs, and they were resolved at COAG on
I know that the shadow minister is going to keep carrying on about this because he does not want to see Australian students—

Mr Pyne interjecting—

The SPEAKER—The member for Sturt!

Ms GILLARD—with the learning tools of the 21st century, he does not want to see transparency—

Mr Pyne interjecting—

The SPEAKER—The member for Sturt is warned!

Ms GILLARD—he does not want to see a quality national curriculum in schools, he presumably does not want to see our one billion-dollar national partnership for disadvantaged schools, he presumably does not want to see $550 million spent on teacher quality and he presumably does not want to see hundreds of millions of extra dollars for primary schools, because he sits there with no policies and no plans but a shameful legacy to cover up.

Aviation

Mr BEVIS (3.06 pm)—My question is to the Minister for Infrastructure, Transport, Regional Development and Local Government. What steps is the government taking to secure the long-term future of Australia’s aviation industry?

Mr ALBANESE—Today I was pleased to launch the national aviation policy green statement at the National Press Club just prior to question time. This is the first time that Australia will develop a national aviation strategy and I look forward to receiving input. Submissions close on 27 February next year and we will be releasing the white paper in the second half of 2009.

Mr Speaker, aviation is essential to Australia’s economic prosperity. Last year a record 23 million international and 49 million domestic passengers passed through the nation’s airports. The aviation sector indirectly employs some half a million Australians and contributes $6.4 billion to the Australian economy. But if we are going to continue to benefit from the economic and social advantages of aviation, we do need to plan ahead. The green paper outlines a number of proposals and initiatives by the government. Primarily, it reaffirms the government’s first priority is safety and the government’s commitment to establish a small, independent board. CASA—Australia’s aviation safety regulator—is central to that. The government will also enhance the independence of the Australian Transport Safety Bureau by establishing it as a statutory agency.

The green paper also proposes a range of measures which strike a balance between the needs of the airports and the communities in which they operate. Up until now, it is fair to say that airport planning has not been handled properly. Too often airport development has not taken into account the development around the airport or the interests of the community around those airports. The green paper proposes a number of ways to facilitate community consultation with the operators of airports in the interests of expanding the industry, but not at the expense of the communities in which airports exist. After the birth of aviation almost 100 years ago, it has been a long time coming, but I look forward to constructive input from the industry and from the community into this white paper process.

Workplace Relations

Mr KEENAN (3.09 pm)—Mr Speaker, my question is to the Minister for Employment and Workplace Relations. I refer the minister to her statement just now that her right of entry laws are basically going back to what existed between 1988 and 2005. How does the minister reconcile this statement with her Forward with Fairness policy
dated August 2007 that existing right of entry laws will be retained?

Ms GILLARD—I thank the member for his question, and I am very happy to explain it to him. Forward with Fairness provided that we would keep existing arrangements in relation to right of entry, and let me describe to him what we have kept. We have kept the need to have a permit. We have kept the need to be a fit and proper person to have a permit. We have kept the need to give 24 hours notice of entering premises. We have kept the need for proper conduct, for people to behave properly when they are on premises. All of those rules are the same in the Fair Work Bill as they have been under current law and, indeed, as they were under former law. What the shadow minister may not realise is that Work Choices in particular changed the nature of the relationship between industrial instruments to try to lock people out. What we are saying is that unions must abide by strict criteria: being a fit and proper person, getting a permit, giving 24 hours notice, conducting themselves properly—all of the right of entry rules that were in existence are still in existence in our policy Forward with Fairness. We said we would have those rules; we do have those rules.

The great misrepresentation happening here amongst the Liberal Party is that they are twisting and turning to try to find some excuse to defeat the Fair Work Bill. Why? Not because they are concerned about—

Mrs Bronwyn Bishop—Mr Speaker, I rise on a point of order of relevance. The Minister for Employment and Workplace Relations was asked why she had changed from her commitment to leave those—

The SPEAKER—The member for Mackellar will resume her seat. The question was in order and the Minister for Employment and Workplace Relations is responding to the question.

Ms GILLARD—The member for Mackellar might not like the answer, but right of entry rules, permits, fit and proper people, 24 hours notice, conducting yourself properly when you are on the premises—those rules are there in the Fair Work Bill. I know the member for Mackellar is one of the loud and proud Work Choices supporters, and she was dismayed the day that the Leader of the Opposition walked out and said that Work Choices is dead. Of course, the Liberal Party members ever since have been saying, ‘How can we work out how to oppose the Fair Work Bill, to hold faith with Work Choices, without overly humiliating the Leader of the Opposition?’ That is the political problem that confronts them. So to answer that political problem, what they are going to do is misrepresent every provision of this bill, play exactly the same kinds of tricks they played in the lead-up to the last election, pretend to the Australian people that there is some union bogey here, meanwhile asking people to avert their eyes from the fact that Work Choices was about ripping off the least powerful and lowest paid people in our workplaces. It was the 16-year-old kids who suffered under Work Choices. It was the workers with the least bargaining power that suffered under Work Choices.

Mr Hockey interjecting—

Ms GILLARD—And the person yelling at me now—the member for North Sydney—had at his disposal every piece of information to know that people were getting ripped off. The legacy of Work Choices, as the Liberal Party knows, is that people were ripped off. And you know what? That is what they support and that is what this twisting and turning is about.

Now if they are going to be Work Choices supporters loud and proud, well, Mr Speaker,
we will have the debate again about Work Choices. We will have it again in every corner of this country, in every community hall, in every street, in every town, in every factory, in every shop. We will have the debate with the Liberal Party and they can walk into those places and say, ‘We are Work Choices supporters,’ loud and proud. And do you know what is going to happen? They will be repudiated by the Australian community again, which is disgusted by their extremism in workplace relations.

*Mr Hockey interjecting—*

**The SPEAKER**—The member for North Sydney will withdraw!

*Mr Hockey—* Sorry, Mr Speaker; I withdraw.

**Identity Crime**

*Mr GIBBONS* (3.14 pm)—My question is to the Minister for Home Affairs. Will the minister inform the House about the government’s latest reforms to protect against identity crime?

*Mr DEBUS*—I thank the honourable member for his question. The issue of identity crime is one of increasing and international significance. Identity crime can involve the illegal use of a person’s credit card details to make purchases over the internet or the telephone, and the assumption of another person’s entire identity to open a bank account and take out loans and to conduct other business illegally in that name. The true extent of identity crime is unknown, but several years ago we know that it was costing more than $1 billion to citizens in this country, and no doubt that figure is growing. In the United States last year eight million people were victims of identity fraud at a cost of $49 billion. In the United Kingdom the impersonation of deceased persons is the fastest growing identity crime and it is estimated to cost £250 million a year.

The notion of identity is central to our lives. It affects our reputation and livelihood and our relationships and it is why, when identity crime occurs, people feel violated and vulnerable. Corporations can be victims, but when individuals are victims, their identity stolen and misused, that can have a major psychological and financial impact. Victims often are not even aware that identity crime has occurred until they are called by creditors about a defaulted loan payment. I am advised that an individual victim will on average take two or more years to restore their credit rating when an event like this has occurred. One widespread method of obtaining personal details is known as ‘phishing’. That is when fake emails are sent pretending to be from trusted organisations directing a person to a fake website which is designed to look like the real website—say, of a bank. The person is asked to verify their login details, which are then captured and used to withdraw funds fraudulently. Identities are also stolen by key-logging devices on computers and the infiltration of organisations that store large amounts of personal information.

Social interaction on the internet also makes people vulnerable to identity theft. If you place personal information on a site like Facebook, then you can provide enough information for perpetrators to steal an identity and open accounts for an individual.

*Mr Ciobo*—You ever been to Facebook, Bob?

*Mr DEBUS*—For the election, I did, yes. It is not only individuals that commit these crimes. Organised groups are becoming increasingly involved. The 9-11 hijackers used fake social security numbers and false identities for their pilot training, and other terrorist networks have done the same to get employment overseas to finance their activities and ultimately to avoid detection.
The problem, then, is evidently widespread in the world and our laws need to be updated to reflect emerging problems, much like laws governing internet crime have been adapted. This week, therefore, model laws will be introduced which will include new offences for misusing identification to commit an offence or having equipment capable of creating false information. Those charges will help police in all jurisdictions to more effectively investigate and prosecute offences, because a specific offence will exist. All jurisdictions will be empowered to issue certificates to victims of identity crime to help them re-establish their credit histories. Victims will be able to get a court order to reclaim their identity after a prosecution for identity crime or even after they become aware that their identity has been stolen. That will help victims to recover their identities and again use facilities in banks and other financial institutions which had been denied to them by the crime committed against them.

Local Government

Mr MORRISON (3.19 pm)—My question is to the Prime Minister. Is the Prime Minister aware of a review earlier this year of New South Wales local government investments which revealed that almost $600 million was invested in collateralised debt obligations, including exposure to United States subprime housing loans? What are the government’s contingency plans should any councils require financial assistance due to losses from such investments?

Mr RUDD—I thank the honourable member for Cook to his question, well-known friend that he is of local governments around the country, particularly those in the Illawarra. In response to the honourable gentleman’s question, he will be aware of the fact that under Australia’s constitutional arrangements local authorities answer ultimately to state governments for their financial arrangements, because local governments are constituted under the various instruments of state government—that is just a fact.

Mr Hockey—Why’d you give them 300 million the other day?

Mr RUDD—The member for North Sydney interjects: ‘Why did we extend $300 million worth of funding to local government?’ I presume you are opposed to that?

Mr Hockey interjecting—

Mr RUDD—Oh, I see. It is like everything else in the Liberal Party today: ‘We sort of support it, but we don’t. We are not exactly supporting, but we’re not opposing.’ It is flip, flop, flap on every issue known to man including local government grants, which I thought most local authorities represented by those opposite were willing to receive assistance from—unless I see any hands raised that they would like their money for their local authorities removed, other than the member for Cook, who has had a notable engagement on this with local authorities down in the Illawarra, which has been well canvassed in the Illawarra newspaper.

I say to the honourable member: constitutional arrangements are clear. Local authorities answer to state governments on the question of any—

Mr Morrison interjecting—

Mr RUDD—I am referring to a constitutional fact. Secondly, in terms of any of the external borrowings undertaken by local authorities, it will be the normal procedure for those to be reported to the relevant state treasuries. I would imagine that those procedures are underway. If there are any further matters which I would draw further to the honourable member’s attention, then I will do so in response to any representations to
Mr ZAPPIA (3.22 pm)—My question is to the Minister for the Environment, Heritage and the Arts, the Minister representing the Minister for Climate Change and Water. Can the minister update the House on progress on the reform in the Murray-Darling Basin? Is the minister aware of any threats to that progress?

Mr GARRETT—I thank the member for Makin for his question. The government are working to help secure water supplies and restore the Murray-Darling Basin to a sustainable footing under the $12.9 billion Water for the Future plan, and we are confronting the problem of historic overallocation of water entitlements—

Opposition members interjecting—

The SPEAKER—Order! The minister will resume his seat. When the House comes to order we will slowly draw question time to a close.

Mr GARRETT—As I was saying, the government is confronting the problem of historic overallocation of water entitlements and decades of inaction by those opposite on this important issue. This is compounded by more than 10 years of drought and record low flows into river systems. Regrettably, there will be even less water in the future, as a result of climate change. Earlier this year, the Council of Australian Governments secured a historic agreement to undertake critical reform in the Murray-Darling Basin and to establish an independent national authority to manage the Murray-Darling in the national interest. The authority will deliver a basin-wide plan in 2011, with sustainable limits on the amount of water that can be taken from our rivers and groundwater systems. The basin plan, including the new sustainable diversion limit, will become binding on jurisdictions as their existing catchment level water plans expire. The agreement enabled the referral of powers to the Commonwealth, so that the new Murray-Darling Basin Authority could manage the basin as a whole, through a whole-of-basin plan. This is what Mr Turnbull said he wanted last year when he was Minister for Environment and Water Resources, but he did not deliver. In July, he said:

The principal problem with the Murray-Darling Basin has been that it’s never had a basin-wide plan. It’s never been run as one.

That is why we have introduced new legislation into the parliament to help secure the long-term future of the Murray-Darling Basin. The Water Amendment Bill 2008 introduces significant reforms to the governance arrangements of the basin, gives effect to the intergovernmental Agreement on Murray-Darling Basin reform and gives the Leader of the Opposition another chance to deliver on what he said he wanted—that is, a basin-wide plan.

The shadow minister for climate change, environment and urban water, the member for Flinders, said on 14 November, ‘We will not stand in the way of the water act.’ Even today, on Adelaide radio, the Leader of the Opposition said:

We are not going to throw the baby out with the bath water. I mean, the Water Amendment Bill will pass through the Senate.

That should be the end of the matter. Why, then, are coalition senators still planning to move amendments when the bill returns to the Senate tonight? It is just like carbon sinks of yesterday. The Leader of the Opposition seems unable to bring his troops into line—in this case, to bring his senators into line. The fact is that, if coalition senators persist with this approach, these crucial reforms will not proceed and we will have to go back to the drawing board to fix up the Murray. It is
time for the opposition leader to take responsibility for passing the water bill tonight. If the opposition leader could not deliver on carbon sinks, with the future of the Murray at stake, it is time for him to pull his troops into line and deliver and see that this bill is passed.

While the opposition has been in chaos on water issues, the government has been getting on with the job of addressing our long-term water challenges. In the budget, we brought forward $400 million of funding from 2011-12 to accelerate action on the Murray-Darling. We are investing $3.1 billion to buy back water entitlements from willing sellers—

Fran Bailey interjecting—

The SPEAKER—The member for McEwen will come to order.

Mr GARRETT—so, when it does rain, the river gets a greater share of water.

Fran Bailey interjecting—

The SPEAKER—I warn the member for McEwen!

Mr GARRETT—We are the first-ever federal government to purchase water—

The SPEAKER—The member for McEwen will excuse herself from the House for one hour.

The member for McEwen then left the chamber.

Mr GARRETT—I say to members opposite—so loud in their objections—that in 2001 the Murray-Darling Basin Commission did a snapshot of the health of rivers in the Murray-Darling Basin and found 95 per cent environmental degradation in the Murray-Darling Basin in 2001. And what did they do about it? Absolutely nothing. In fact, when it came to dealing with the issue of water in the Murray-Darling Basin, they had a $10 billion plan, dreamt up on the back of an envelope, which did not even go through Treasury. So do not let opposition members start to give us any curry about how we deal with water in this House. This government is investing $5.8 billion to make irrigation infrastructure more efficient. We have a major focus on the Murray-Darling Basin, using less water to grow food and fibre, making the nation’s food bowl more resilient to climate change. And we are opening up the water market to trade water where it provides the most benefit. The government is committed to reform of the Murray-Darling Basin to keep the rivers healthy while continuing to provide water for households and for food production. This bill, which is in the Senate now, delivers on those reforms—the very reforms that the opposition leader said that he wanted. Now it is time for him to show some leadership and deliver them.

Mr Hunt—Mr Speaker, I ask that the minister table the notes from which he was reading, which were no doubt headed, ‘Pete’s pipeline green light’.

The SPEAKER—Was the minister quoting from a document? Is the document confidential?

Mr GARRETT—Yes, Mr Speaker.

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

**Wonthaggi Region Desalination Plant**

Mr BROADBENT (McMillan) (3.29 pm)—Mr speaker, on indulgence: after meeting with the Prime Minister with regard to the desalination plant at Wonthaggi, I rise to thank the Prime Minister for his personal intervention to allow the government to come to an out-of-court agreement to settle the legal costs of the Your Water Your Say Action Group opposed to the desalination plant. I thank the Prime Minister on behalf of Your Water Your Say.
The SPEAKER—I am not sure how that fitted into the proceedings, but he got it.

Mr Tuckey—Mr Speaker, I rise on a point of order. I need your assistance understanding order 24, which deals with members’ seats. I ask: has the member for Charlton gained weight and the member for Fraser changed his sex?

The SPEAKER—Order! There is no point of order. If the honourable members were rising in their places to get the call, they would have to take the seats they have been allocated.

PERSONAL EXPLANATIONS

Mr SLIPPER (Fisher) (3.31 pm)—Mr Speaker, had I known the member for O’Connor was going to be so humorous I would have happily deferred to him. However, I wish to make a personal explanation.

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

Mr SLIPPER—Yes.

The SPEAKER—Please proceed.

Mr SLIPPER—An early report in the Australian online claimed that I refused to accept Labor’s mandate to abolish Work Choices. The fact is that, at a doorstep interview today, although strongly critical of the Fair Work Bill 2008, when queried by a journalist on Work Choices I said, effectively, that we had lost the election and Labor had won. Contrary to the report in the Australian online, I said that in a democracy Labor’s Work Choices mandate should be respected. The Australian online has now corrected the record.

Mr ROBB (Goldstein) (3.32 pm)—Mr Speaker, I wish to make a personal explanation.

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

Mr ROBB—Deliberately and maliciously.

The SPEAKER—Please proceed.

Mr ROBB—This morning on the ABC AM radio program the Minister for Finance and Deregulation alleged that I had suggested on Sunday’s Insiders program that, in some way, the government mandate that superannuation funds invest in particular infrastructure projects. That is a total misrepresentation. At no time have I talked of mandating super funds to invest in particular projects. In fact, it was obvious to anyone who was listening and watching that I was talking about the failure of COAG to urgently overhaul complex and costly regulations, as highlighted by the oil and gas industry this morning on the front page of the Financial Review.

The SPEAKER—The member has highlighted that he has been misrepresented and he will resume his seat. The member cannot debate the issue. The member has now indicated where he has been misrepresented and he has corrected the misrepresentation. The member must go to where he was misrepresented and then correct the record. If he has additional remarks, they must be in that context, not by way of debate.

Mr ROBB—When I raised this on the Sunday program, quite explicitly I said, ‘I’m not talking about mandating projects.’ You cannot get any clearer than that.

CONDOLENCES

Mr Dennis Rose AM, QC

Mr KERR (Denison—Parliamentary Secretary for Pacific Island Affairs) (3.34 pm)—Mr Speaker, on indulgence: I wish to make a couple of brief remarks on the death of Dennis Rose, a former chief general counsel of the Commonwealth. I understand that the member for Berowra will respond, both of us having held ministerial office at a time when
Dennis was a significant figure in the Commonwealth. Dennis rose to the rank of Chief General Counsel and was, I think, the pre-eminent legal adviser of the Commonwealth for a decade. It is sometimes said of legal counsel that you can seek counsel to form views that suit the objectives that you wish to pursue. With Dennis Rose, that never would have been the case. He was always a man who gave you a straight and honest assessment of the law as he understood it. He came to law, which was his life learning and experience, with a commitment to best practice and to the Commonwealth and as a model litigant. He played a very significant constitutional role in this country for a long time. He came at a time when the Commonwealth Attorney-General’s Department was a very strong fortress of excellence. Jack Waterford, in the Canberra Times, said:

Were the central offices of the department considered as a law firm, as it now is, there was no firm in Australia, possibly the world, with more talent and expertise. And Rose was probably the best.

After his period with the Commonwealth he went on to become special counsel with Blake Dawson Waldron. He was given an honorary doctorate by the University of Tasmania. He is a Tasmanian by birth.

As someone who worked closely with him, I would like to record my own personal respect for his character, his honesty and his integrity in the roles he played for the Commonwealth. I also express my condolences to his family and the appreciation, I am sure, of members of both sides of politics for his service to the Commonwealth.

Mr RUDDOCK (Berowra) (3.36 pm)—

Mr Speaker, I thank you for the opportunity to commend, on indulge, Dennis Rose. The honourable member who spoke before me, the member for Denison, mentioned that Dennis Rose was the Chief General Counsel of the Attorney-General’s Department between 1989 and 1995. My period of service as a minister was from 1996, but that does not in any way detract from my personal knowledge of the very high esteem in which he was held. His writings were very extensive, and they remained extensive after he retired from Commonwealth service and became the senior counsel to Blake Dawson Waldron solicitors between 1995 and 2006.

Of interest is that Dennis Rose was called upon to give advice in relation to the establishment of a republic. The Leader of the Opposition was very much involved in that question, and Dennis Rose was asked in 1993 to provide answers to a list of questions as to how that matter might move forward. He also wrote extensively in relation to proposals to fix corporations law in Australia. More recently, and of interest to me, he wrote an article in relation to judicial activism, The High Court’s decision in Al Kateb and Al Khafaji—a different perspective.

Dennis Rose was able to bring a lawyer’s view to complex and difficult questions. He brought those views in a balanced way, something that I very much respected. He always acted in the very highest tradition of the Commonwealth in relation to the service that he gave to the Attorney-General’s Department. More latterly, people are doing that under the aegis of the Australian Government Solicitor’s office. I am sure members of both sides recognise the very distinguished legal personages who have given us advice, particularly in constitutional matters, and are grateful for that service—personified by Dennis Rose, whose death we lament today.

AUDITOR-GENERAL’S REPORTS

Report No. 10 of 2008-09

The SPEAKER (3.39 pm)—I present the Auditor-General’s Audit report No. 10 of 2008-09 entitled Administration of the Textile, Clothing and Footwear Post-2005 (SIP)
Ordered that the report be made a parliamentary paper.

DOCUMENTS

Mr ALBANESE (Grayndler—Leader of the House) (3.40 pm)—Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings.

BUSINESS

Mr ALBANESE (Grayndler—Leader of the House) (3.40 pm)—On indulgence: for the information of members, following consultation with the Manager of Opposition Business, it is our intention that the House sit until 11 pm this evening, with the adjournment debate to commence at 10.30 pm. The purpose of the extended hours is to enable the House, before the end of the year’s sittings, to progress debate on its important legislative agenda, in particular the Fair Work Bill, on which 49 members remain to speak.

MINISTERIAL STATEMENTS

Disability Services

Mr McCLELLAND (Barton—Attorney-General) (3.40 pm)—by leave—I present copies of the draft Disability (Access to Premises—Buildings) Standards 2009, the Disability (Access to Premises—Buildings) Standards Guidelines 2009, The protocol: a model process to administer building access for people with a disability—the protocol by the Australian Building Codes Board, the draft Disability Standards for Accessible Public Transport Amendment 2009, the regulation impact statement and a summary of the main Australian standards referred to in the access code.

Today, the Rudd government took an important step as part of our long-term plan to achieve better outcomes for people with disability and their families. On the eve of International Day of Persons with Disabilities, the government tabled draft Disability (Access to Premises—Buildings) Standards in the House. The government will move to refer those draft standards to the House of Representatives Standing Committee on Legal and Constitutional Affairs. The premises standards are tabled on behalf of both me and the Minister for Innovation, Industry, Science and Research. We propose to ask the committee to conduct consultations on the draft and to report to parliament in the first half of 2009.

The premises standards are an important part of the Rudd government’s social inclusion agenda. They will ensure that people with disability have improved access to a wide range of public buildings. Improved building access will give people with mobility, vision and hearing impairments greater opportunities to access employment and other services, helping them to better connect with family, friends and the local community. Greater accessibility of public buildings will also benefit older Australians with mobility constraints, which is increasingly important as our population ages. Indeed, from a commercial perspective it is in the interests of those institutions catering to older Australians to have regard to these standards.

The Disability Discrimination Act 1992 currently contains a broadly stated obligation to provide non-discriminatory access to premises that are accessible to the public or a section of the public. The obligation in the act is enforced by individual complaints of discrimination. In practice, however, this has resulted in a lack of clarity and a low level of improvement in access to premises. The complaints process in particular can be costly, stressful and time consuming. While a resolved complaint can lead to an individual
remedy, it will not achieve systemic change, which is desired by the government.

The premises standards are intended to achieve more consistent, systemic and widespread improvements in non-discriminatory access for people with a disability to publicly accessible buildings. The premises standards will specify the type of access that will comply with Australia’s disability discrimination system. This in turn will help to reduce red tape by harmonising the requirements with the Building Code of Australia, which in turn is adopted by state and territory building laws. In practice, this will mean a building constructed in compliance with the Building Code will also be compliant with the non-discriminatory requirements that will be contained in the Disability Discrimination Act 1992. This will provide certainty to building owners, managers and also developers.

The premises standards recognise the practical realities of what can reasonably be required and enforced. They will apply to new buildings and existing buildings but only to the extent that those existing buildings are undergoing significant upgrade work. In other words, they will not have retrospective operation. They will not apply at all to private residences. They also contain an exemption to cover situations where meeting the standards would cause unjustifiable hardship for the person undertaking the upgrade.

The premises standards have been a long time coming. It is with some regret that the former government was unable to deliver on those standards. On coming to office, the Rudd government has made this a priority. We have made significant progress in being able to table these draft standards in 12 months, as I have mentioned. It has involved considerable consultation. This is a further demonstration of the Rudd government’s strong commitment to recognising the human rights of all Australians. Both the Australian Building Codes Board and the Australian Human Rights Commission should be congratulated for the significant role they have played in the development of the standards. Their approaches have respectively been balanced and constructive. Various representatives, individuals and organisations from the disability and industry sectors have also made important contributions.

At the end of the day, I suppose no-one will be entirely satisfied with their own advocacy being delivered, but in terms of the overall outcome I think people will concede that they are fair, reasonable and solid. I specifically acknowledge the work and commitment of the Minister for Innovation, Industry, Science and Research, Senator the Hon. Kim Carr, and also the Parliamentary Secretary for Disabilities and Children’s Services, the Hon. Bill Shorten MP. Both have done an outstanding job on a project that has involved considerable work.

The premises standards are an important step in removing discriminatory barriers for people with a disability. The Rudd government has a long-term plan and is committed to being a regional and international leader for people with disabilities and their families. The government worked very hard to ensure Australia became one of the first Western countries to ratify the Convention on the Rights of Persons with Disabilities, and that occurred earlier this year. We are also proud to support Professor Ron McCallum AO as Australia’s successful nominee for the Committee on the Rights of Persons with Disabilities, and I wish to place on record our congratulations to Professor McCallum.

The premises standards will also complement the government’s work to improve the rights of people with disability at home here in Australia. The Rudd government is committed to a whole-of-government national
disability strategy to increase participation, social inclusion and support for people with a disability as well as their carers. And tomorrow I will introduce long overdue amendments to improve the operation of the Disability Discrimination Act. We must work harder to fully include people with disability in the social, economic and cultural life of the country. This is an important step in the right direction. I thank the House.

I ask leave of the House to move a motion to enable the member for Farrer to speak for eight minutes.

Leave granted.

Mr McCLELLAND—I move:

That so much of the standing orders be suspended as would prevent Ms Ley speaking for a period not exceeding eight minutes.

Question agreed to.

Ms LEY (Farrer) (3.49 pm)—Today the opposition notes the tabling of draft disability standards relating to access to premises for buildings. The coalition supports the intent of this document, which is to improve access to public buildings for people living with a disability. The coalition looks forward to examining the detail of the premises standards and the impacts that the standards could have on people with a disability, businesses and industry. We will also be closely following the committee process and will be interested to see the outcome of the consultations of the Standing Committee on Legal and Constitutional Affairs. I thank the House.

MATTERS OF PUBLIC IMPORTANCE

Hospitals

The DEPUTY SPEAKER (Hon. BC Scott)—Mr Speaker has received a letter from the honourable member for Dickson proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The Government’s failure to deliver on its commitment to fix public hospitals. I call upon those members who approve of the proposed discussion to rise in their places.

Mr DUTTON (Dickson) (3.50 pm)—I have proposed this matter of public importance today because it is becoming clearer by the day that the Rudd government is walking away from its election commitment made last November to the Australian people that it would fix the public hospital system in this country. There is no more important issue to Australians than having an adequate health system, both a public and private system, properly funded, properly resourced and properly staffed to provide the services that they need, particularly for older Australians. There is a sense of decency inherent in the Australian community which says that they want the government of the day to provide an adequate health system which will meet the needs not just of older Australians but of families of all Australians. This government went to the last election with the commitment that if it did not fix the public hospital system by mid-2009 it would go to the next election asking the Australian people for a referral of the responsibility of management of public hospitals in this country, a commitment that it now seems intent on walking away from.

I have mentioned in the House today that on 22 October this year the Prime Minister, on his website, said under the ‘Fixing our hospitals’ heading:

The Rudd Government is committed to achieving national health care reform in partnership with state and territory governments. However, if significant progress toward the implementation of the reforms has not been achieved by mid-2009, the Government will seek a mandate from the
Australian people at the following federal election for the Commonwealth to take financial control of Australia’s 750 public hospitals.

It is specific and express in its intent and, as I understand it, it reflects exactly the Prime Minister’s statement during the election campaign that that was what he would do if the states continued their failure in the management of those public hospital systems. But, if you go to the website of the Prime Minister today, you will not find any reference to that commitment. That is an amazing turnaround by this government, but not a surprising one. It was only a couple of weeks ago that I asked a question in this place of the Deputy Prime Minister, then Acting Prime Minister, as to whether or not the Rudd government would stand by their commitment to go to a referendum at the 2010 election, or earlier if the election were called earlier, to ask the Australian people for that mandate. At that stage—suspiciously, I thought at the time—she squibbed that question, but nonetheless it is now understandable why she did. If you go to the website of the Prime Minister of Australia as at 2 December 2008, there is no reference. There is talk about improving our hospitals but no longer about fixing our hospitals. The headline on 22 October was ‘Fixing our hospitals’; now they are only improving our hospitals.

People might say: ‘What does that mean? What’s the difference?’ If you know this Prime Minister and the work of this government then you will understand exactly the significance of the changing of the wording and the moving away from that original statement that it would ask the Australian public for a mandate to take over public hospitals. It is because this government is all spin and no substance. This is a government which is intent on finding weasel words to come up with a way in which it can find its way through a political issue. It has focus groups working 24/7. That is who is working 24/7 in the Rudd government: it is the focus groups. The focus group organisers get out there, talking to groups that they bring together and pay money to, and they say, ‘Let me put this statement to you: the Prime Minister of Australia is indecisive.’ The groups say: ‘Yes, I think he’s indecisive. I think he’s not doing what he said he would at the last election.’ It is amazing, because then the focus group organiser comes out and says: ‘What would make you say the Prime Minister was decisive? What if the Prime Minister got up and said, ‘I’m going to act decisively, and I’ll make a decisive decision, and decisively I’ll decide that this decision will be carried out by the decisive Rudd government.’’ And the group says, ‘I would find that decisive.’

**Ms Roxon**—Mr Deputy Speaker, I raise a point of order on relevance. Only four minutes in, it seems the member for Dickson has nothing more to say about health. He should be brought to the topic.

**The DEPUTY SPEAKER (Hon. BC Scott)**—No, there is no point of order.

**Mr Dutton**—You have ‘Reba’ Roxon there trying to run down the clock, but those sorts of premature interruptions are not going to work. The focus groups say, ‘If the Prime Minister said something along these lines—if he acts decisively and says that he is going to make a decisive decision that is in the decisive interests of this country—then we’ll think he’s decisive.’ So what happens? Kevin Rudd trots out the next morning, he does an *AM* slot, he talks to the newspapers, he does a doorstop and he declares that the Rudd government is going to act decisively in relation to a particular measure. He has done it this time in relation to health. I can tell you that there is no better example of the way in which this government is driven by media spin and not by substance than in the area of
health, because all we have seen since the COAG announcements over the weekend is the exact focus-group-driven outcomes and public statements by this Prime Minister. But at the end of the day they mean nothing because he has no intention of carrying out his election commitments. That is why it is important to recognise that this subtle change in the words put on the Prime Minister’s website now gives him the wriggle room to move away from his election commitment that he would fix public hospitals.

There is another statement that this Prime Minister went to the last election with: that he was going to end the blame game. He said, ‘I’m going to end the blame game,’ and, when Australians turned on their TVs and heard him saying that, they thought that what he meant was that he was going to end the blame game to allow him to fix the public hospitals, because Australians knew that state Labor, for the last 10 years or more, had run public hospitals into the ground. So when they heard the Prime Minister, as then opposition leader, saying, ‘I’ll end the blame game; I’ll fix the hospitals,’ they gave him a big tick. They thought, ‘That’s great.’ They thought the end of the waiting list was in sight. They thought that it might now be easier to get in to their GPs or put their aged parents into an aged-care nursing home. They thought this bloke was genuine about fixing the public hospital system. Fast forward 12 months to the end of 2008—we have just marked the first anniversary of the Rudd government—and what has the Rudd government done in relation to health? A big, fat zero.

This is a government that has spent the last 12 months using the words ‘the end of the blame game’; this is, do not forget, the wordsmith Prime Minister. ‘The end of the blame game’, which he used as a slogan during the campaign, has over the last 12 months been political cover for him to become complicit with these state governments in doing nothing—nothing at all—to fix the public hospital system in this country. We had a great, grand media statement from the Prime Minister and the premiers at the COAG conference on Saturday. They came up with this huge sum, which some people could not even comprehend, as the amount of money that they were going to spend on health, but when you look at the detail and scratch below the surface of the press conference you start to worry about what it is they are actually promising.

Let me deal with a couple of issues in relation to the COAG process. When we were in government, we increased spending in relation to health overall, in real terms, by 88 per cent. The total investment in the health and ageing portfolio when we came to government in 1995-96 was $19.5 billion. In 2007-08, under the coalition government, it was $51.8 billion, a real increase of 88 per cent. In terms of Medicare funding, when the Labor Party were in government in 1995-96 they spent $6 billion—

Mr Melham—Tell us about public hospitals.

Mr DUTTON—and the coalition spent $12.5 billion, a real increase of 48 per cent. The soon-to-be-retired member for Banks, somewhat past it in this place, occasionally forgets to take his medication and comes in here with increasingly incomprehensible interjections about hospital funding and the healthcare agreements. In 1993-95 the Labor Party committed $23 billion to the healthcare agreement. When we were last in government, for the period 2003-05 the healthcare agreement went to $42 billion.

We would have put together a very similar package in dollar terms to that which the Labor government announced on the weekend. There is no question about that. There is no reform; there is no revolution that has
taken place in health over the last 12 months—just more of the same from this spin-over-substance government. So let us deal with the reality. The reality is that this coalition, had it been in government at this time, would have committed about the same amount of money to this healthcare agreement period as that which was announced by the government. So the policy from a coalition government would have been of the same quantum as has been announced by the federal Labor Party, but the stark difference would have been in relation to the outcomes that are required to be delivered by state governments.

This is a very important point, because this coalition government was determined to get better patient outcomes for all Australians. We wanted to make sure that more people got into public hospitals and more people moved up the waiting lists as quickly as possible. We did not want to see them becoming stale on these public hospital system waiting lists that have been run up over 10 years of state Labor. What I am most concerned about is that, certainly at the moment, this is good money following bad. There is no sense in the Commonwealth throwing good money after bad into a failed state Labor hospital management system.

We want to make sure that you commit the funding but also that you deliver the outcomes to patients; we want to make sure that people in hospitals around the country can receive the sorts of services that nurses, doctors and public hospital officials want to deliver to their patients. The people who work in our hospitals, be they public or private, around the country want good outcomes for Australian patients. They have the same outlook that the federal coalition have. We have committed to providing the funding but we want proper outcomes. We are worried that this is a government, that this is a minister, which is intent on hiding the failings of state Labor governments over the next 10 years as they tried to do over the last 10. The point is, if we do not correct the hospital management practices of people like Reba Meagher in New South Wales and people like Stephen Robertson in Queensland, then we consign ourselves to 10 more years of failed practices in public hospitals.

I mention Reba Meagher not by mistake but because she has become some sort of demigod to the federal Minister for Health and Ageing. Now, ‘Reba’ Roxon, as many people now refer to the current health minister, has presided over a couple of decisions in 12 short months. The first decision was to rip 500,000 people out of the private health system and force them into the public health system. What possible sense could this make? If you had fixed the public hospital system then fair enough—you could move patients; you could transfer patients from the private system into the public system. That is fair enough. But if you have a government that has been complicit with the state Labor governments over the last 10 years in not fixing public hospitals, in not fixing public waiting lists, then why on earth would you force those people onto the public hospital waiting lists to make an overstretched system even worse?

That was the first major health decision by this government in their first 12 months. That was their first and major decision in relation to health—to force 500,000 people into an already stretched public health system. The second and most significant outcome, it seems, from this particular health minister in her first year in office is that she joined and signed up to the Kevin Rudd spin-over-substance policy in relation to health, and that is what will condemn us to bad outcomes. This is a government that when in opposition, as I say, promised big outcomes. In fact, this is a Prime Minister who said on 25 February this year:
... it's no point just tinkering with the system. We've actually got to look at this root and branch, and do it thoroughly ... 

This was the Prime Minister of the country talking about the National Health and Hospitals Reform Commission, which is due to report back in June of next year. That is what he talked about in terms of their revolution. Now they have locked in five years of health funding into the out years and they have essentially condemned Christine Bennett's review to complete irrelevance. And this is the government which has not committed, under the COAG process—which has a five-year horizon—to any imagination whatsoever. This is about providing more money to state governments and not providing health outcomes.

This is the big difference that the Australian people will have at the next election. This is a government that when in opposition promised lots of spin and now they are in government have delivered no substance, while this is a coalition that remains committed to the health system of this country, not just in the private sector but also in public hospitals. We on this side of the House want to make sure that we continue to deliver better health outcomes for all Australians into the 21st century, something that this government, when they adopt the hospital and management practices of their state counterparts, will completely fail to do over the next two years. This is a coalition which will deliver on health, and this is a government which has been condemned by its first 12 months for providing no health outcomes for Australians. (Time expired)

Ms ROXON (Gellibrand—Minister for Health and Ageing) (4.05 pm)—Peter, Peter, Peter! That was absolutely the most pathetic display. The shadow minister had 15 minutes to set out some plan, some vision, for the coalition; to argue on a substantive point about why $64.8 billion going into our health system is a bad idea; to stand up and say that he does not want the new doctors that we have promised who are going to be trained in his electorate; to stand up and say that he does not want the teenagers in his electorate to get their first preventative health check ever—paid for by the Commonwealth, $150 per teenager; or to stand up and say that increasing the numbers of new nurses being trained through our universities and going into our hospitals is something that, if only the coalition had been given more time, they would finally have gotten around to. This is the most pathetic excuse for a debate about public hospitals. Fresh from an agreement on Saturday through which we are investing billions and billions of dollars into our public hospitals, the shadow minister for health expects to be taken seriously when he stands up and says that in 12 months nothing has been done in health.

I seem to recall that, in addition to the list that I have already gone through, we did not hear anything from those opposite when we proposed to put $600 million into elective surgery. The shadow minister has not been brave enough to stand up and say that those 27,000 people who have had surgery done because of an extra investment made by the Commonwealth, complemented by state effort, is something that they do not support. They never put a single dollar into elective surgery but, somehow, what we have done in 12 months to help improve those waiting lists just does not count for anything.

This shadow minister is not going to be taken seriously if in a debate about the serious matter of investing in our public hospitals he cannot even speak for more than four minutes before he has to get off the topic of health. He spent most of the time on spin and talking about a whole range of other issues. I am surprised he did not put in a bit about economics because he is clearly trying to change jobs to get the deputy leader’s posi-
tion; he would like to be the shadow Treasurer.

Mr Zappia—Was that an audition?

Ms ROXON—If that was an audition, he could have at least done one or the other well. He could have at least put up a credible economic argument about something, which he did not do, if it was his job application for the shadow Treasurer, or he could have been serious about the investments in public hospitals. But he has done neither of those. To add insult to injury, this shadow minister for health thinks it is a joke to make a comment to an interjection that a member should go and take his medication. As the shadow minister for health, that is a pretty irresponsible, offhand comment to make. I do not really think that the shadow minister is doing himself or the issue any credit by making those sorts of offhand comments if he really wants to be taken seriously, or if he aspires longer term to be the minister for health. But it seems he already has his eyes set elsewhere.

The other thing that was particularly breathtaking, I am sure, for those on this side of the House was that the shadow minister said that this was a really bad COAG deal, that we do not really want all this money on health and it is all just going to be wasted. Then he said, ‘If we were in government we would have put together this package as well, so do not give them any credit.’ It does not make any sense at all—the fact that they did not put that money in for the 12 years that they were there, the fact that they ripped money out and now, somehow, 12 months later, we should believe that the shadow minister, the then assistant Treasurer, had written on an envelope somewhere the amount of money that he was going to put into health, if he only got the chance at the next election. The community does not believe you. You ripped money out of public hospitals. Why should we believe you that you set aside some amount of money that you were going to put in when it is only us that have actually delivered on that?

He also does not understand the previous health agreements. He stands up and says, ‘This is throwing good money after bad.’ I challenge him to go and find any emergency department around the country where they say that putting $750 million extra into emergency departments is throwing good money after bad. We are actually making sure that we provide relief to those emergency departments. But he pretends that the old healthcare agreements were outcomes focused, when in fact it was only the negotiation of this agreement that is putting outcomes in focus for the first time. I think the shadow minister is revealing that he does not understand the detail of this, he does not know what was in the previous agreements, he is not prepared to acknowledge that this is the biggest ever investment that has been made in a number of areas—Indigenous health, preventative health, workforce reform—and, instead, he stands up and just bags it all.

The other thing about the shadow minister—and I think the member for Banks might have provoked the bizarre interjection from the shadow minister—is that we on this side of the House, just celebrating our 12 month anniversary in government, are accused of being complicit with the states in running down our public hospitals for the last decade. I had to think about that for a moment. I seem to remember that actually it was the coalition in government draining money out of our public system. Somewhat bizarrely, he accuses us, after all those years in opposition arguing for more investment in health, of being complicit in running down our health system. Nobody is going to be able to believe that, Shadow Minister, and if you are serious about fixing our hospitals, you would actually be debating with us what
good news there was in the COAG agreement, and congratulating us for putting outcomes in that are about driving health outcomes, improving quality, improving throughput and making sure access is better. He says that nothing has been done when, for example, we are already increasing GP places across the country. We are going to have 250 extra GP places across the country after a cap, cruelly put in place by the previous government, meant that young graduating doctors wanting to go into general practice were going to be turned away even though most of us suffer from doctor shortages in our electorates. They did nothing about it. He cannot stand up and say that is a good idea.

On hospital reform, the package deals with workforce—an area neglected by the previous government for more than a decade. The previous government had a blind spot when it came to workforce. It is the single biggest capacity constraint in the system and we are investing, in our first year of government, in a deal that delivers $1.1 billion to the workforce to make sure that as the system expands, as the demands of the community grow, we will have the doctors and nurses, physios, dieticians and others ready to treat people. How can this be an argument? How can he suggest this is the position of a government that is neglecting health? It just does not stack up.

We are putting money into subacute care to provide for elderly people who stay in hospital too long because there is nowhere for them to go—no transition care, no step-down care and no aged-care bed. Of course, our election commitments that we are already delivering on in terms of extra aged-care places are rolling out. But in the interim we also need to make sure that there are other types of care available. So we have allocated $500 million to support an extra 1,600 subacute beds, which will increase capacity, I understand, by five per cent per year for four years. This is a big difference in terms of what we will be able to do in our public hospitals.

We put money in for accountability and making sure transparency exists. The shadow minister says that there is nothing in this for the public and that he does not see where the money is going to go. For the first time, we are negotiating reporting standards for the states and territories, whom, contrary to the member’s assertions, we do not always agree with. But we do not think there is any need to finger-point if you are not prepared to work with them to try to improve the system. That is what we are doing. Of course we are going to keep pressure on them and we are going to keep pressure on ourselves to make sure that we are doing better in community care and in the sectors that we are responsible for. This agreement delivers on that.

I have already mentioned preventative health, the way you take pressure off hospitals, we have talked about Indigenous health and we are putting money into e-health. All of these are good-news stories about our health system and are areas that were neglected by the previous government. The shadow minister started his speech with this big song and dance about how we had changed our position because he could not find on the Prime Minister’s website the details about election commitments that we remain committed to. In fact in health we had, I think, 85 different election commitments. Each and every one of those is being delivered on. From additional estimates in February, after we were first elected, to the budget, they are being delivered.

We have been entirely consistent—the Prime Minister, all of my cabinet colleagues and me—in saying that we, in the middle of next year, will make an assessment of whether the states and territories are moving
towards the reforms that are needed to fix our hospital system. We have not been in any way secretive, tricky or sneaky—the sort of standards that the previous government always applied—we just stood up and said, ‘In the middle of next year we will see how things are going. We will look at the report from the Health and Hospitals Reform Commission. We will see how the states are travelling in delivering outcomes that we are giving them money for.’ The agreement on Saturday was a big step towards signalling that we want to work with the states and territories and that they want to work with us to improve standards, but we remain committed to making a decision, after looking at the situation, in the middle of next year when we have received the report from Dr Bennett and her Health and Hospitals Reform Commission.

Again, the shadow minister cannot even be consistent on that. The opposition stand up and say that we are all about reviews and ask why we do not do things more quickly. We deliver a $64.8 billion package in health on the weekend and then they say, ‘Why don’t you wait for the review,’ because we are locking out their assessment. The shadow minister cannot have it both ways. In fact we believe that you can do two things at once: we believe that you can invest in our hospital system now and you can plan for the future and be prepared to reform in the future. The opposition do not get it. The shadow minister is not concentrating on his job because he is busily out there trying to undermine the member for Curtin—trying to show off his economic standards and credibility. He is not focusing on what has been delivered in the health system.

I did not hear the shadow minister stand up and talk about the state-by-state breakdowns of the investment that we are making following the agreement at COAG, but I thought that some of my colleagues over on this side of the House might be interested to hear about this. I can see the member for Dawson, the member for Petrie and a number of Queenslanders here. More than $12 billion extra is going into the Queensland health system. I see my colleague the parliamentary secretary in the chamber. Over $15 billion is going into Victoria. I can see the member for Blaxland, the member for Banks and others from New South Wales here. Over $20 billion is going to New South Wales to invest in their hospitals, their workforce and the health of their community. In South Australia about $5 billion is going into the health system. There will be $1.4 billion for Tasmania, and I am sure the member for Franklin and the member for Bass will be pleased about that. Nearly $900 million will be invested here in the ACT and well over half a billion dollars in the Northern Territory. I have not seen anybody stand up and say that they do not want that money invested in their system. We have two Queenslanders sitting here at the table opposite me. Do you truly want us to use that $12 billion for something else and not put it into Queensland?

Mr Ciobo interjecting—

Ms ROXON—The member for Moncrieff is returning to form—he wants to talk about the problems. We know there are problems, but the previous government never wanted to fix them. They never wanted to improve the system and work to fix it. Here we are investing more money in the system and these guys opposite want to have it both ways. This is interesting because the shadow spokesperson for finance, the member for North Sydney, said during question time that it is not about money—that money does not matter. Believe me, in health it is not just about money, but money does matter. You have to use money to drive change. You have to use money to invest and deliver on reforms. That is exactly what we have been
doing—it is what we have been doing in the first 12 months and it is what we intend to keep doing. I think it is extraordinary that we have a shadow minister for health who has not got anything better to say when we have been delivering so much.

Let us just go back over the last 12 months—tomorrow it will be 12 months since we were sworn in—and look at what has been delivered. Even leaving aside the massive COAG agreement on the weekend, we immediately put $1 billion into our public hospitals; and now we have $68.4 billion going in. We put in $600 million to slash elective surgery waiting lists, as I said. There have been 27,000 procedures already delivered—2,000 extra, three months ahead of schedule. There is the Teen Dental Plan, where we have thousands of teenagers across the country getting their preventative checks early and making sure they have good oral health. We have established the new health checks for kids—for four-year-olds before they start school. This has been very popular with parents. It is a very good idea to check that everything is in order so that when kids get to school they are ready to learn and they do not have problems with their sight, their hearing or other issues that have gone undetected.

There are more than 1,000 extra university places in nursing. The shadow minister does not think that extra nurses are important—obviously he does not understand that they are the backbone of the system. There are ultimately an extra 250 GP places ongoing from 2011—75 more next year, 100 the year after, and 250 a year from then on; some are going into Aboriginal medical services. We have seen our anti binge drinking strategy hit the airwaves. We have our local programs out, we have advertising and we are already seeing young people saying that these ads are shocking them into being more careful. These are the sorts of initiatives that we are proud we have delivered on. But the shadow minister stands up and says that we have done nothing, that they do not want money in the system and that they just want to attack the states. It is a case of the same old, same old. I keep waiting for more information. I keep waiting and waiting. I feel like I am ‘waiting for Dutto’, I tell you—just waiting for nothing. (Time expired)

Mr CHESTER (Gippsland) (4.21 pm)—I rise to speak in support of the matter of public importance before the House, and in doing so I seek to highlight the government’s failure to manage the budget and the impact this is having on its commitment to fix public hospitals and the health system, particularly as it affects Gippsland and other parts of regional Australia. As the minister has just mentioned, last week we marked the first anniversary of the Rudd government—and it is a bit of a pity because if the people of Australia had a 12-month warranty on the government then they would want their money back. I do not pay much attention to the newspaper polls, but I do listen to the people in my own electorate who tell me that families are worse off now than they were 12 months ago. There are many angry people out there who would cash in a 12-month warranty card on the government if they had it—they would ask for their money back, if only they could. They would happily change their vote if only they had that chance as well.

There have been three by-elections this year and the only time the government had the courage to turn up, in the Gippsland by-election, there was a swing of six per cent against Labor. The people of Gippsland took their first opportunity to cash in their warranty. I believe it will happen again, because the people of Australia have not got what they voted for. Normally when you buy a dud product you get to send it back. I do not blame the people of Australia, because they
were subjected very much to union backed advertising—a slick marketing campaign—but they did not get what they voted for.

Mr Byrne—Why don’t you shave off your moustache?

Mr CHESTER—It is interesting that the member picks up on my moustache, because I have to accept that probably the only thing in this place uglier than my moustache is the ugly set of budget numbers that the Treasurer has presided over in just 12 months. My ugly moustache will go away, but the problems associated with the public hospital system will remain as long as we have Labor governments and as long as we have state Labor parties running them into the ground.

As I said, I do not blame the people of Australia for the choice they made 12 months ago. They were subjected to a barrage of union backed advertising and a slick marketing campaign. But they simply did not get what they voted for. They were promised a better public health system. And they were promised an economic conservative. How many times did we hear that in the lead-up to the 2007 election? From the Prime Minister himself, on 23 November on the AM program, we heard:

Economic conservative means a fundamental belief in budget surpluses.

And on 8 November on The Today Show he said:

When it comes to the detail of Labor’s policy, the core of it and why I’m an economic conservative is to ensure that we have budget surpluses.

There is a lot more, as we have found, to running a government than these 24-hour news cycle and glib one-liners we had from the Prime Minister. We are rapidly finding out that there is very little substance backing up the Labor spin. The member for Dickson referred before to the obsession with the focus groups. Last week we had the Prime Minister referring to the ‘national project’—whatever the national project may be—but I am sure it will get another run in the months ahead.

And whatever happened to the Prime Minister’s promise, when it comes to public hospitals, that the buck stops here? Actually, given the Prime Minister’s extensive travel schedule it is no wonder the buck does not stop any more; it is probably the peso, the yen or maybe even the euro that now stops here. We have already heard the shadow minister’s contribution about the post-election editing of the Prime Minister’s website. Whatever did happen to that commitment to fix public hospitals or else seek a mandate to a Commonwealth takeover of state responsibilities? What happened is that Labor got elected and found out that it is actually a lot tougher running government than they thought—and to secure our economy and to deliver a better health service for all Australians. So instead of the decisive action that we have heard so much about we have seen a continuation of the blame game and desperate attempts by Labor administrations to patch up the mess of their state Labor colleagues. Nowhere is this more obvious than in our public hospital system.

We have also seen the changes to the Medicare levy threshold, which Access Economics has forecast will result in up to one million Australians dropping out of private health cover by 2012. That is a real act of genius at a time when we have public hospital waiting lists completely under pressure! Now we are going to add more pressure to the system, with people dropping out of private health cover.

The various state Labor administrations are still failing miserably to deliver the promised services. We can look forward to longer waiting lists in already stressed public hospitals. I would like to refer briefly to my own electorate, where Latrobe Regional
Hospital is located between Traralgon and Morwell. After nine long years of state Labor administration the latest Your Hospitals report has confirmed everything that the community has been saying to us for the past three or four years. The report found that one in three Latrobe Regional Hospital patients were forced to wait over eight hours for a bed after being admitted to the emergency department. It also found that the waiting list soared from 812 to 1,590 in just 12 months. I am not blaming the staff for a second. They are doing a magnificent job in extremely difficult circumstances, but earlier this year Latrobe Regional Hospital ran out of money completely and cancelled all elective surgery before the end of the financial year. They simply told people to come back in a couple of months. ‘We haven’t got the funding to fix your knee, your shoulder, or whatever it might be.’ People were being left in pain because of an economic time frame that was set by the state Labor government, and it was all back to business at the start of the next financial year.

Is it any wonder that Dr George Owen, a highly respected orthopaedic surgeon at the hospital spoke out in the media and told the Latrobe Valley Express newspaper, at the height of the crisis:

Patients are currently booked in good faith with the bookings accepted by the hospital, but now on a daily basis cases are being cancelled.

Patients were simply being told to come back later. It is simply not good enough for us in Latrobe Valley or anywhere else in regional Australia.

I do stress that the men and women at the coalface are not the ones to blame in this mess. They are caught up in the state Labor administrations and their failure to properly administer our health systems. Of course, it is not a situation that is unique to Gippsland. We have heard the member for Parkes already speaking in this House on many occasions, and he asked a question in question time a month or so ago to bring the attention of the House to the situation of the Greater Western Area Health Service, where meat supplies were cut to a number of hospitals and vital medical supplies were paid for by staff out of their own pockets. It is an appalling situation, and the people of regional New South Wales and all of regional Australia deserve better than they are getting from their Labor members of parliament. In mid-October it was estimated that the health services in the greater western area could be in debt to the tune of up to $66 million.

Now that the government ministers have finally mentioned the D-word, my concern is how this will impact on the government’s promises in relation to health spending going forward, particularly as it relates to regional areas. I fear that the forecast budget surplus will never eventuate and that we are on track, now, for a series of deficits, one after another.

Mr Hartsuyker—Temporary deficits!

Mr CHESTER—Yes! The health and wellbeing of regional Australians will be affected as this government fails to keep its promises to invest in the promised health infrastructure and service delivery throughout regional areas.

One of the biggest preventative health issues in our nation is ensuring that all Australians have the decency of a job. The ability to be gainfully employed has a flow-on benefit to all aspects of family health and wellbeing. Those opposite continue to come in here and parrot their key messages—their key lines from the focus groups—about ‘working families’, but I fear that in 2009 we are going to hear a lot more about ‘out-of-work families’. They will not be working families any more; we will be hearing about out-of-work families.
One of the great legacies of the former government was the number of jobs it was able to assist in creating in a quite buoyant economy. As we move into 2009, the forecast of further growth in unemployment is going to start hurting families across Australia. And the forecast budget surplus has already gone. There will be no further opportunities to draw down on the good work of the previous government for public hospitals or for anything else. As the Leader of the Opposition correctly warned last week, when he was speaking in the House, experience and history tell us that Labor deficits are never temporary.

Deputy Speaker, it gives me no pleasure—I take no relish in standing here today—in criticising the government for its failure to manage Australia’s budget and deliver the promised improvements to the public hospital system. I am a person who believes in outcomes and, as a member of the Nationals, my main concern is with everyday Australians in rural, regional and coastal communities. They are my No. 1 focus. They have the right to a quality health service; it is a fundamental right for all Australians. It gives me no pleasure at all to stand here and talk about the administration of hospitals being run down over the past decade of state Labor administrations. As I said, I believe that providing quality health services is a fundamental right for all Australians, regardless of their postcodes. I accept it is an enormous challenge for the government of the day. But, as we have seen repeatedly, the state Labor administrations are simply not up to the job.

The Prime Minister made a lot of promises prior to the federal election about where the buck stops, but you simply do not treat patients with empty rhetoric. Some of the empty words from the Prime Minister were: I have a long-term plan to fix our nation’s hospitals. I will be responsible for implementing my plan, and I state this with absolute clarity: the buck will stop with me.

As I mentioned before, it is more likely to be the peso or the yen that will stop with the Prime Minister these days. We all accept that times are tough, but being in government is all about making the hard decisions. I have only been here for a short time but I have already learnt that when it comes to the Labor Party there is always someone else to blame. If it is not the previous government, it is the global financial crisis. They bleat about it continually. If it is not their fault, they blame the state governments or they go to the previous administration, the coalition government, despite the fact they were handed a surplus in excess of $20 billion. The people of Australia are worse off today than they were 12 months ago, and I fear the worst is yet to come. (Time expired)

Mr MELHAM (Banks) (4.31 pm)—I am pleased to speak on the matter of public importance proposed by the member for Dickson in the following terms:

The Government’s failure to deliver on its commitment to fix public hospitals.

I do not mind copping a belting if we have done something wrong, but what I will not cop is hypocrisy of the highest order from those on the other side. At the outset, I want to address a few things said by the member for Dickson. He talked about focus groups. The other night I watched the third episode of The Howard Years. The previous week I watched the second episode, and who featured prominently? Mark Textor, the prominent pollster that the Liberal Party used for 11½ years. Of course, everything was scripted to focus groups and polling. The former Prime Minister, Mr Howard, was a perfectionist when it came to that sort of stuff. So I will not have that levelled at us when we had 11½ years of it. In the end, not even Mr Textor could save the former gov-
ernment. Arthur Sinodinos talked about a train coming at Mr Howard. Not only did it come at him; it cleaned him up.

The member for Dickson talked about my pending retirement, whenever that might be. I will tell you the difference between the member for Dickson and me. When I leave this place it will be at a time of my own choosing. When the member for Dickson leaves it will be his electorate throwing him out, like they threw Mr Howard out of Bennelong at the last election. The interesting thing is that on election night we thought that the member for Dickson was in a bit of trouble. He fell over the line. I think the member for Curtin and Deputy Leader of the Opposition is probably one of those people who wishes that what we thought at election time had actually transpired, given what is happening.

When it comes to public hospitals, the hypocrisy of it! The former government bled public hospitals over 11½ years. I will give you some figures. They are not my figures; they are figures relating to the Australian Health Care Agreement in 2003. In the portfolio budget statement of 2003-04, under the Health and Ageing portfolio on page 106, this is what happens—

Mr Briggs—Was this when the government was in surplus?

Mr MELHAM—Yes, under your government. It says: in 2003-04, $108.9 million was taken out of the system; in 2004-05, $172 million was taken out of the system; in 2005-06, $264.6 million was taken out of the system; in 2006-07, $372.9 million was taken out of the system. That is why the state and territory premiers and chief ministers were complaining and claiming that about a billion dollars had been cut from the agreement in terms of the forward estimates as far as 2003 was concerned. So let’s not cop this hypocrisy coming at us from the other side.

What does the recent COAG agreement show? Glenn Milne, who reported on it, obviously off the back of the Prime Minister’s press release, said that there was a $64.4 billion boost to health and hospital funding, driving reform through the national health-care agreement—an increase of more than $20 billion, or 50 per cent, over the last agreement. What it will also do is deliver significant reforms for stringent accountability measures, performance reporting and rewards for meetings in terms of setting targets. So there are actually incentives there. This is something you had an opportunity to do. You did not do any of that in the 11½ years you were in government. You handed over money without benchmarks, without requirements, and you criticise us! What did we do at our first opportunity in relation to a COAG agreement? We increased the funding. That is funding with an annual indexation rate of about 7.3 per cent, which is a growth rate—it is not a cut; it is not smoke and mirrors. These are figures that have been accepted by everyone in the industry, and we have the opposition coming in here and trying to say we have not done anything.

The total is $64.4 billion and $4.8 billion is for public hospitals. That is the one thing that the member for Dickson attacks us over: fixing public hospitals. I will tell you what: sadly for this nation, it will take more than 12 months to fix up the mess that you left after 11½ years. It does take time to repair damage. You have to get people back into the system. What are we doing? There is $1.1 billion to train more doctors, nurses and other health professionals, and $750 million to take pressure off emergency departments. And you have got the hide to come in here and try and criticise us! This is why the member for Dickson has got no hope against the member for Curtin: it is the sublime and the ridiculous. He comes in here and tries to argue that black is white. Where has he pro-
duced the figures? Instead, he rails against me because he has got a bit of an obsession against me, because I happen to have been a legal aid lawyer before I came into parliament and he was a policeman—I say no more. There is $500 million for measures to provide additional subacute care, $450 million for preventative health national partnerships and $800 million for Indigenous health.

I go back to the original figure: an extra $4.8 billion for public hospitals. That is what the MPI is about. Refute it. Tell us it is not in there. No-one has said that the figure is illusory; it is real money, it is real dollars. And the rest of the agreement relates to performance. Of course you pay on performance. Do I trust the states? Absolutely not! My history in this place is one of a centralist. My cooperation with states is to force them on benchmarks. When I was the shadow minister for Aboriginal affairs, I supported the Minister for Aboriginal and Torres Strait Islander Affairs at the time, John Herron, when he wanted to bring in benchmarks on the states and territories in relation to Indigenous matters because money went missing. I do not make any apology for the fact that I totally support what happened at COAG. I do not mind the states coming and asking us for extra money, and I think we should give it to them based on their need, based on their performance, based on proper delivery of services. But to cop this garbage of an MPI that asserts that somehow this government, which has a commitment not only to public hospitals but also to Medicare, is somehow errant in its first 12 months—give us a break! No-one can take you seriously.

Pay on performance? Members opposite are very lucky there was no productivity performance on themselves in the last 12 months! I have to say to you, Madam Deputy Speaker, they are still grieving. They do not know why they lost the last election. I will tell them why they lost. They lost all right because they did not deliver on the health system, on education. People who voted for them, blue-collar workers, were rewarded with Work Choices! Anyone with half a brain who worked the electorate at the last election picked all that stuff up. But I will tell you who the public trusts on public hospitals—Labor. Not the Liberal-National Party because of their obsession with private hospitals and private health. It is only Labor that has had the commitment to public health and public hospitals. So it is a nice, cute little trick for the opposition in bringing these MPIs forward. It will get them nowhere. This is a wasted MPI. It is irrelevant, and the people are saying that because those opposite are not on the money. In this instance, it is an affront that their tactics group would allow such a subject to come up as an MPI. Come on; make it a bit harder for us! This is easy. I would have had no trouble convincing a jury on this; they would have come back in less than 20 minutes!

The state-by-state breakdown is $20 billion for New South Wales, $15 billion for Victoria, $12 billion for Queensland, $6 billion for Western Australia, $5 billion for South Australia, $1.4 billion for Tasmania, $900 million for the ACT and well over $½ billion for the Northern Territory. What happened is that the Prime Minister did not play games at COAG, whereas the former Prime Minister used to play one state off against the next. There is no doubt that Queensland did a lot better than others because that is where a swag of conservative seats were, but I predict we will pick up a few more at the next election there. So that will be an interesting exercise.
they are saying. The record does speak for itself. We have a commitment to public hospitals. We will have a commitment in the long term as well. *(Time expired)*

**Mr Briggs (Mayo) (4.41 pm)**—How could I possibly follow that? Madam Deputy Speaker, I mourn the day when we lose the member for Banks, when a faction finally rolls in at the next election and he is gone through one of the factions—when the member for Blaxland or one of the other factional bosses decides to get rid of him. I mourn that day because that was quite an extraordinary speech. He basically said *(1)* we should abolish the states and *(2)* Queensland did better than all of the states from the funding over the past 10 years and that they should not have. So he has bagged Queensland. It was quite an extraordinary speech. He also mentioned an interesting year. He mentioned 2003-04 in relation to health funding. It is a very consistent year. I believe, and I stand to be corrected, that is the year we finally paid off Labor’s debt. I am pretty sure that is when we paid off Labor’s debt—$96 billion of debt, Member for Banks.

**Mr Melham**—Then why did you cut $1 billion out of hospitals? You didn’t need to!

**Mr Briggs**—We had $10 billion in interest payments that we did not have to pay anymore when we finally paid off the debt that those opposite left us. When we finally paid off the debt of a predecessor of the member for Blaxland, we could finally start investing that $10 billion. And the amount of money that is being ushered out to Australian families in the next couple of weeks is coincidentally $10.4 billion—exactly the same amount as we were paying in interest each year. So, if you are talking about 2003-04, we are talking about economic credibility.

**Mr Champion**—Are you auditioning for Julie’s job?

The **Deputy Speaker (Ms AE Burke)**—Order!

**Mr Briggs**—Thank you for your protection, Madam Deputy Speaker. In the last couple of weeks, we have seen the Labor Party use language very cleverly in changing key commitments from the last election. Of course, last year we had the fiscal conservative. We saw in the ads that he was a fiscal conservative. He was Kevin from Queensland and he was there to save your money. He told us he was a fiscal conservative, but last week he slowly dropped into a ministerial statement that he just might have a temporary deficit this year and it might just last around an economic cycle, which could be a period of unknown years. He added ‘a temporary deficit’ into the *Hansard* last week. So we started to prepare the public. We talk about spin doctors. Mr Textor was raised in that speech. Labor loves to whip Tex. Poor Tex! He has been accused of all sorts of crimes. But, truth be told, this is the most poll driven government in the history of the Commonwealth. We see that every day in this place. Thankfully, I have had some research given to me in the last little while in preparation for this health MPI.

**Mr Champion**—Does it come from a focus group?

**Mr Briggs**—It does not come from a focus group, Member for Wakefield; it comes from a dedicated researcher in the opposition and they have been working very hard. What it shows me is that in January this year we had one mention of the word ‘decisive’ from those on the other side. In October this year that blew out to 156 mentions of ‘decisive’. I even have it in graph form for the members on the other side to see. We had ‘decisive’ once in January but 156 times in October. It dropped off in November—they did not meet their benchmarks and their pollster would not be happy. It was 111 in No-
vember, and so far in the one and a half sitting days of December we have had five mentions.

I am honoured by the presence of the Prime Minister, who, of course, promised us last year in relation to health that the buck would stop with him. We have seen today that he is moving away from that promise. We have seen the removal from the website of the language about the buck stopping with him. That is very consistent with the strategy of last week of dropping in a mention of the fact that there will be a temporary deficit. Now we have changed our minds about the buck stopping with Labor—we have changed our minds on this one as well because we know we just cannot do it. We just cannot clean up the mess that the state governments have created on this issue.

Let us not divert the blame here. The state governments are wholly and solely responsible for public health and they have not done the right thing by this system in the last 10 years. They have destroyed the system. The Prime Minister has entered the House. He should tell this House that the buck still stops with him when it comes to health. He can use the word ‘decisive’ and boost the numbers if he likes. We have five so far in December; we have a target of 157 to create the record for the year. It is going to be tough in December because we do not have as many sitting days. But, if the truth be told, this government is the most spin doctored government in the history of the Commonwealth. The Prime Minister is the most spin related Prime Minister in the history of this Commonwealth. He has no substance to him, which is a great pity for the Australian people. (Time expired)

The DEPUTY SPEAKER (Ms AE Burke)—Order! The discussion is now concluded.

UNIVERSAL DECLARATION OF HUMAN RIGHTS

Mr RUDD (Griffith—Prime Minister) (4.46 pm)—I move:

That the House:

(1) notes that 10 December 2008 is the sixtieth anniversary of the adoption by the United Nations General Assembly of the Universal Declaration of Human Rights;

(2) recalls that the adoption of the Declaration was a response to the suffering of those who had experienced human rights violations, especially the ‘barbarous acts’ perpetrated during World War II;

(3) recognises that whilst significant progress has been made in promoting and protecting human rights since the Declaration was adopted, human rights violations have continued to occur;

(4) acknowledges the valuable contribution of Australians who played a role in the development and adoption of this important instrument of international law and who, since then, have contributed to its implementation; and

(5) affirms the principles in the Universal Declaration of Human Rights and emphasises its commitment to those principles.

Sixty years ago, in the aftermath of the deaths of some 70 million people in the Second World War, the nations of the world came together to endorse the United Nations Universal Declaration of Human Rights. It was an event with no historical precedent—the nations of the world embracing a global expression of the basic rights and freedoms to which all human beings are entitled, and a standard which all nations could adopt themselves and a standard by which all nations could also be held to account. Sixty years on from 1948, the Universal Declaration of Human Rights remains the global benchmark for the protection of human rights. It remains as relevant to every person in a world of 6½
billion today as it was to the 2½ billion people who were alive in 1948.

It speaks to our responsibilities wherever there is a violation of human rights against any person for any reason and in any part of the world, by any government, any corporation, any organisation or any individual. It transcends nations; it transcends cultures; it transcends politics; it transcends personalities; it transcends creed and tongue. It speaks to the murder of innocence in Darfur, the treatment of political prisoners in Burma and the ongoing conflict in the Congo that has recently displaced hundreds of thousands of people. It speaks to the plight of millions of refugees around the world who have fled their homelands in fear. It speaks to the severe poverty that contributes to the premature deaths of 18 million people around the world every year and one in three people dying from preventable diseases. And it speaks to the responsibilities of the international community in all of these areas.

Some of these threats to human rights are close to home; others are far from our shores. But for Australians our belief is in a fair go for all, and this belief does not stop at the continental shelf. It transcends our shores; it extends to the world at large. We believe in a fair go for everyone, everywhere, and that belief in a fair go means that as a nation we seek to make a difference and support human rights and fundamental freedoms around the world and at home. We, therefore, do not just stand idly by while there are denials of basic freedoms and basic rights, wherever they may occur. We recognise that the casualties of inaction are dignity, fairness and justice.

That is why today I move this motion in recognition of the Universal Declaration of Human Rights and its continuing importance in the 21st century. As Australians we can be proud of our long history of involvement in the promotion of universal human rights through the United Nations.

Following the Second World War, Australia played a significant role in shaping both the Charter of the United Nations and the universal declaration itself. Alongside 16 other states, Australia was an inaugural member of the human rights commission that began work on the universal declaration, which was originally proposed to be an international bill of human rights. Australia was also one of eight countries represented on the subsidiary drafting committee. Along with 47 other nations, on 10 December 1948 at the Palais de Chaillot in Paris, we voted in a plenary session of the general assembly to adopt the declaration.

The exceptional contribution made towards these documents by the Minister for External Affairs in the Curtin and Chifley governments, Dr HV Evatt, is widely acknowledged. Evatt understood that economic security and political freedoms were critical to international security. He fought tirelessly for a strong and positive commitment to those rights and freedoms in the universal declaration. And he had the honour to be the President of the United Nations General Assembly when the universal declaration was finally adopted. That was a good day for Australia.

Indeed, the Australian delegation to the third session of the general assembly in 1948 reported in relation to the universal declaration:

Australia has from the beginning been one of the leaders in this field. We urged at the Paris Peace Conference that the peace treaties with enemy states should contain effective guarantees of human rights. We have also played our part from the beginning as a member of the United Nations Commission on Human Rights which made the first draft of the convention. Australia was one of the first countries to urge that economic and social rights should be included in the Declaration.
The Australian delegation has worked successfully to keep each article clear and concise, expressing the broad fundamental human rights in which we believe. It has resisted attempts to write in a series of limitations, which would properly be done in a legally binding convention.

That, I believe, reflects a good Australian contribution to a good Australian document on what was and remains a good day for Australian diplomacy.

The government that I lead stands proudly in the strong tradition of the defence and promotion of human rights. As a middle power, we believe in a creative use of diplomacy to build stronger human rights protections in every part of the world. One of the most important ways Australia can contribute to advancing human rights today is through the Millennium Development Goals. The Millennium Development Goals are among the most important commitments to human rights that the international community has made since the Universal Declaration of Human Rights was adopted in 1948. Around the world, nations have pledged to substantially lift their efforts to help achieve these goals and to eliminate the extreme poverty that denies more than 1.4 billion people the most basic life opportunities. The government’s strong commitment to the MDGs is reflected in our pledge to lift Australia’s overseas aid to 0.5 per cent of gross national income by 2015. Our MDGs commitment involves a contribution of just half of 1c of every dollar of our national income, yet it is large enough to make a real difference in the lives of so many millions of people in forgotten parts of the world and in forgotten parts of our own region. In this time of global economic downturn, which inevitably has its greatest impact on the world’s poorest people, we reaffirm, as a government and as a nation, our commitment to the MDGs and urge other nations also to lift their efforts to these crucially important goals.

The Australian government is lifting our development assistance efforts in key areas such as health, basic education, water, sanitation, the environment and adaptation to climate change. We are giving priority to working with nations in our region towards the Millennium Development Goals through our own Pacific Partnerships for Development. Already the government has signed partnership agreements with Papua New Guinea and Samoa, and further partnership agreements are planned for the year ahead. We have also recently outlined a stronger engagement with development efforts in Africa, which faces the greatest challenges in achieving progress on the Millennium Development Goals. Australia’s commitment to help make poverty history in the 21st century represents an embodiment of the vision laid out in the universal declaration to ensure that, for all people, the rights to food, clothing, housing and medical care—the core components of well-being and a decent standard of living—are, in fact, delivered.

The Australian government is committed to advancing human rights at home as well as abroad. We are prepared to commit Australia to new human rights instruments where appropriate. Where we genuinely believe in the policy objective and genuinely believe we can adhere to our obligations, we will adopt and implement those instruments. We are committed to a positive engagement with the UN human rights system in implementing Australia’s international human rights obligations. And we are willing to consider appropriate changes to laws, implementing our human rights obligations here within Australia. This approach is reflected in action we have already commenced on international human rights instruments relating to disability, discrimination against women and the use of torture.

In July this year, the government ratified the Convention on the Rights of Persons with
Disabilities. The government has also conducted consultations with states and territories on Australia’s accession to the optional protocol to that convention. The government is also incorporating assistance for people with disabilities into our international development assistance program. The Development for All policy aims to improve the quality of life for people with disabilities and to promote international leadership on disability and development. The government is committed to the protection and promotion of the rights of women, both at home and abroad. The government recently moved formally to accede to the Optional Protocol to the Convention on the Elimination of All Forms of Discrimination against Women—and it was high time. The government is also committed to action on the optional protocol to the convention against torture, and consultations with the states and territories and other stakeholders on this matter are under way.

Australia’s renewed engagement with the UN human rights system is reflected in the government’s extension of a standing invitation to human rights rapporteurs to investigate the protection of human rights domestically. We should have nothing of which we are ashamed. We should be open to global scrutiny. We should have always been open to global scrutiny. The previous government resisted such visits because it did not want the practices that were occurring in Australian detention centres exposed to scrutiny. We take an entirely different view. We believe that a universal declaration of human rights means what it says—that a civilised, modern government must be consistent in its respect for human rights at home and abroad. That does not mean that we will always accept every criticism of Australian practices made by human rights bodies; but it does mean that we believe in openness, engagement and transparency and that we should have absolutely nothing to hide. It means considering seriously any criticism of Australia’s human rights practices, and it means making changes when our policies do not live up to our national commitment to the proper protection of human rights. That is why, in our first year in office, we have ended the inhumane, unfair and wasteful Pacific solution, ended temporary protection visas and substantially reformed Australia’s detention policy. We have restored fairness and humanity to our treatment of people seeking asylum in Australia, while also returning strong and effective border security.

During the past 12 months the government has demonstrated its commitment and made significant progress in promoting and protecting human rights domestically. Throughout the history of European settlement, our record of respect for human rights has been marred by the treatment of Indigenous Australians. The parliament sought to address one of the darkest chapters of that history earlier this year, when we offered a national apology to Indigenous Australians for the policy of forced removal of children that led to the stolen generations. The apology has helped to build a bridge of respect towards a better future for Indigenous Australians. The apology was long overdue. The government has committed to close the gap between Indigenous and non-Indigenous Australians. This will be difficult to achieve; it nonetheless should be a goal for us all. To achieve this, the Australian government, in partnership with the states and territories, has set six targets, including closing the gap in life expectancy, child mortality, early childhood education, literacy and numeracy, school attainment rates and employment outcomes. We know that these are profoundly ambitious targets. Closing the gap is about making a reality of the universal declaration here in Australia today. These targets will require new approaches and substantial investment
and they will not be achieved by the Commonwealth alone. They will require new partnerships with the private sector, the community sector and with states and territories. Towards these goals, the Council of Australian Governments last weekend agreed to invest $4.6 billion in initiatives across early childhood development, health, housing, economic development and remote service delivery over the next decade.

Another important aspect of human rights protection is recognition of human rights at work. With the Fair Work Bill 2008 introduced to parliament last week, Australia will close the book on Work Choices. In its place we will have a modern industrial relations system that recognises fundamental workplace rights, including the right to be represented by a union, the right to protection from unfair dismissal and the right to collective enterprise bargaining. These are basic and universal rights.

Another important step during our first year in office is the removal of discrimination against same-sex couples and their children. The government’s same-sex reforms will set a new standard for fairness and consistency in Commonwealth laws. Their combined effect will be to eliminate such discrimination from around 100 laws of the Commonwealth. They aim to ensure that, in each amended law, same-sex couples and their families, for all practical purposes, have the same entitlements as opposite-sex de facto couples. The government will also soon deliver on our commitment to undertake an Australia-wide inquiry to determine how best to recognise and protect human rights and responsibilities into the future.

In 1943, only five years before the Universal Declaration of Human Rights was agreed, a German pastor and theologian wrote a universal truth when, in his book, he said that ‘what is dearest to God is precisely the need of one’s neighbour’. As a churchman, Dietrich Bonhoeffer resisted the violation of human rights under the Nazi regime because, he said, ‘Only those who cry out for the Jews have the right to sing Gregorian chants.’ Dietrich Bonhoeffer was right then, he is right today and he will be right into the future. Dietrich Bonhoeffer paid for that conviction with his life in 1945, but his message and that of the Universal Declaration of Human Rights which arose out of the carnage of the Second World War are as relevant today as they were then.

Sixty years after its adoption, the declaration remains one of the most defining documents on the protection of rights and freedoms in the history of humankind. Today this House affirms again—consistent with those who have gone before us, consistent with the efforts of previous Australian governments to secure the passage and the adoption of this great international instrument—Australia’s strong commitment to the Universal Declaration of Human Rights and our resolve as a nation, as a government and as a people to work on our own soil and to work with governments around the world towards the realisation of these rights for all peoples.

Mr TURNBULL (Wentworth—Leader of the Opposition) (5.02 pm)—On behalf of the opposition, I am pleased to rise to second this motion. The Universal Declaration of Human Rights is a remarkable document. It is, in some respects, the product of the 18th century Enlightenment. It comes as a direct descendant of the American Declaration of Independence of 1776 and France’s Rights of Man and the Citizen of 1789, because it affirms that every human being has inherently certain human rights—rights that are inalienable and inherent in our nature as human beings. They are also rights which are held by humans of whatever kind they may be—whatever race, gender, religion and ethnicity—and wherever they may be in the world.
So they are universal human rights—
inherent, inalienable and universal.

It is a remarkable document too because it
was composed in an extraordinary window
of time. It was composed after the end of the
Second World War and in the shadow of the
horrors of that war and, in particular—as I
will come to in a moment—the horrors of the
Holocaust itself. But it was also before the
Cold War had commenced in all of its inten-
sity and the two sides—communism on the
one side and the free world on the other—
had lined up into a sort of stalemate. This
universal declaration could not have emerged
during the Cold War. The competition be-
tween the two power blocs of East and West
would not have allowed it to emerge.

Its main authors were Eleanor Roosevelt,
widow of American President Franklin De-
lano Roosevelt; two professors of law, a Ca-
nadian, John Humphrey, and a Frenchman,
Rene Cassin; an Orthodox Lebanese phi-
losopher, Charles Malik; and a Chinese phi-
losopher, artist and playwright, Peng-chun
Chang. It was an extraordinary collection of
men and women, and you can just imagine
the scene in Eleanor Roosevelt’s apartment
in New York with the philosophical debates
between the Orthodox Lebanese philosopher,
Charles Malik, and the Chinese philosopher,
Peng-chun Chang, about the different phi-
losophical bases for human rights. What is it
that gave people human rights? That combi-
nation of authors was a remarkable one and,
I suppose, speaks of the special nature of that
window in time, because, had the debate
been going on a few years later, the Chinese
philosopher would not have been there.
Shortly after the universal declaration was
approved by the United Nations, the heavy
hand of communism fell over China and it
would have been a boiler-suited representa-
tive of Chairman Mao who would have been
seeking entry—and, of course, denied it be-
cause Communist China did not come into
the United Nations for many years. But, in
any event, Mr Peng was a spokesman for a
China that had only a very short time left to
be in the world of international affairs.

The declaration, as I said, has a direct line
descent from the 18th century Enlighten-
ment, but it also speaks very directly to the
horrors of the Second World War. Article 6,
‘Everyone has the right to recognition eve-
rywhere as a person before the law,’ and arti-
cle 15, ‘Everyone has the right to a national-
ity,’ and, ‘No-one shall be arbitrarily de-
prived of his nationality,’ are a direct reaction
to the Nazi Nuremberg laws that decreed that
anyone but an Aryan was subhuman and
therefore to be deprived of their rights as a
human being. Article 9, which states, ‘No-
one shall be subjected to arbitrary arrest, de-
tention or exile,’ obviously speaks to the ap-
palling treatment of political opponents,
Jews and prisoners of war by both the Nazis
and the communists in the Second World
War. Article 16, which was a provision that
was objected to by some of the nations in the
UN at that time, says:

Men and women of full age, without any limita-
tion due to race, nationality or religion, have the
right to marry and to found a family.

That statement of rights is a direct reaction to
the German race laws that prevented Jews
from marrying so-called Aryans. The decla-
ration was descended from the 18th century
Enlightenment but very much inspired, in
that sense, by the horrors of the Second
World War. That is recognised in the second
paragraph of the preamble, which reads:

Whereas disregard and contempt for human rights
have resulted in barbarous acts which have out-
raged the conscience of mankind, and the advent
of a world in which human beings shall enjoy
freedom of speech and belief and freedom from
fear and want has been proclaimed as the highest
aspiration of the common people …

The Prime Minister referred to the Universal
Declaration of Human Rights as a bench-
mark. That is a common description of this great document. Ten years ago, UN Secretary-General Kofi Annan described the declaration as ‘the yardstick by which we measure human progress’. As a lantern which we follow through all the travails and challenges of a turbulent world, the best description was perhaps given by Abraham Lincoln in speaking of the Declaration of Independence. This remark of Abraham Lincoln is cited by Mary Glendon in a book about the Universal Declaration of Human Rights, and it bears repeating. Abraham Lincoln wrote that the men who drafted the 1776 declaration:

… did not mean to assert the obvious untruth, that all were then actually enjoying that equality, nor yet, that they were about to confer it, immediately, upon them … They meant simply to declare the right so that the enforcement of it might follow as fast as circumstances should permit. They meant to set up a standard maxim for free society which should be familiar to all: constantly looked to, constantly labored for … and thereby constantly spreading and deepening its influence and augmenting the happiness and value of life to all people, of all colors, everywhere.

Those words are just as applicable to the Universal Declaration of Human Rights as they were to the Declaration of Independence.

My friend the member for Flinders reminded me a moment ago that, after the Cambodian election in the post Pol Pot era, the universal declaration was printed up in a little blue book and handed out and taught to schoolchildren everywhere in that traumatized country. It was the yardstick, as Kofi Annan said, by which human progress was to be measured. Nadine Gordimer also described it as:

… the essential document, the touchstone, the creed of humanity that surely sums up all other creeds directing human behaviour …

Sadly, the Universal Declaration of Human Rights has been violated as often as it has been complied with, many would say. Certainly, some of the countries that have cited it and proclaimed it have not been at all consistent in complying with it. There have been horrific breaches of human rights through the world, and breaches are no doubt continuing in places like Darfur, as the Prime Minister described. Of course, there has always been that contradiction in the United Nations. It is worthy to note that, while the Soviet Union and its satellites abstained from the vote approving the declaration, Andrey Vyshinsky, who was Stalin’s prosecutor in the show trials of the 1930s—which horrific example of communist brutality—participated in the discussions, and so he was in the room.

The Prime Minister spoke warmly, as he should, of the role of Herbert Vere Evatt, whose contribution to the foundation of the United Nations is really one of the bright pages in Australian diplomatic history. But I must record my slight disappointment that the Prime Minister did not mention the contribution of another Australian lawyer, whose son is a constituent of mine: Fred Whitlam—Gough Whitlam’s father—who was an Australian government lawyer. It is worth noting that Fred Whitlam, as an Australian public servant, played a very significant role in preparing the UN declaration.

Commitment to human rights is a bipartisan one in Australia, and long may it remain so. On coming to power in 1949, Robert Menzies spoke of the splendid words of the UN Charter’s pledge to peace and human rights. Mr Menzies famously said:

The slogan that ought to be painted round the walls of the General Assembly of the United Nations is ‘We stand for justice.’

In 1950, his government supported words with action. Responding to the appeal by the United Nations for intervention in the Korean conflict, Australia committed ground troops in that war. Three hundred and thirty-
nine Australians would die in the UN mandated security action, with more than 1,200 wounded. It was an early and emphatic declaration by the Australian government that the principles of freedom and liberty not only were worth enshrining in the UN Charter and the declaration but also were worth defending.

As I said earlier, for most of the Cold War the UN took a back seat to superpower jostling. It was not until the collapse of the Soviet empire that the UN Security Council could again aspire to its role as the ultimate arbiter of international security disputes and the custodian of global civil rights. We saw that in 1990 with the UN Security Council resolutions to evict Saddam Hussein’s armies from Kuwait, where again Australia contributed to the multinational forces, this time under the Hawke Labor government.

The high water mark of Australia’s support for the enduring principles of the declaration came in the midst of a humanitarian crisis in our own neighbourhood in September 1999. The Howard government’s leadership of the UN mandated security intervention to stop the bloodbath in tiny East Timor distinguished this country’s service in the cause of international human rights. It is a matter for no pride at all that successive governments following 1975 had been queasy onlookers to the domination of East Timor by Indonesia. The Australian intervention, sanctioned by the United Nations, brought to an end the eruption of that dreadful violence that followed the vote for independence by the impoverished people of East Timor. It gave those same people in one of the world’s newest and most vulnerable nation-states a chance at freedom, a chance at popular sovereignty and a chance to exercise the freedom to rule their own lives.

The Australian intervention, led superbly by General Peter Cosgrove, was welcomed by the United Nations as one of the most successful United Nations peacekeeping operations ever, and Prime Minister John Howard would proudly describe our involvement in East Timor’s emergence as a nation as ‘the most positive and noble act by Australia in the area of international relations in the last 20 years’. There could not be a more practical, meaningful demonstration of Australia’s support for those ‘splendid words’, to quote Sir Robert Menzies, in the Universal Declaration of Human Rights.

Australia has repeatedly asked for the service and the sacrifice of the brave men and women of our armed forces and our police to help uphold human rights and democratic outcomes in our region and in the world. We ask it of our troops deployed in Afghanistan. We ask it of our forces in the theatre of operations in Iraq. We have asked it of our police, soldiers and senior officials in the Solomon Islands to confront lawlessness and corruption, to put programs in place to produce better governance and better outcomes for the people.

Australia is a proud supporter of the principles in the Universal Declaration of Human Rights. We had a hand in its drafting. Of that there can be no doubt. But, more importantly, we have had a hand over many years in upholding those very human and eternal values which it proclaims to the world.

Debate (on motion by Mr Murphy) adjourned.

MAIN COMMITTEE
Universal Declaration of Human Rights
Reference

Mr MURPHY (Lowe—Parliamentary Secretary to the Minister for Trade) (5.17 pm)—by leave—I move:

That the resumption of debate on the Prime Minister’s motion relating to the sixtieth anniversary of the adoption by the United Nations General Assembly of the Universal Declaration of
Human Rights be referred to the Main Committee.

Question agreed to.

SOCIAL SECURITY AND OTHER LEGISLATION AMENDMENT (ECONOMIC SECURITY STRATEGY) BILL 2008

APPROPRIATION (ECONOMIC SECURITY STRATEGY) BILL (No. 1) 2008-2009

APPROPRIATION (ECONOMIC SECURITY STRATEGY) BILL (No. 2) 2008-2009

Assent

Messages from the Governor-General reported informing the House of assent to the bills.

TAX LAWS AMENDMENT (2008 MEASURES No. 5) BILL 2008

Returned from the Senate

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

FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS AND OTHER LEGISLATION AMENDMENT (FURTHER 2008 BUDGET AND OTHER MEASURES) BILL 2008

Consideration of Senate Message

Bill returned from the Senate with amendments.

Ordered that the amendments be considered immediately.

Senate’s amendments—

(1) Clause 2, page 2 (table item 6), omit “1 January 2009” (wherever occurring), substitute “1 July 2009”.

(2) Clause 2, page 2 (table item 7), omit the table item.

(3) Schedule 2, heading to Part 2, page 18 (lines 2 and 3), omit “1 January 2009”, substitute “1 July 2009”.

(4) Schedule 2, item 5, page 18 (lines 9 to 18), omit subsection 38(2AA).

(5) Schedule 2, item 5, page 18 (lines 23 to 26), omit subsection 38(2AC), substitute:

(2AC) A person’s eligibility under paragraph (1)(b) or (g) does not cease under subsection (2AB) if:

(a) the person has reached pension age; or

(b) the circumstances specified under subsection (2AD) exist in relation to the person.

Note: For pension age see section 5Q.

(2AD) The Commission may, by legislative instrument, specify circumstances for the purposes of paragraph (2AC)(b).

(6) Schedule 2, item 6, page 18 (line 28), omit “. (2AA)”.

(7) Schedule 2, item 7, page 19 (lines 9 and 10), omit “if the person has reached pension age”, substitute “in certain circumstances”.

(8) Schedule 2, Part 3, page 20 (lines 2 to 23), omit the Part.

Mr Griffin (Bruce—Minister for Veterans’ Affairs) (5.20 pm)—I move:

That the amendments be agreed to.

I want to make a couple of points about the debate that occurred in the Senate and some of the issues that have been raised about these Senate amendments and the partner service pension changes that form part of this legislation. In the debate in the Senate around these changes there were a number of concerns expressed by different senators from the opposition about the government’s intention as a result of these changes, and I would like to address some of those concerns. It has been suggested that this is an example of the government moving veterans entitlements to a situation more akin to the status of welfare in the welfare system. That is just not accurate. It has also been suggested that this is about the civilianisation of benefits. That is also not accurate. The fact is...
that these measures relate only to the former partners of veterans. It is not about the civilianisation of veterans’ benefits. It is about dealing with the circumstances of those who were partners of veterans but who, because of a breakdown in the relationship, are no longer in that situation.

There are a couple of points with respect to that. There have been points made by Senator Scullion around the fact that the opposition is very concerned about the impact of this on partners of veterans. Senator Scullion and the opposition have taken this view: These are people for whom we have had a special measure because they have cared for a veteran …

We acknowledge the fact that the partner is so important to the continued wellbeing of the veteran that we should treat them differently to welfare recipients.

In normal circumstances I would agree with Senator Scullion on that point, but I think we also have to be consistent with respect to this issue. This particular legislation and the changes thereto deal with the circumstances of those former partners of veterans who are still technically legally married.

If you like, there are three groups of former partners of veterans who you can look at and say that they have suffered often in dealing with the circumstances of living with veterans over a significant period of time. There are those such as this legislation deals with, people who in fact are still technically married but whose relationship may have ended quite some time ago—in some cases five, 10 or more years ago. There are those who have been divorced from the veteran and there are those who were in de facto relationships but whose relationships have also ended. De facto, particularly with the Vietnam generation and beyond, have often been in de facto relationships for many years. The circumstances under the current system are that, at the end of a de facto relationship, access to the partner service pension stops immediately. With respect to the situation of a former partner of a veteran where a divorce has occurred, that has been considered as the end of the relationship, and therefore access to partner service pension has ceased immediately upon the implementation of that divorce. Then there is this group.

If the opposition were being consistent and were basically saying, ‘We want to look after all veterans’ former partners who have done the hard yards dealing with people who are in a bad way and have had long-term problems,’ they would consistently have argued that we should be doing similar things for the divorced partners of veterans or those who were de facto. They have not. Under their government, if you were a de facto and your relationship ended, your access to the partner service pension ended immediately. If you were the former wife of a partner and were divorced, you lost it immediately. If they were consistent about their concerns in this area, they would be arguing for a similar situation for those groups, who were disadvantaged under the system that they were in charge of over the last decade. They did not and they have not. The fact of the matter is that that shows the basic inconsistency of their position.

A number of senators raised concerns about the vulnerability of women in certain circumstances, and we agree that that is a concern. That is one of the reasons why we have moved an amendment which takes into account the circumstances of those with psychiatric issues and why we have made it very clear that we will be looking compassionately at the operation of the illness separation clause, which will be there as part of the system to deal with the circumstances of those who have ongoing issues. We are confident that that can work quite effectively.

The amendments that we have before us came about as a result of several things.
They came about as a result of the Senate Standing Committee on Community Affairs inquiry into these issues and concerns raised through that process. (Extension of time granted) They also came to our attention as a result of concerns raised by the Partners of Veterans Association of Australia and the RSL. I want to thank them for their constructive contribution with respect to considering these issues. I am not for one minute suggesting that these organisations have endorsed what the government has done—far from it—but they have certainly provided some constructive feedback which has allowed us to consider the question of how we might deal with the sorts of issues that have been raised. I also want to say that members of caucus raised concerns with me about the operation of this system, arguing that what we should be looking at is how we can better make it clear to those who will be impacted by it what their rights and responsibilities are and how we might be able to deal with their circumstances in a more compassionate manner. I was confident, and remain confident, that under the existing definitions with illness separation there would have been scope to deal with these issues, but I am also pleased to be able to take into account those concerns and also the concerns of some of the minor parties in the Senate with respect to these amendments.

The fact of the matter is that this is a difficult measure for some of the people who are affected. Some 580 people are expected to be impacted by its introduction, and there will be an ongoing small group impacted each year as separations occur. But these people have been written to, and only some 120 have contacted the department’s hotline about how they see this impacting on their circumstances. We have seen a number of people who have actually reconciled and a number of people who have notified that they have now divorced, so these circumstances do not impact on them directly now.

Another issue which was raised by one of the members of the opposition, Senator Boyce, was that many of these people, if they are talking about PTSD and other related issues, will not be in a situation where their condition has been diagnosed. The fact is that some 500 of the 580 are already in receipt of a level of disability pension. It may only be 10 per cent or it may well be more—it may be in many cases it would be more—but the bottom line is that all of those 500-plus are in contact with the Department of Veterans’ Affairs on a regular basis. Overwhelmingly, these people either are over the age of 60—and therefore are qualified for a service pension and in a situation where their war-caused disabilities have had, often, some 40 years to manifest themselves—or have already been accredited with pensions and TPI support on the basis of accredited and recognised disabilities, so that these amendments will assist with the proper consideration of their circumstances.

Mrs MARKUS (Greenway) (5.29 pm)—Can I say on behalf of the coalition that we welcome the Senate amendments to the Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Further 2008 Budget and Other Measures) Bill 2008. They certainly go a long way towards responding to the concerns of the Partners of Veterans Association and the RSL. We as the coalition do, however, feel that there is still a group of people that will, as a consequence of this bill, lose some of their entitlements and be shifted onto welfare, and that is of concern to us. I want to note that during the Senate debate last night we did move a further amendment asking for entitlements to be retained and fully restored to what was previously the case. I want to note that the government did not support the amendment. But, certainly, it is heartening to
see the government responding to not only the concerns of the services associations but also the coalition’s call for some of these changes to be made. It is unfortunate that the changes are not a complete restoration of the entitlements, but it is important to note that they are a definite improvement. So we will be supporting the bill and the amendments as moved.

Question agreed to.

**FAIR WORK BILL 2008**

**Second Reading**

Debate resumed from 1 December, on motion by Ms Gillard:

That this bill be now read a second time.

Ms CAMPBELL (Bass) (5.31 pm)—I speak this afternoon in support of the Fair Work Bill 2008, continuing on from last night when I was talking about where a company forced an agreement on workers which specifically excluded things like rest breaks, incentive based payments and bonuses, annual leave loadings, overtime payments, shiftwork allowances and penalty rates. This left already low-paid workers up to $190 a week worse off. Yet another such agreement negotiated in Tasmania saw evening and weekend penalty rates removed, meal breaks and leave loadings stripped away and a reduction of public holiday payments. Another agreement—and I use that term loosely, because it implies that these so-called agreements were arrived at by mutual consent rather than the reality, which is that they were forced upon workers—saw hourly rates reduced by an average of $1.47 and casuals under the AWA only receiving a 20 per cent loading in comparison with the 25 per cent under the award.

I could go on, as could all members of this House, about the range of conditions and fundamental rights which were systematically stripped away under Work Choices—well, no more. This government’s workplace relations system is underpinned by that notion of which I spoke earlier: a fair day’s work for a fair day’s pay. It has a strong safety net of 10 legislated National Employment Standards for all employees and it will see developed a modern award system which ensures decent wages and conditions for award-covered employees while allowing upward flexibility for high-income earners through common-law contracts. Importantly, these cannot override the award safety net; employees must be left better off.

The National Employment Standards, or NES, will cover things such as the maximum weekly hours of work, requests for flexible working arrangements, parental leave and related entitlements, annual leave, personal and carers leave, community service and long service leave, public holidays and issues surrounding termination. Another feature of the NES is that from 1 January 2010 employers will be required to give the Fair Work Information Statement to all new employees. We will have in place a framework of collective bargaining rights and responsibilities, and of freedom of association for all workers and their right to representation.

There will be an independent agency, Fair Work Australia, which will act as a one-stop shop for workplace relations services, advice and compliance. Fair Work Australia will be able to exercise a full suite of dispute resolution powers at the request of just one party. This is significantly different from Work Choices, which unfairly required both parties to agree before the Australian Industrial Relations Commission could even mediate. Fair Work Australia can conduct mediation and conciliation, make recommendations, conduct hearings, issue binding determinations and arbitrate on any matter by consent of parties involved.
The bottom line is that the Australian people know exactly what they are getting in this legislation; they know because they voted for it. Unlike those opposite, who made no mention of their radical workplace agenda before they were elected in 2004, Labor were open, upfront and honest with people. I am delivering for the people of Bass exactly what I promised as I campaigned last year—a fair, balanced, productive and progressive workplace relations system which protects the most vulnerable workers. We are delivering a system which has been developed through consultation and which returns to the workplace that fairness which has been so sorely lacking. This is the undertaking which we as the Labor Party took to the Australian people and which I took to the hard workers of Northern Tasmania. I took it also to the employers of Bass. We are not skewing the system so far the other way so as to fundamentally disadvantage employers. What we have done and what we are continuing to do is create a balance, one which strives for fairness on all sides and which works towards a simple system where there is trust and respect on both sides—and that trust and respect is absolutely vital.

One of the many abhorrent features of Work Choices was the adversarial nature of negotiations it created. There was a ‘take it or leave it’ attitude, and that is a situation which is fraught and, quite frankly, unnecessary. Where those opposite slashed the safety net, we are restoring it. Where Work Choices and those opposite gave no effective right to collectively bargain, Fair Work Australia says that an employer must collectively bargain when that is what the majority of employees want. Work Choices was about AWAs; Fair Work Australia’s focus is on collective bargaining. Work Choices left the independent industrial umpire powerless and marginalised unions. Fair Work Australia is about a balance.

Fair Work Australia will encourage collective, enterprise-level bargaining underpinned by good faith bargaining obligations. This system will ensure that across Northern Tasmania and across Australia everyone in the workplace is treated fairly, decently and with respect. There will be a simpler unfair dismissal system. This will balance the need for employers, including small business, to manage their workforce while safeguarding the right of employees to be protected from unfair dismissal.

I have spoken with many workers, employers and union officials and I am confident that this legislation goes about restoring fairness and justice to Australia’s industrial legislation. Secretary of Unions Tasmania, Mr Simon Cocker, has argued consistently for the need to re-establish an even-handedness and a confidence as we move forward with workplace reform. Mr Cocker has been a strong advocate for a safety net, minimum wages, collective bargaining, a strong unfair dismissal system, the abolition of AWAs, the recognition of the right of workers to withdraw their labour, the recognition also of the right of workers to be represented in the workplace and the recognition that independent contractors are often little different from employees and need protection from unfair contracts. It has been a long and passionate fight, and I would like to take this opportunity to pay tribute to his efforts and the efforts of people like Cindy O’Connor who worked tirelessly on two fronts throughout the tyranny of Work Choices. They not only waged a vital public awareness campaign but also fought consistently for the rights of individual workers who fell victim to Work Choices.

This is the fourth major rewrite of our industrial legislative landscape in 15 years. It
is the legislation and the plan for the future which we took to the Australian people and which I took to the voters of Bass. I fear those opposite are yet to heed the will of the Australian people. I fear that at the first opportunity they will look to resurrect Work Choices. It is part of their psyche and it is an extreme industrial relations agenda in which they believe wholeheartedly. Despite what they say now, despite claiming that Work Choices has been scrapped as a policy, we know and the Australian people know that there is no reason to trust what those opposite say when it comes to industrial relations. They abused the trust of Australian workers before and they will do it again.

Mr MORRISON (Cook) (5.39 pm)—I rise to speak on the Fair Work Bill 2008 and, in doing so, I am reminded of what the government often says to the opposition: don’t hear what they say but see what they do. When I reflect on those comments I am reminded that this government has a very difficult time taking yes for an answer. The comments that have been made by the opposition have been constructive, and those constructive comments will continue when this bill leaves this place and goes to the Senate, where I am sure there will be more constructive contributions. But this government has had a lot of difficulty in accepting when the coalition acts in a particular way. We saw it in debate about the various payments which will hit Australian families next week where the government, for some reason, was suggesting that the measures were not supported by the coalition when we stood in this very place and supported them. In speaking on this bill, we make more constructive contributions, but I fear that what the government does not like at all is when those on this side make some constructive suggestions—when we do not flail about in some sort of sycophantic fiesta celebrating the greatness of the government but instead come into this place, as our constituents expect us to do, and make constructive representations and engagements on the bills that are before the House.

I say to the government that they should open their ears on these matters, listen hard and take on board the constructive comments that are being made by the opposition. This is now their responsibility. The government find it very difficult to accept that, when they bring in bills like this, particularly after an election, they are now putting their system in place. They will be accountable for their system and they will have very real responsibilities and accountabilities for the outcomes that this bill will impose on the Australian economy.

This bill represents the single largest re-regulation of the labour market in at least my lifetime and, I am sure, the lifetimes of many in this place, regardless of how long they have been here. This is a massive level of re-regulation of our labour market. It takes us not only back to 1996, when, as I have reminded this House before, there were also mandates given by the Australian people to the then Howard-Costello government—mandates that were acted on—but back prior to 1993 when it was not uncommon for Australia to lose more than a million days to industrial disputes a year. They are the days that we are going back to in terms of the re-regulation of the labour market. That is the mandate that this government has in bringing this bill before this place, that is the mandate it sought in industrial relations and that is the mandate that it was so effectively supported in achieving by the union movement, which are the prime beneficiaries of this bill. I note, for the sake of humour and interest, that in 1993 the No. 1 song in the charts for 10 weeks was *I Will Always Love You* by Whitney Houston, and I suspect that is what the union movement will be singing to the Labor Party all the way through the debate on this bill. And they will be singing it for a very
long time to come because the primary beneficiary of this bill is the union movement.

Mr Laurie Ferguson interjecting—

Mr Sidebottom—Will the Chamber of Commerce always love you?

Mr MORRISON—And they will always love you, Member for Reid, and they will always love you, Member for Braddon. The union movement will always love the Labor Party because the Labor Party will always come into this House and do their bidding. They will do their bidding for many reasons, but one of those reasons is the fact that the union movement in this country spent $30 million in the last election campaign bringing this government to power. For that $30 million, there are debts to be paid, and we are seeing those debts paid even now as we debate this bill.

I have heard other speakers say that this bill simply delivers on what was put to the electorate. Speakers on this side of the House have made it quite clear that is not the case and that the bill that is before this House overreaches in many areas—but I will come back to that. The coalition does understand very clearly the message that was delivered at the last election. Work Choices is dead despite the efforts on that side of the House to try to resurrect this idea. Work Choices is dead and we understand that message more so than I believe our opponents do because we actually understand what killed it. Principally, the measure which I think most upset the Australian people was the abolition of the no disadvantage test.

The government may think that there are a whole range of other issues, particularly the re-establishment of union power in the workplace, which the electorate was pining for. I am happy for the government to think that if that is what they want to think. I am happy for the government to take that message to the Australian people at the next election. I am happy for them to think that the key thing that people want more of is unions coming into their workplaces and unions looking into their personal records with no guarantee that those records cannot be copied and kept—and kept permanently. I am happy for them to make that argument at the next election.

Those on that side of the House are desperate to try and ensure that Work Choices is not dead, because they know when we go to the next election that without Work Choices—without the big orange signs which still remain up on some telegraph poles around the country—they will have no argument to put before the people. They want a re-run of the last election at the next election, because at the next election they will have to be accountable for the policies that they have endeavoured to put in place, the policies that will have failed and the policies that will have wreaked havoc—as we have already seen with things like the unlimited bank guarantee and other measures in their response to this global financial crisis. The government is going to have to go to the next election and be accountable for what they have done.

One of the things that they are going to have to be accountable for is this bill that they have brought into this House. The concern on this side of the House is that Australians have jobs. Jobs are not an entitlement. Entitlements are something that you have when you have a job. The test of this bill, to be crystal clear, is jobs, jobs and jobs. When we go to the next election, that is the benchmark, that is the litmus test and that is the acid test that this government is going to have to pass with respect to this bill—and not only this bill but the other bills that it has brought into this place. Their performance on the economy will be marked on their performance on jobs.
On every occasion possible, those on that side of the House like to bring into disrepute the reputation and the earnestness of the coalition when it comes to jobs. We have a record on jobs. We have a record on jobs that the electorate understands. It is record that they experienced. It was not something that was simply talked about. It was not some earnest speech by a Leader of the Opposition on their commitment to jobs. They were actual jobs. People actually got jobs under the coalition—more than two million got jobs under the coalition. Unemployment was reduced from over eight per cent to record low levels of around four per cent. Participation in the labour market increased from 63.5 per cent to 65.1 per cent.

The growth in jobs created prosperity. Real wages increased by more than 21 per cent. Jobs and higher wages were delivered under the coalition. Compare that to when Labor was last in office, when there was a real decline in wages. Our policies led to a strong increase in household wealth and a rise in disposable income, which was recently acknowledged by the Reserve Bank deputy governor, Ric Battellino. On 30 October of this year, he gave a very interesting address at the ITSA Bankruptcy Congress in Sydney. He made some reflections on the status of household income. This is what he had to say:

The first thing to say about household income is that the past five years have been an extraordinarily favourable period. Real disposable income of the household sector grew on average by 6.1 per cent per year, resulting in a cumulative increase over the five years of more than 30 per cent. One has to go back more than thirty years to find a bigger increase over a five-year period.

He went on to say:

Even after allowing for higher interest payments, real household disposable income over the five years still increased by more than 25 per cent.

That is after paying for mortgages; that is after having to deal with the rises in house prices around our major capital cities and in particular my home city of Sydney. He went on to say:

This increase, too, was the largest since the early 1970s. Put another way, over the past five years, the amount of money that Australian households had left over to spend—money in the pocket—after paying taxes and interest on all their loans, grew in real terms at the fastest rate in over 30 years.

That is what jobs give you. That is what real wage increases give you. He went on to say:

This growth in household incomes in Australia greatly exceeded that in any other developed economy.

Just in case those opposite might think that only some benefited from this, as is often their protestation, the Deputy Governor of the Reserve Bank said clearly:

The percentage increase in real income was very similar across all the income quintiles.

He concludes by saying:

In short, the boom in income in Australia was very strong by world standards and a high proportion of Australian households shared it.

That is a record to speak about and to be proud of. That is a record that is on the books. It is something that we as a coalition can be incredibly proud of, because our record on jobs is clear.

The coalition’s workplace reforms revolutionised our economy, not just in the incomes and jobs of Australians but particularly on the waterfront, where we all know that crane rates increased from 16.9 per hour to almost 27 per hour. That was a result of our reforms. That is a real economic record. That is the clubhouse, so to speak. Labor on jobs and on economic reform is yet to tee off. But as they head to the first hole we should note that, when it comes to economic reform, work-
place reform is not a club that they have in their bag.

We see in this bill that once again workplace relations have been given the leave pass in the government’s latest war of the day. In February, we had the war on inflation. We had in that war the five-point plan from the government, which we heard about ad nauseam from those on that side of the chamber day in and day out in the early part of this year. It has been a while since I have heard about the five-point plan on inflation. Maybe that is because point 1 of the five-point plan involved fiscal restraint. They say that they were preparing for the global financial crisis over many months. They could see this on the horizon and they were preparing their response. Point 1 of their response was fiscal restraint. This was the thing that was apparently going to save our economy this year in the midst of what we were seeing coming from the United States. By contrast, the then shadow Treasurer, now Leader of the Opposition, understood what was coming from overseas. He understood what was coming down the pipe and what that would mean for our economy and was making very sober and wise comments as a result.

But there was fiscal restraint. There were private savings measures. There was the skills crisis, which I have noticed they have solved simply by looking forward to an increase in unemployment. There was infrastructure investment and workforce participation. What I do not read in that five-point plan, as I noted at the time, was a mention of doing anything on the fight on inflation. When they were talking about inflation, when they thought that was the big problem, they did not think that wage pressures were an issue and they did not think that workplace relations was an issue that had to feature in that plan.

Today we have the war on employment, amongst many other great wars, and once again workplace relations have no role to play, according to this government. Labor simply does not see a role for workplace relations in economic management, and they parade themselves around this place as economic conservatives. But if they are economic conservatives they must be going to different meetings from the ones I am going to for economic conservatives. They must be at different meetings. They must be part of some other weird sect of economic conservatism, and certainly not the fundamental school.

Mr Laurie Ferguson interjecting—

Mr MORRISON—I am sure that the member for Reid would think himself an economic conservative, but the truth is they must be going to incredibly different meetings. But what would you expect from a government that sees a deficit as the preferred economic strategy to address the global financial crisis? It is not the last card in the deck; it is the first card in the deck.

And for their inspiration on economic conservatism we heard the Prime Minister here in this place the other day highlight Japan, Germany, the UK and USA as their economic conservative policy partners on issues like deficits. But if you look at the IMF statistics released in October we learn that the Japanese had their one and only surplus during the past 25 years in 1992. The Germans have had only two surplus budgets since 1980, one in 2000 and the other in 1989. In the UK the last surplus purple patch was from 1999 to 2001 when they achieved a trifecta, showing just how rare such an achievement in budget management can be in the G20, while across the Atlantic, Bill Clinton is the only US President to have presided over a budget surplus in almost 30 years, between 1998 and 2000.
Returning to the bill, the government must be accountable for its economic consequences. In the West real concerns have emerged and they have been highlighted by the editorial writers in the West. The bill reaches well beyond its mandate, as I have noted before, with assurances from the Deputy Prime Minister on issues like compulsory arbitration, pattern bargaining and union right of entry all going to the wind. Never mind the fact that on 30 May 2007 at one of her addresses to the National Press Club she said:

Under Labor’s policy there is no automatic arbitration of collective agreements.

Never mind that on 17 September 2008 she said:

Compulsory arbitration will not be a feature of good faith bargaining.

Never mind that, on union right of entry, on 28 August 2007, she said:

We will make sure that current right of entry provisions stay ... We will keep the right of entry provisions.

On 28 May of this year she said in a speech to the Master Builders:

We promised to retain the current right of entry framework and this promise too will be kept.

So what we see is a walking away from those commitments. We see a bill that is over-reaching on the mandate. But let this be for the government to explain to their constituents. Let this be for them to explain to the electorate when they have to justify how this bill has performed in terms of serving the economy of this great country, how it has performed in delivering jobs to Australians and how it has performed in delivering real increases in wages and incomes that have put money in the pockets of Australians to support their families. Let them explain these things, as they must be accountable for them.

Let me conclude by making reference to something which is very close to home in my own electorate of Cook. We already know that the rise in industrial disputes that has occurred under this government is shameful. In fact in the 12 months to June it rose from 88,000 working days lost to almost 165,000 working days lost. But in addition to that and in the context of that union activity, the government’s brothers in New South Wales have not been able to help themselves by getting a bit of a head start on this union right of entry. I refer to an article by Miranda Devine in the Sydney Morning Herald on 22 November, when she said:

There is no clearer demonstration of who is in charge in NSW than the union raid last week on the desalination plant construction site in Kurnell, against the wishes of the builder, John Holland, and in defiance of Federal Court action. And who led the raid? None other than the Water Minister, Phil Costa.

And if I go to an article by Imre Salusinszky in the Australian on 13 November he said:

Mr Costa’s actions were supported yesterday by NSW Premier Nathan Rees. In a thinly veiled threat to John Holland, Mr Rees said NSW occupational health and safety laws should apply to the site because they provided “much better protection for workers”.

If John Holland doesn’t like that, too bad,” Mr Rees said …

Earlier, Mr Rees told a Sydney radio station he and Mr Costa discussed the visit to the plant weeks ago.

The risk in the Government’s position is that, if union interference causes delays, it could trigger penalty clauses in John Holland’s contract and cost taxpayers hundreds of thousands of dollars.

As if we have not already paid enough for a desalination plant the people of New South Wales do not need and do not want.

But of greatest interest in Mr Costa’s visit is that Mr Costa has not been prepared to turn up and talk to the residents of Kurnell
about this disastrous project in our electorate and in their community. He does not have the courage to come down and talk to them at all. But what he does have the courage to do apparently is to turn up, don the AWU vest and crash through the gates with his union mates and start demanding things left, right and centre. This bill will be judged on its performance, and that performance is about jobs.

Mr SIDEBOTTOM (Braddon) (5.59 pm)—The member for Cook concluded his bluster, which unfortunately lasted for most of his speech, by referring to the Sydney Morning Herald and a none too supportive commentator in that newspaper. I would like to start my speech in a similar vein by analysing the article by Phillip Coorey yesterday in the Sydney Morning Herald. I think it is very reflective of those opposite and their real approach to the Fair Work Bill 2008.

Mr Coorey’s article in the Sydney Morning Herald yesterday had a heading ‘Libs look back in anger in a new moderate era’. The gist of his argument was that there is currently a real crisis of identity inside the coalition between the old guard—the Right—and a new guard, the moderates. Essentially, the old guard do not accept the moderates’ public proclamation that Work Choices is dead. Mr Coorey named some of those who do not accept that Work Choices is dead. There was the member for Mackellar, who apparently rose in the party room and demanded that she be able to register her internal dissent from the moderates’ views. He mentioned the member for Bradfield, who was nodding energetically when the minister pointed out those who still supported Work Choices or refused to repudiate Work Choices in this House some days ago.

My good friend the member for Hume did not just give it the thumbs up; he gave it the double thumbs up and his speech yesterday made it clear that he still endorses many of the elements of Work Choices. What I thought was very interesting about the article in the Sydney Morning Herald was its conclusion. There is a reason for this conclusion and it has a lot to do with the legislation before this House currently and most of the legislation that we have introduced since the beginning of this parliamentary year. The article concludes:

… the Coalition ends the year more unpopular than it was at the election.

Why is this a fact? Why is it so? The reason it is so is that those opposite refuse to understand the lessons and the message that were passed on by the Australian electorate in November of 2007. One of those fundamental messages was that not only did they not support Work Choices; they did not support the philosophy behind Work Choices and they wanted fairness in their industrial relations systems, just as they wanted fairness in their negotiations and in negotiations between all levels of government. They wanted fairness in the allocation of funds for the provision of health and education services, fairness in the provision of resources and support for the environments in which they live. Indeed, I think it is best summed up at the end of our national anthem, where it says ‘Advance Australia fair’!

If we ever had a citizenship values test, we could really centre it around what fairness means in Australia. That is at the heart of our industrial relations policy, which was put out prior to the 2007 election in our policy document, Forward with Fairness. I think that indeed encapsulated what the Australian people wanted. Fairness as a value also complements another value, which is balance. Reasonableness, balance and fairness strike me as very much the Australian way. We are an interesting people: we arrive at a certain point and we generally know when enough is enough. We generally know when we reach
that point where, if you go beyond, it is not fair—and the Australian people have reached that point. I do not think I am being melodramatic when I assess it that way. I believe it is true and indeed it is at the heart of the character of this legislation.

What is the essence of this legislation that so riles the other side and that sends some newspaper commentators in this country into a frenzy? This was no better expressed than in the Australian newspaper, which is always quick to divide this community. It sees that the sky is about to fall in, that productivity will go through the floor, that there will be division in the workplace and we will be pitting one against the other, that it is too extreme on one side and not enough on the other. But we on this side think Work Choices was about extremity; this legislation is about reintroducing fairness.

What does this legislation intend at its heart? It seeks to create a safety net of minimum employment conditions that cannot be stripped away. The member for Mackellar yesterday said she believed that the taking away of a safety net in Work Choices was unfair and wrong. I did not hear her publicly or in this place express that sentiment before. Was it expressed in the caucus room, because others have said it was wrong? Did they express it? I did not hear that publicly or privately. Secondly, the legislation restores a right to good faith enterprise bargaining. Thirdly, there are protections from unfair dismissal for all employees, the right to be represented in the workplace and protection for low-paid workers. It seems to be sending some commentators into a frenzy that we could seek to protect low-paid workers and to allow them to find a balance between work and family life. All of these major principles were set out in Forward with Fairness in 2007.

I would like to raise a few areas of comparison and contrast between what was and what we believe will be. Work Choices allowed agreements to slash the safety net. There is ample evidence of that, a clear demonstration in the many examples raised in this place of how people had the safety net slashed from under them. Even the member for Mackellar acknowledged that. Under this bill agreements must leave every employee better off overall than under the applicable award and cannot remove National Employment Standards or the safety net.

So, for the record, what are the National Employment Standards? There are 10: hours of work; the right to request flexible working arrangements; parental leave; personal, carers and compassionate leave; community service leave; annual leave; long service leave; public holidays; a notice of termination and redundancy pay; and a fair work statement. They are the heart of the safety net envisaged in this legislation. It was taken to the Australian people and overwhelmingly endorsed by them in November 2007. Agreements cannot fall below minimum wages at any time and there will be new effective transfer-of-business provisions to ensure agreements cannot be evaded. It is common sense, fair and balanced.

Under Work Choices, awards were left to wither on the vine. Under this legislation, awards are a fair and decent safety net of conditions which are industry or occupation based. Under this legislation annual wage adjustments are made by Fair Work Australia based on criteria that balance economic and social factors. Awards are reviewed every four years for changes to community standards and awards are easy to find, read and apply. Work Choices gave no effective right to bargain collectively. Under this legislation an employer must bargain collectively where a majority of employees so desire. So there is now a right to bargain collectively.
Fair Work Australia can decide disputes over the proposed scope of the application of the agreement, and good faith bargaining obligations with enforceable orders apply to all parties. Arbitration is available where parties flout good faith bargaining obligations. Multi-employer bargaining is available, including a specially facilitated stream particularly for the low paid. Employers and employees can make arrangements over a wider range of matters, including the role of the union. Of course, that is at the heart of most of the objections from the other side. Union representation is seen by those opposite as the antithesis of what is right, acceptable or the natural order. Everyone has a right to be a member of a union. This legislation says that if you want that union, and it is appropriate and legal, that union can represent you. And why not? I do not hear the other side equate membership of business chambers of commerce with anything wrong, with anything unnatural.

Work Choices was all about AWAs. They were the heart of it. Under this legislation there will be no individual statutory agreements—none. The focus is on collective bargaining at the enterprise level and arrangements can be made for genuine individual flexibility—for example, flexibility based around family-friendly hours or flat, all-up rates of pay—but with strict protections for employees. That was the element of fairness so missing under Work Choices. For many there was no choice, no choice at all. Common-law contracts are available but must be above the award. It is only fair and reasonable.

Unfair dismissal rights were slashed under Work Choices. Under this legislation unfair dismissal rights exist for the vast majority of employees, including high earners covered by awards. Special provisions for employees of small business with fewer than 15 employees exist and there is a removal of operational reasons as an exemption. Under the proposed laws three million more workers will have access to protection against unfair dismissal. Casual employees will be covered for the first time, and unfair dismissal protection will be available to workers in businesses with fewer than 100 employees, provided they have worked there for six months. Small businesses with 15 or fewer employees will have more protection from claims of unfair dismissals. Workers will have to hold their job for 12 months before they can take legal action over dismissal. Employers will be able to implement genuine redundancies but, as I mentioned just a moment ago, not argue operational reasons for sacking. That is a fair and reasonable balance that I think most Australian employers and employees would accept.

Work Choices deliberately sought to marginalise unions. Under this legislation agreements can deal with the relationship between the employer and the union, and employers must respect employees’ rights to be represented. There are enhanced protections for freedom of association, including for a wide range of legitimate union activity—note that I said ‘legitimate’ union activity. Awards and enterprise agreements provide for employees to be represented in consultation and dispute resolution processes. The right of entry to hold discussions with members and potential members is no longer displaced by non-union agreements.

Work Choices rendered the independent industrial umpire powerless. On the other hand, Fair Work Australia will be able to conciliate, mediate, call compulsory conferences and make recommendations on application by one of the parties. A key role of Fair Work Australia is varying awards and setting minimum wages. It has an important role in assisting parties with bargaining and in supervising industrial action. It has a special new role to facilitate bargaining for the
low paid—an excellent facility and role, and so needed for those who are most vulnerable in our workplaces. It provides new grounds for arbitration where bargaining genuinely fails. Work Choices did not create a truly national system. This legislation seeks to do that. The interaction between federal and state laws has been negotiated with the states. Indeed, this has been a long process of negotiation. The Fair Work Bill will create a truly national system for the private sector and for the state public sector and local government only where the relevant state refers powers—through cooperative means such as referrals or harmonisation.

I am very proud to be able to support this legislation, as I was at the beginning of the year when legislation was introduced and passed to be rid of AWAs. This, like most of the legislation introduced by this government, is the result of a promise and a commitment made before the last election, and that promise is now being kept. There are many workplaces, employees and employers who are very glad of this legislation. I look forward to the working out of this Fair Work Bill in this country under the values of fairness, balance and equity.

Mr LINDSAY (Herbert) (6.17 pm)—What a great democracy we live in. We live in a democracy where we can choose who our partner is going to be, we can choose how many children we are going to have, we can choose where we live and we can choose where we take holidays. But in this great democracy, with the Fair Work Bill 2008 before the parliament, we will not any longer be able to choose what our working conditions will be. It is absolutely extraordinary. Of course, the opposition value choice in everything that we do. Tonight, as this bill goes through the parliament, choice in how you work will disappear.

Let us look at what the government has inherited from the former government. Labor has inherited the strongest economy in Australia’s history—economic growth of 4.2 per cent for the year ending December last year. Confidence was very high, unemployment was at a 30-year low, the nation was debt free, the budget was in surplus and money had been set aside to meet future liabilities. What has happened since Labor came to office? Inflation is up and economic growth is down. More people are out of work, many more are working less than they would like to and there are many more to come out of work as well. Business and consumer confidence has slumped, industrial disputes are up and productivity growth is down. Labor has imposed $19.7 billion in increased taxes and other revenue measures it did not tell the Australian people about before the election. The budget surplus has been slashed and, very recently, we have found out that the budget in fact will go into deficit. It is a dismal picture and I use the example of all those things to indicate that the bill tonight is a dismal outcome for Australia.

Last year Australia went to an election where workplace relations policy occupied the main battleground. Although any Australian who wanted a job could get a job and workers were enjoying better conditions and higher real wages, the unions of Australia conducted an ongoing campaign to have Work Choices changed. In November last year the former government was defeated. The Rudd-Swan Labor government is now implementing the policy it took to the last election, although I do know about matters—and I will refer to them later in my speech—which they did not take to the last election but which are in this bill tonight.

There has also noticeably been much hubris within the current government as the Fair Work Bill has been brought into the parliament, but the bill comes at a time when
there are dark clouds on Australia’s economic horizon. Emerging commentary on this legislation, which I do believe to be impartial and fair, is drawing the nation’s attention to a bill that is repeating the mistakes made by the former government with its Work Choices legislation. Just as Work Choices went too far one way, this bill, according to respected commentators, is going too far the other way, and there will be an undesirable result. Unions will be far too powerful for the country’s good and workers will find themselves without a job. How could that be a good outcome?

This bill shifts workplace relations policy way back to the past. It significantly boosts the power of unions, even in workplaces where they are not wanted. Unquestionably, these reforms will weaken productivity and impact on employment. I say to those opposite who think the introduction of this bill is a great victory: reserve your judgement for 12 months or so. Be prepared to face your supporters who lose their jobs because of it. Be prepared to face the Australian nation, which will struggle with the inflation that this bill will generate. It is utterly bad policy to support the resurgence of uncontrollable union power at any time, let alone at a time of global financial crisis. Just as the Rudd government’s policy to soften Australia’s stance on border protection has been greeted with glee among the people smugglers and has opened the doors to a new wave of boat arrivals, this bill opens the doors to a new wave of union power and thuggery.

This bill could well be described as a radical overhaul of workplace laws that has gone much further than the mandate given to the government at the last election. It gives the unions the keys to the doors of all workplaces, even where there are currently no dealings with unions. More disturbingly, it appears to breach the government’s commitment to overhaul the privacy laws to protect the interests of the individual. This bill gives unions the right to inspect the wages records of employees whether they are union members or not. It is none of their business and it is an invasion of privacy. The reason that the government has caved in to the unions is to allow them to collect the personal details of non-union employees. This will likely result in intimidation of employees to join a union and intimidation of employers to have their people join a union. This unprecedented access to private information takes this country in a new and disturbing direction.

It is not surprising to anyone that a government full of ex-union officials is so delighted to be making these radical workplace relations amendments. We all remember the year-long union campaign backing Labor’s quest for election. We remember it as the most expensive campaign in history, driven by highly emotive and often untrue advertising. Superficially, the campaign was about ridding Australia of Australian workplace agreements but, substantially, it was about bringing the unions back to town.

Australian workplace agreements allowed individual employees to strike their own agreements with their employers, ones that reflected how each party wanted their work arrangements to be. The agreements suited both parties because each got a benefit they would not otherwise have had. Labor and unions are opposed to individuals having control of their own employment conditions because they want to see collective bargaining introduced in a major way in the workforce.

The deeper subplot of all this is the apparent reintroduction of pattern bargaining, which will have grave consequences for the security of workers’ jobs and the stability of the annual inflation number. Let me make it entirely clear. There is no question about
whether Work Choices is dead or alive: Work Choices is dead. The debate that Australia is now having is about the return of union power to the workplace.

I read a piece in the Australian Financial Review a few weeks ago by Alan Moran. He made the point that:

Labor always unravels prosperity.

He reflected on the ‘increased influence of unions, which are the party’s major funders and foot soldiers’. He went on to observe that:

…the increased influence they obtain adversely affects productivity.

He went on to say that:

As the administration becomes more established, it also starts increasing the regulatory controls over markets.

Gradually these activities undermine the prosperity that was the legacy the government inherited.

Next year, with the passing of this legislation, Labor’s chickens are going to come home to roost.

On top of the 200,000 jobs that Labor has already admitted will be lost, this bill will see many more job opportunities lost. The return of tighter unfair dismissal provisions has spooked employers. They never say so; they just quietly choose not to employ additional people or not to replace people who are leaving so they can protect their businesses against unfair dismissal claims. Labor and the unions have never been able to understand that employers never sack an employee who is doing their job, because staff are the most important asset of any business.

How do I know? I ran my own business for 25 years, with a staff of about 30 people. I certainly remember before I was a member of parliament how I felt about Labor’s unfair dismissal legislation at that time and the impact it had on my decisions to employ people. It was one of the reasons that I came to this parliament in 1996.

I remind the Labor Party that the coalition had a mandate from two separate elections to remove the draconian unfair dismissal provisions—and we did. Although we had that clear mandate, Labor refused to recognise the will of the people. Yet, now they are in government, they too claim a mandate—and rightly so. Our actions in supporting this bill, albeit with sensible amendments, are in stark contrast to Labor’s actions in the past. Question time gives the people of Australia and the press gallery an opportunity to gain an insight into all of us. When I observe both the Prime Minister and the Deputy Prime Minister, I see increasing hubris and, particularly, personal nastiness. This is not a sign of strength but rather I believe it is a sign of insecurity, where both feel that great parliamentary debates should focus on personal attacks rather than public policy. I liken this bill to a self-licking ice-cream. It will consume itself and, in the process, consume the job security of hundreds of thousands of Australians.

I delivered my maiden speech on 1 May 1996. It was a little while ago now. That year Townsville was named Australia’s community of the year. Its star was finally on the rise and an unprecedented period of economic growth and prosperity was about to begin for Townsville. At that time the construction of a major zinc refinery was only months away. It was to be the litmus test for our city in terms of bringing online a major construction and processing project. It brought in a large amount of foreign investment and gave tremendous confidence to the Korean parent company about investing in Australia. Importantly, it delivered many new jobs to North Queensland. Sadly, this plant and the jobs at the plant are now under threat from the Rudd-Swan Labor government.

Over the past decade and more, Townsville has also built a fine reputation for ex-
cellence in marine science, earth science and tropical medicine research of world significance. It also benefited from the previous government’s rock solid commitment to rebuilding the capabilities of the Australian Defence Force. In 1996 confidence was on the rise in Townsville and North Queensland. Employers were eager to create new opportunities and began hiring and training staff in record numbers. In my electorate of Herbert in March 1996 the unemployment rate was 8.4 per cent. Can you believe that? It was 8.4 per cent. By June 2007 it had been cut in half to just 4.2 per cent. Guess where it is going now under this bill that is before the parliament tonight.

During the period that I referred to, 26,000 new jobs were created in my electorate, centred around the wonderful city of Townsville. That represented average growth of 200 new jobs a month for more than a decade. Townsville’s growth story was emblematic of many cities and towns across Australia. Its success has been underpinned by business confidence and eager private entrepreneurs keen to create employment opportunities and be part of the new value-adding industries which have so benefited Australia’s terms of trade. Townsville’s pattern of jobs growth was repeated on a national scale under the previous, coalition government. All of us recognise that between March 1996 and November 2007 more than 2.2 million jobs were created in Australia. Of these jobs, over 1.2 million were full time and almost 950,000 were part time. These were all created under the Howard government. We left office with over 10.6 million Australians in work, a record high. Over 7.6 million were in full-time employment and three million were in part-time employment. The unemployment rate in Australia was 4.3 per cent in October 2007, a 33-year low, and had been below five per cent for 21 consecutive months. The male unemployment rate was 3.6 per cent and the female unemployment rate was 4.4 per cent.

Yet in December 1992, under Labor, the unemployment rate peaked at 10.9 per cent, leaving almost one million Australians unemployed. With the passage of this bill I fear for this country and I fear for the employment of those people who have a job and I fear for their families. The so-called party of the worker had watched hundreds of thousands of people being shut out of work under its union dominated, anti-individual policies in the early nineties. Much was made in the mid-1990s of the damaging effects of unemployment on Australia’s teenage population. It was certainly a serious concern in my electorate. By the start of this year, teenage unemployment stood at 3.7 per cent, an extraordinary achievement. Not one of the 77 ABS regions recorded a double-digit unemployment rate in June 2007. In March 1996, when the Howard government came to office, 24 of the 77 regions recorded double-digit unemployment rates. Long-term unemployment in August 2007 was 66,700. It was slashed by almost two-thirds under the Howard government and was 79.8 per cent lower than the peak of 329,888 set in May 1993 under Labor.

So there are the facts. Despite the ways in which the Labor Party has tried to demonise the previous government’s record on employment and industrial relations, the facts speak for themselves. People who wanted a job had a job. And, what is more, the wages growth under the Howard government was positive whereas for the previous 13 years under Labor it was negative. The coalition performs for the workers of this country. Now we have a bill that is going to perform again—it is going to put people out of work, and in 12 months time Labor will be suffering because of it.
Much has been made of the intent of the Labor Party’s new legislation. They say it is about ‘restoring fairness and striking the right balance’. But this is really just rhetoric. What this new policy will actually deliver is very concerning. Regardless of the high-minded hyperbole that has accompanied this bill around perceived fairness or justice, the elephant in the room remains the impact it will have on enterprise and employment. After all, there is nothing fair about unemployment—and that is what the Fair Work Bill will deliver: unemployment. The true and only test of an industrial relations policy is its capacity to deliver new jobs and wages growth. Time will tell whether a yesteryear policy founded on increasing union power and placing greater hiring constraints on business can be embedded into a modern, globalised economy with any success. I doubt it.

The respected journalist and commentator Paul Kelly just this past weekend asserted that the Rudd-Swan Labor administration is today ‘recasting workplace relations to increase trade union powers, inhibit employment and impose new costs on employers’ at completely the wrong moment in Australia’s economic history. As he suggests, ‘this is major institutional reform with a long fuse’. It will take time to work through the economy. As with all Labor policies, there will be winners—unions mostly—and losers: small business operators and their wannabe employees. Kelly suggests the new regime will hurt some industries more than others. He predicts it will have a ‘substantial impact on the resources, retail and services sectors, but less so in manufacturing’.

Australia’s resources sector is already facing dramatic pressures following the collapse of commodity prices and the slowdown in China. Likewise, the sectors hardest hit by the global financial downturn are predicted to be those dependent upon discretionary spending—namely, retail and services. The Labor Party’s bankrollers—the unions—must be rubbing their hands with glee today. Not only will their coffers swell from new levies; they will have unprecedented statutory power. As argued by Ken Philips in the *Age* last week:

Until now, industrial relations law governed relationships between employers and employees. Now that law will also cover relationships between employers and unions:

This is very different and unanticipated.

... ... ...

Under the legislation unions have statute authority independent from that of any union membership they may have in a workplace. This change should be judged in the appropriate context. Demand for union representation has been in steady decline. Around 85 per cent of private sector employees today are not union members and do not want to be. Clearly this was an intolerable situation for unionists. Unions do not care about whether workers want them in the workplace—they can now be there regardless. I can indicate that the opposition will be supporting this bill, and it is just such a shame for Australia that the result in 12 months time will be disastrous.

**Ms GEORGE** (Throsby) (6.37 pm)—The Fair Work Bill 2008, which we are debating in the chamber is, in my view, the most significant piece of legislation introduced into this parliament, coinciding, as it did, with the anniversary of the election of the Rudd Labor government. The bill comes before us as the result of extensive consultations with all interested parties and stakeholders. And, of necessity, it involves some compromises, but in my view it faithfully implements the major promises that Labor took to the electorate in the lead-up to the last election. In that regard I commend the wonderful campaign of community awareness prosecuted under the
umbrella of Your Rights at Work. It was truly a magnificent effort. It underscores the significance of working people having a political voice to give expression to their needs and aspirations, and to guarantee them fairness in the workplace. In a modern context it reinforces the very arguments that led to the birth of the Australian Labor Party.

Work Choices was a radical manifesto never put to nor ever endorsed by the electorate in the 2004 election. Exploiting its unexpected Senate majority, the Howard government then rammed through the Work Choices legislation with indecent haste. At the core of Work Choices was the ideological belief of the Howard government in the notion of the freedom of contract. In the words of the then Treasurer, the member for Higgins:

We should be trying to move to an industrial relations system where the predominant instrument is the individual contract …

It was interesting just listening to the comments of the previous speaker from the opposition. He made much of the notion of choice, but of course adherence to the principle of choice could never apply in situations where the bargaining relationship on a one-to-one basis was unequal. I have reflected on some of the debates on the Workplace Relations Amendment (Work Choices) Act 2005, and I want to quote a couple of points that I made. In opposition to the bill I argued:

It means dismantling all the protections and institutions we have developed to ensure fairness and all the things we have developed for people at the lower end of the income scale and those who are vulnerable at work to get the protections that a civilised society thinks are fair. It means getting rid of the industrial umpire. It means abolishing the protection of awards. It means getting rid of industrial safety nets. Very importantly, it means that they want to erode the collective representation of workers through their unions.

Those who stood to lose the most in the short term were those who were most vulnerable at work. I consistently argued that the greatest tragedy of these changes was that those who were most vulnerable would be at the mercy of the marketplace in a very short period of time. In that category of the most vulnerable were the young people at work, part-time workers, casual workers, women workers and the 1.6 million workers who were reliant on the award safety net and the minimum wage for their protection.

I argued—rightly so—that the changes would essentially make it easier for the employer to require workers to sign individual work arrangements, the AWAs. Beyond dispute, it was my belief that those agreements would be signed, in many instances, at standards that were lower than the prevailing award safety nets that applied at the time. In many ways I regret the statements and the prophecies I made in those various debates because they were all proven to be correct.

We know that a survey of the first 250 AWAs undertaken by the Office of the Employment Advocate found that nearly one in five of the AWAs excluded all award conditions and replaced them with the barest of the five legislated minimum standards, two-thirds of the AWAs scrapped leave loadings and penalty rates, more than half removed shift allowances, and around one-third of them modified overtime loadings and rest breaks. It was no wonder that the government stopped public disclosure and analysis of the impacts of AWAs from that time on.

In fact we had a farcical situation when the member for North Sydney, who at one stage became the industrial relations minister, confessed:

Quite frankly when I took over the job I don’t think many Ministers in Cabinet were aware that you could be worse off under Work Choices and that you could actually have certain conditions taken away without compensation.
You have to say, ‘What ignorance prevailed amongst the members sitting around the cabinet table!’ But let’s be clear: there was no ignorance on the part of the Prime Minister or the Treasurer; they knew exactly the end result of their strategy.

At all times, as I said, I was most concerned about the disastrous consequences for those who were most vulnerable in the workplace, especially women workers in all employment categories. In one of those debates I argued:

…women are often employed on a part-time and casual basis, they are often located in industries with little bargaining power and they are often not members of the trade union movement. And, as we know from this legislation, more and more of these very vulnerable workers will be forced onto individual contracts in order to get paid employment or, indeed, to retain paid employment.

In other words, ‘Here’s the contract and if you don’t accept it on my terms forget about a job.’ I went on:

As a group, women will lose out on pay and conditions. Despite all the spin, the statistics and the data revealed by the ABS clearly show that to be the case. The data already shows that women on AWAs are doing far worse in comparison to women on collective agreements and even on award conditions.

One year into the playing out of Work Choices in the real world there was an analysis undertaken by Professor Peetz. He found:

WorkChoices has been associated with a decline in average real wages, at least in the short term, despite the economic boom. It appears to have led to real wages decline in retail and hospitality, probably as a result of the loss of penalty rates in those industries, and in the short term at least a drop in real and relative earnings for women, while profits are at record levels.

Despite such comprehensive analysis and ABS data which showed conclusively that women on AWAs were earning less than women on collective agreements the then minister, the member for North Sydney, had the gall to argue:

…the pay gap between men and women has narrowed. So we are getting to a better position in relation to the pay gap.

But his claims were not upheld by the facts when you look at the ABS data which analysed the gender pay gap that prevailed in the years of the Howard government. In fact, there had been no narrowing in the wages gap since the election of the Howard government. The ratio of total female earnings as a percentage of male earnings was 65½ per cent in May 1996. A decade later, in November 2006, the ratio remained at 65½ per cent. Female ordinary time earnings as a percentage of male earnings had been in decline since February 2005 when the ratio was 85.2 per cent. By November 2006, the ratio had fallen to 83.7 per cent—the worst outcome in the gender gap on this set of data since August 1998. In November 1996, the ratio on this data was 84.2 per cent. A decade later, the wages gap had in fact gone backwards and had fallen to 83.7 per cent. This was the legacy of Work Choices and its disastrous impact on those most vulnerable at work, including large numbers of women. I raise that as the situation that prevailed under Work Choices. I regret that some of the statements I made about the potential deleterious effects proved to be the case.

Women in any category of employment at the moment will be especially pleased to know that they will be significant beneficiaries of the provisions enshrined in this bill. Firstly, and very importantly, for those women who rely on the award and the minimum wage, this bill will provide for a fair and comprehensive safety net of employment conditions that no-one can strip away from them. There will be 10 National Employment Standards, compared to just five—and those five had qualifications—under the Work Choices regime. People will know that their
maximum weekly hours of work will be 38 hours for full-time employees. They will have provisions for flexible working arrangements and improved parental leave provisions—a must for all those working people out there trying to balance work and family life. They will have clear statements in terms of their entitlement to annual, personal, compassionate and community service leave. Their long service leave rights and public holidays will be enshrined, as will notification of termination and redundancy pay.

Considering that for many women at work their award prescribes their actual wage rates and working conditions, the 10 matters that will be encompassed in awards from January 2010 will build on the National Employment Standards. Their awards, in a modernised form, will outline their entitlements including, very importantly, overtime and penalty rates—the subject of much stripping away under Work Choices. They will know their rights to minimum wages and allowances and there will be procedures enshrined in the awards for consultation, representation and dispute settlement. So no more rip-offs, no more stripping away of the safety net of entitlements and no more reductions in people’s take-home pay. Instead of the insidious AWAs, our new system is focused on collective bargaining at the enterprise level. Good faith bargaining obligations will apply to all parties, with enforceable orders. Where workers are able to bargain—and we encourage them all to do so, if they can—and where they can reach an enterprise agreement, a test will be applied to ensure each employee is better off overall in comparison to their relevant modernised award.

As well, and very importantly for many workers who rely on annual minimum wage reviews—1.6 million at last count—in future these will be guaranteed, providing certainty for all low-wage employees. Also very importantly, due recognition is given in this bill—and this is a very remarkable breakthrough—to the fact that many employees, particularly women, lack adequate bargaining capacity and have historically been denied the benefits of collective bargaining. In such circumstances, Fair Work Australia will be able to facilitate multi-employer bargaining if such bargaining is deemed to be in the public interest. If bargaining fails, Fair Work Australia would have the capacity to make a workplace determination, resulting in ‘first contract’ arbitration. Despite the ill-informed commentary from opposition members, this is not pattern bargaining and no protected industrial action would apply. Fair Work Australia would apply a set of threshold criteria to decide whether the arbitration should proceed, including that the employees are substantially award reliant, that parties had genuinely tried to reach agreement and that making the determination would promote productivity and efficiency in the enterprise concerned.

I am delighted to read that the bill will strengthen equal remuneration provisions by including in the objectives to the act the principle of equal remuneration for work of comparable value. This recognises the limitations historically in the application of the equal pay for work of equal value principle, as it has been applied historically. In my view, this provides great scope for the union movement to continue addressing the gender pay gap that I referred to earlier. The four-yearly reviews of awards and the possibility of work value claims usher in a new era of opportunities for unions covering predominantly female workers who, as we know, have had their skills and experiences traditionally undervalued. This will help to right that historic injustice. In my view this is a historic bill, ushering in a new national system of workplace relations for private sector workers.
In conclusion, I would like to place on record my thanks to all who were involved in the outcomes contained in this bill. In that regard, two recently elected members, the members for Petrie and Deakin, deserve special thanks in so ably representing their caucus colleagues in those discussions. Both were elected in 2007 and in their first year in parliament have helped shape our new workplace relations system. That is something that will always carry special significance for them in their time in parliament ahead. As the Chinese would describe it, it is a case of ‘double happiness’. Thanks are also due to Cath Bowtell from the ACTU and Andrea Lester from the minister’s office for their painstaking efforts.

When history is written, this bill will be regarded as historic, not just for what it delivers for working people but, very importantly, for the fact that the responsibility for the carriage of this legislation has rested with a woman—a most capable woman—our first female Deputy Prime Minister. This is at a time when the ACTU also has at its helm a female president. How times have changed in a very short period. This surely must rate as a very significant milestone for women’s achievements in the labour movement. I commend the bill to the House. It is a significant and historic piece of legislation, marking in my view the high point of the first year of the Rudd Labor government.

Mr BRIGGS (Mayo) (6.53 pm)—I rise to speak on the Fair Work Bill 2008. Before I speak to particular provisions of the bill, I think it is important to put on the record my view of the history of this matter. Industrial relations battles have defined Australia’s public policy history more than any other. Indeed, industrial relations spawned the birth of the Australian Labor Party and many on that side of the House hold it very close to their hearts. It is a battleground steeped in ideology as well as language. Words like ‘good faith’, ‘unfair’ and ‘entitlements’ can mean vastly different things depending on which side of the political fence you occupy. It is a subject that inevitably touches the lives of nearly all Australians through their employment or business arrangements and, therefore, it forms a very important pillar of the Australian economy.

It has become part of the political wisdom that the former Prime Minister made an error of judgement in 2005 by removing the no disadvantage test from agreement making. What is certain, however, is that Work Choices is dead. I believe the former government made an error in 2005 in removing the no disadvantage test. While it was designed to create more jobs, it concerned working Australians who believed the balance had been taken too far. To assist them with this perception, the union movement spent a record amount by a third party on a campaign to scare people. The campaign worked very well. It must also be said that the new Labor government also campaigned on the issue. They did so in a misleading way, but at least on this matter they put out a detailed policy, which is largely reflected in the bill before the House. So the new government has made its bed and it is a bed they will lie in. But my prediction to this place is this: the economic consequences of these changes will hang around the government’s neck like an electoral albatross. It is a bill written for those who represent only 14 per cent of the Australian workforce.

We watch the arrogant display of those on the other side as they celebrate their victory through this debate. The Australian people dislike overt arrogance, and while the introduction of this bill may seem like their finest hour, the consequences of the changes this bill makes could well be the end of any parliamentary careers on that side. And if members opposite think that yelling out ‘Work Choices’ at members on this side each time
we rise to speak will prevent us from making legitimate criticisms, they are wrong. While bullying might be alive and well in certain parts of the Labor Party, it never concerns nor fazes those of us on this side who will hold their government to account. So while the former government made a mistake in removing the no disadvantage test by taking the balance too far one way, this bill swings the balance much too far the other way and this will have severe consequences for our economy.

It should be noted that much of the former government’s framework remains in this bill. For instance, the restrictions on industrial action are still contained in this bill. In particular, retaining pre-strike ballots is a provision to be welcomed. The national system of workplace relations, fought for by the former Prime Minister and the former government, remains. And can I pay credit to the Parliamentary Secretary for Defence Procurement for standing up to forces in New South Wales on his side of politics that wanted to reverse this important reform.

The post-1996 reforms to Australia’s workplace laws delivered more jobs, higher wages and fewer industrial disputes. The reforms took Australia from the economic dark ages to the stronger, prouder and more prosperous country that we handed to the Rudd government in 2007. When the Howard government came to office in March 1996 it found a completely different situation. It found the darkest of economic times. Australia was just beginning to recover from the deepest recession since the Great Depression, with an associated human cost of one million unemployed and interest rates soaring to more than double today’s levels—destroying families, businesses and lives. It found a budget in deficit and $96 billion in government debt. The Australian workplace was uncompetitive. Restrictive awards applied across industries and businesses. The workplace was dominated by heavy-handed and unwanted intervention from third parties driving industrial disputes through the roof, killing productivity.

What the Howard government did was focus on jobs. It freed the Australian workplace from unwanted intervention, and it let it get on with business. It focused its reforms on opportunities for all Australians, not just the select few. Those on the other side will continue to claim that this reform agenda was designed to attack unions. Rather, what the government did was stand for the rule of law. In this House a number of weeks ago, the Deputy Prime Minister said that no-one was above the law. This is one of the very, very rare occasions I fundamentally agree with her. So in that respect, the decision by the Howard government to free the wharves of unlawful behaviour was right. The doubling in crane rates on our wharves proves that decision correct. The decision by the Howard government to ensure that the rule of law applied in respect of the building industry was right. The new government should resist the current campaign by some left-wing unions and members of their own side against the Australian Building and Construction Commission. The ABCC is doing its job well, increasing productivity by reducing illegal industrial action.

The approach being taken by the Prime Minister and those opposite in relation to the legacy of the former government is to dismiss it, to deny it exists. But they simply cannot deny the facts. The facts being that the Howard government’s legacy of reform has been a major contributor to the Australian economic success story. More than 2.2 million new jobs, the highest amount of Australians working in history, the lowest unemployment rate in a generation, real wages being lifted by over 20 per cent and the lowest level of industrial disputations in memory: these are the benefits of hard-won re-
form. The Prime Minister likes to claim that these results are simply because of a lucky mining boom, but he fails to recognise the structural changes that allowed Australian companies to make the most of the good times.

In comparing this reform agenda with the new government’s approach, I come to the bill being debated in this place today. The Deputy Prime Minister makes a great play of the idea that this is delivering on Labor’s election commitments, and to some degree she is right. Labor is entitled to move the bill to ensure its commitments are met. However, this bill goes much, much further in one respect: union power. Without doubt, unions play an important role in our workplaces, but that role should not be at the expense of choice in the workplace. This bill reintroduces the privileged position that the union movement used to enjoy to the detriment of the individual and to the detriment of choice.

Through the new provisions around union preference bargaining, the bill forces employers to bargain with unions even if the majority of workers do not wish the union to be involved. It rewards union recalcitrance by allowing a third party to stand by an ambit claim with no real desire to settle, forcing an arbitrated outcome. This is in proposed section 269 of the bill. It opens up right of entry powers again to allow union officials to inspect the books of non-union employees, even though the Deputy Prime Minister said this would not happen. It allows agreements to force non-union-members to pay a fee for the privilege of being represented by a union even if they did not request it. Proposed section 124 requires a government department to send out information to a new employee that they can join a union.

These provisions are mistaken. They are a payback for the multimillion dollar scare campaign that the union bosses ran over the past two years. The Labor government is putting the interests of the union movement ahead of working Australians and the Australian economy. This bill will damage job opportunities at the wrong time for our economy—and it is not just the coalition making this claim. On the weekend I came across an assessment of the new Fair Work Bill that is important to consider. It was not an assessment done by me, by John Howard or even by one of the Deputy Prime Minister’s favourite extreme employer organisations. Rather it was a newspaper article written by Paul Kelly, who is hardly known for his conservative leanings. He writes:

Kevin Rudd shouts from the rooftops each day that the global financial crisis has changed the world, but the Prime Minister does not believe his own words. A bizarre fate has befallen Australia. At the precise time it faces a global crisis, a business downturn and rising unemployment, the Rudd Government is recasting workplace relations to increase trade union powers, inhibit employment and impose new costs on employers.

Normally this would defy any test of common sense. Indeed, it would seem the essence of irresponsibility.

Paul Kelly continues:

It is as though Australia’s workplace relations system exists in some interterrestrial immunity from the rest of the economic world. The global crisis means everything has changed … But standing immovable is Labor’s support for greater trade union power, more costly restrictions on employers—

The DEPUTY SPEAKER (Ms JA Saffin)—Order! I cannot hear the honourable member for Mayo because of the discussion across the table. I would appreciate it if it were kept a bit quieter so that I may hear.

Mr BRIGGS—Thank you for your protection, Madam Deputy Speaker. The article continued:

... a greater role for the revamped industrial relations commission, an effective end to individual statutory contracts, a revival of arbitration, and a
sharp weakening of direct employer and non-union employee bargaining.

Mr Kelly concludes:

The new workplace relations model introduced by Gillard is a significant step into the past ... It is hard to imagine how its impact will be other than to weaken productivity and employment.

So the message from one of Australia's most impartial and respected commentators is clear: this bill will damage our economy. It takes Australia in the wrong direction at the wrong time. It will not create jobs; rather it will reduce employment. Paul Kelly has belled the cat, something those opposite would be wise to bear in mind during this debate.

I now turn to direct election promises breached by the Deputy Prime Minister—or the 'empress for unemployment', as the shadow minister dubbed her yesterday. I recall the scene last year when with great indignation she claimed she was being misrepresented on a daily basis by the then government. In fact, a piece in the Australian Financial Review on 31 August 2007 written by the Deputy Prime Minister expressed her frustration at being misrepresented.

If I had a dollar for every time I have had to correct a misrepresentation of Labor's industrial relations policy I would certainly be a millionaire. Let us look at the Deputy Prime Minister's statements against what is actually in the bill. The Deputy Prime Minister claimed that compulsory arbitration will not be a feature of the good faith bargaining system. In the same Financial Review article of 31 August 2007—I have it here—she wrote:

There will be no automatic right for a union to be involved in the enterprise bargaining for a collective agreement.

Yet proposed section 269 of the bill reveals this to be a lie. Good faith bargaining is and always has been a misnomer. In truth it should be called union preference bargain-

ing. These new provisions—this new paradigm in Australian workplace relations—are a guise to get the unions back in the door of every Australian workplace. It is couched in the term 'good faith' to make it difficult to argue against. How could anyone be against bargaining in good faith? But the truth is that it allows third parties to force their way into bargaining where they are not even wanted or required.

Take a situation where a workplace of 100 employees has one union member. The employer decides to engage in bargaining for an agreement directly with his workforce. Ninety-nine of the workers wish to deal directly with the employer, but one member wishes the union to be involved. The employer says, 'No, the majority want to deal directly,' but the union official insists. In that circumstance, the Fair Work Australia Bill will require that the employer deal with the union. So much for the other 99 workers and their rights. And this is not my legal advice; it is the advice of Freehills, a very well respected Melbourne law firm. The Australian reports today that Freehills says:

… "true non-union agreements" would be possible under Labor’s system only where there were no union members, or where a union chose not to be covered by the agreement.

So the choice is with the union. Of course, what will be included in these agreements? Union bargaining fees. My prediction is this: the fee will be just slightly higher than the annual union membership fee. Guess what that will mean? Higher union membership. The revolving slush fund is complete. Unions campaign for Labor; Labor wins government and writes law for the unions. There is no clearer proof than this that our election funding laws need to be looked at.

The House may be surprised that I make this claim, given the Deputy Prime Minister promised that union bargaining fees would
be banned. She was misrepresented on a daily basis last year; it was outrageous! But section 353(4) allows bargaining fees. Imagine our surprise—the ultimate dirty little deal. This is not to say that workers should not be able to have a representative, but it is simply ludicrous to allow a situation where a union is required to be consulted on every bargain throughout Australia. How is this part of a plan to create jobs and keep our economy strong? The answer, of course, is that it is not; it is a payback. As with the COAG agreement, the Deputy Prime Minister will claim that this bill will create some huge amount of jobs. She will pluck a figure from the air. There will be no evidence to back up the claim. The Deputy Prime Minister will just make assertions, as she always does, and the parrots on the side will repeat the mantra developed by the hollow men and hollow women and parroted by those opposite. The two predictions on jobs we actually have—real predictions—are from the government’s own budget papers, the MYEFO and the OECD, which suggest, in the case of OECD, 200,000 fewer jobs.

Another broken promise of the Deputy Prime Minister, the empress for unemployment, was her promise that the existing right-of-entry provisions—and this was raised in question time today—would continue. But, again, this is proved wrong, at section 478 of the bill. I refer again to the Australian Financial Review of 31 August 2007—it is a little gem, this article—the Deputy Prime Minister wrote:

Right of entry provisions as they currently stand will be maintained by a Rudd Labor government, without exception.

‘Without exception’! The bill allows the ridiculous situation of a non-union-member having their personal information looked at by a unionist on a fishing expedition. It must raise significant concerns about privacy. Yesterday’s editorial in the West Australian says it all:

Certainly, members of such workplaces will feel betrayed if details of their salaries, which are a confidential matter between them and their employers, are available to a union they have elected not to join.

But as usual the Deputy Prime Minister, the empress for unemployment, will tell this House that black is white and white is black, with a straight face, as she continues her climb up the slippery Labor leadership pole—because, of course, part of the reason this bill goes so far in rewarding the unions is that the Deputy Prime Minister, the empress for unemployment, knows that when her time comes to start destabilising, she will need their support.

The DEPUTY SPEAKER (Ms JA Saffin)—Could I ask the honourable member for Mayo to be aware of standing order 90 about imputations and reflections and to think about what he is saying.

Mr BRIGGS—But the classic piece of spin doctoring by the Deputy Prime Minister is that individual agreements are no longer part of the system. This is simply wrong. Not only will AWAs and ITEAs continue forever, but the Deputy Prime Minister has allowed individual facilitation agreements. On my reading of these agreements, they allow a legal arrangement between an employer and an employee outside of the award system. That is an individual agreement. So, to use Labor’s new mantra, ‘Look at what they do, not what they say.’

Finally, the response to this bill by certain employer organisations has been a disgrace. At some stage, their members will consider whether they are being represented properly or if those at the top of those organisations are seeking favour in the future from the current government. In this bill, we see the worst aspects of Labor—where they arro-
gantly presume to be the holders of all knowledge, where they assume that Australians cannot make their own decisions without having someone else tell them what to do. Labor has always been more interested in representing those in the employment club rather than those outside the employment club. The true test of this bill will be its impact on Australians. The true test of this bill will be how many jobs it will have created by the next election. The true test of this bill will be how wages have fared. The true test will be the level of industrial disputation.

I believe that elements of this bill will damage our economy and hurt ordinary workers. This overreach by the Deputy Prime Minister in her search for the Labor leadership will be a mistake that will haunt her and her party in the future. Worst of all, it will hurt those Australians who will miss out on an opportunity to get a job and an opportunity to make more of their future. This side of the House will always stand for jobs; that side of the House will always stand for big union power.

Mr SHORTEN (Maribyrnong—Parliamentary Secretary for Disabilities and Children’s Services) (7.12 pm)—I rise with enthusiasm to support the Fair Work Bill 2008 introduced by our Deputy Prime Minister. Industrial Relations is all about Australians, both people and business. I know this, in part because I spent 5,000 days as an official of the Australian Workers Union. When you are a union rep—as some people oppose perhaps do not realise—you witness the full potential for greatness that individuals carry within them. When you are a union rep, you get to witness the limitless capacity of Australian workers and Australian business and, thus, the limitless potential of the Australian economy and Australian society.

I understand the abundant goodwill that exists between employers and employees in Australian workplaces. I know firsthand the many examples of cooperation, compromise and pragmatism which deliver dividends for all involved. I was involved with 1,000 or so enterprise agreements during my time as an AWU representative. In these agreements, I, along with employers, union members and employees, negotiated wage rises, productivity gains, work practice reforms, shorter hours, profit-share bonuses and safer jobs. By and large, despite the hysteria of some on the coalition side, even without rancour and division, I have operated in the real economy for 14 years prior to coming to this place, from shop floor to the superannuation funds. I have learned that successful and imaginative enterprises were underpinned by leadership, legacy and consistent values. I appreciate that business is hard work. Australia needs business. It is the principal ‘doing’ arm of our society. It creates wealth and jobs in the real economy. I have witnessed firsthand that growing a company, harvesting at a farm or tunnelling a mine requires hard effort. There are no shortcuts. You need trust, openness, fairness, partnership and a bit of flexibility and compromise all round. Where you find these qualities, you find success, growth and business leaders who understand that people are the most important feature of their business.

Industrial relations regulation should harness this innate capacity of Australians. We should uplift the industrial relations debate from the periodic blame shifting between government and business. We should raise the industrial relations debate from the old class war conflict between capital and labour, between scare creatures of the so-called unions and the old-fashioned images of employers. We should elevate the industrial relations debate from coalition sniping and rear-vision mirror thinking. The real test of industrial relations regulation is whether it addresses the conflict between those who are
stuck in the business-as-usual routine and those who would pursue innovation, knowledge and creativity, the real driver of economic growth not only in Australia but around the world. The real test of industrial relations regulation, I suggest, is whether it moves our workplaces to be more equitable and therefore unlocks the potential of our fellow Australians. The real test of industrial relations regulation is whether it plugs into the lives that Australians are living. The real test of industrial relations regulation is to reinforce and enable the aspiration of Australians to live long lives full of quality and meaning.

Industrial relations regulation should never, as Work Choices did, move against the tides in the lives of our Australians, our economy and our society. Successful businesses, successful communities and successful governments understand that what really matters is people. That is why the short-term political opportunism of Work Choices failed—because it was out of step with the lives that our citizens aspire to enjoy. The present from our forebears, the great reward throughout the 20th century, was an extra quarter of a century of life for their children, their grandchildren and their great-grandchildren. The current generations have sought in turn, as I have witnessed over the last number of years, to capitalise on the gift of a longer life by ensuring that their hopefully 100 years of life will be marked by meaning and quality. Australians are already re-engineering their lives—and I am indebted to American thinking on this and note the parallels in Australian society—in at least six different ways that I have observed in order not to waste the gift of a possible century of life.

So, regardless of the cuts of industrial relations political fashion in the last 12 years, firstly, Australians know that they will have to keep learning lifelong—studying again, interviewing for changing jobs, interning again, enrolling again and constantly seeking new skills and knowledge. Secondly, Australians know they will have to smooth their prosperity to secure a dignified, independent older age. Thirdly, Australians know that catastrophe in a longer life is a function of living—from bushfires and mine cave-ins to the more frequent and no less tragic situations of children being addicted to drugs, family dysfunction or ageing relatives acquiring dementia. Fourthly, Australians know that they have to do more and more often to remain healthy. Fifthly, Australians appreciate the need to have interests outside of work, a world elsewhere. Finally, Australians understand that sustainable jobs are as necessary as a sustainable environment, and sustainable jobs are not the casualised, low-paid commodities of the Work Choices era.

Sadly the old laws we seek to replace failed the test of empowering, supporting, enabling and raising the lives of Australians in order to enjoy long, meaningful lives, full of quality. The old laws failed these six themes which Australians are seeking to engineer their lives by. They failed Australian business, they failed the Australian economy and they failed Australian society. If we accept that the aspiration of Australians is to live long lives full of meaning and quality, where is the long term in no protection against unfair dismissal? What about the removal of bargaining rights? Where is the protection with conditions slashed by unfair statutory contracts? Where is the protection in the virtual outlawing of the right to belong to a union? And where is the protection in the possibility of losing your job any time, for any reason, including attitude?

Mr Briggs—You don’t believe that.

Mr SHORTEN—The member for Mayo says that I do not believe that. I do; I saw it. That is why I will be watching with interest.
whether or not the Liberal Party can continue their long journey of saying one thing and voting another way. By contrast, I believe the rationale for the Fair Work Bill is to support the aspiration of long lives full of meaning and quality through the creation of fairer workplaces. Consistent with the policies and time frames set out in the 2007 workplace relations election statements Forward with Fairness and Forward with Fairness: Policy Implementation Plan, our government is birthing its workplace reform agenda in measured stages to ensure the smooth arrival of a new system. As a first step, the government introduced into the Australian parliament the Workplace Relations Amendment (Transition to Forward with Fairness) Act 2008. This act, which came into effect on 28 March 2008, prevents any more Australian workplace agreements being made and has enabled the process of award modernisation to begin.

The next step to be taken in the removal of Work Choices came with the introduction of legislation into parliament last week to ensure that its new workplace relations system can be fully operational by 1 January 2010. The relevant election commitments involve putting in place a new workplace relations system to replace Work Choices built on a fair day’s work for a fair day’s pay; a strong safety net of 10 legislated National Employment Standards for all employees; a modern, simple award system that ensures decent wages and conditions for award covered employees while allowing upward flexibility for high-income employees through common-law contracts that cannot override the award safety net; a framework of collective bargaining rights and responsibilities focused on bargaining at the enterprise level to promote improved productivity, which is the key to achieving low inflation and low unemployment and to raising living standards in Australia; freedom of association for all workers and their right to representation, information and consultation at work; no provision for any form of individual statutory agreements; a new independent agency, Fair Work Australia, to act as a convenient one-stop shop for workplace relations services, advice and compliance; and unfair dismissal laws which balance the need for employers, including small business, to manage their workforce while protecting the rights of employees to be protected from unfair dismissal. Dealing with industrial relations and the changing workplace sits between economic and social policy and goes to the heart of the difference between Labor and the conservatives.

Work Choices was an obsession, not a policy—an obsession that was bad in principle and bad in practice. More than $60 million—that is how much the Howard government spent trying to convince Australians that life under Work Choices was the best thing since sliced bread. It was a lot of money, and you would think that it would have been more than enough to persuade us that Work Choices was better for us than mother’s milk and that, without it, we would all be plummeting into chaos and ruin. But, as many a business has learned to its cost, if your product is not up to scratch, no amount of slick advertising is going to save it. That is exactly what happened to Work Choices. No matter how smooth the ad campaign, no matter how hard the sell, the product was defective and Australians did not buy it. In fact, after the advertising campaign, the resistance to Work Choices went up.

The authors of Work Choices forgot that the welfare of the weakest and the welfare of the most powerful are inseparably bound together. Thus, the trouble for the Howard government when it came to Work Choices was that, as more Australians came face to face with it, they did not much like it. In their rush to put their stamp on industrial
relations in our country, I think the coalition forgot my very simple opening point: industrial relations is all about people. How we manage and invest in people will drive higher levels of workforce participation and productivity, securing Australia’s living standards and prosperity into the future. After all, we are a small nation, and the thing we have going for us is our people.

In these times, when innovation and knowledge are becoming the main drivers of economic growth around the world, it is important that people are healthy, skilled, motivated, engaged and empowered at work. That is why industrial relations should be about fairness, not fear. That is why it must be about flexibility—about giving people real choices as they increasingly move in and out of the workforce, from job to job and from career to career. That is why it must be about simplicity and certainty, especially for small and medium sized businesses. That is why it must be about creating real opportunities across the workforce for reskilling, retraining and lifelong learning. These are the signposts that guide sustainable industrial relations in our modern, 21st century society. These are the signposts that guide more productive, innovative and diverse economies than Australia’s. They are also the principles that Australians want to see operating in their workplaces.

Sustainable industrial relations policy is not just about the fine print of the policy. It is about working Australians feeling as if their contribution to their workplaces and to the broader economy is being treated with the respect, fairness and reward it deserves. As part of my previous job, I talked to a lot of senior managers and CEOs, and I can tell you that a great many of them recognised that Work Choices was first and foremost an ideological agenda—one that had little to do with genuine, effective people relations and pretty much nothing to do with providing solutions to Australia’s biggest challenges. They certainly knew that it was not really about deregulation—just ask Spotlight!—because for many it simply led to even more red tape, more compliance and an even greater administrative burden. It led to foreign backpackers assessing weekend rosters in the retail industry. Those senior managers and CEOs knew that it did doing nothing for skills—the area that concerned them and their employees the most. They knew that it had nothing to do with what this country desperately needed and only got on 24 November—government leadership to boost productivity.

I do not think there are too many people left in Australia—apart from perhaps a few unreconstructed Liberals imitating Japanese soldiers holding out in the Philippines in the early sixties—who truly believe that Work Choices made the contribution that the Liberals claim it made to employment, workforce participation and levels of industrial disputation. The reality is that levels of employment and workforce participation rates were already high and industrial disputes were already low prior to Work Choices. The flexibility in the labour market was already there, and these trends simply continued.

Mr Briggs interjecting—

Mr SHORTEN—The member for Mayo wants another go. I am sorry he did not include his arguments the first time round. Meantime, productivity in Australia—the key to sustainable economic growth and high standards of living—continued to decline. Productivity was down under the Liberal government.

There are no big surprises with our workplace relations reforms. The proposals we
took to the Australian people at the last election comprise the shape and detail of Australia’s new workplace relations system. While no-one will be unduly surprised by our intended reforms, neither will they be presented with a fait accompli. We have established an extensive consultation mechanism. We were determined to learn the lessons of the past and to deliver a workplace relations system that gained broad acceptance and support through consultation. As Australians, we have no choice but to work together to raise productivity and prosperity in the face of the difficult challenges ahead. Creating a workplace relations system based on trust, certainty and fairness is essential if we are going to remain a nation of innovation and rising prosperity. Our workplace relations reforms will lift national productivity. The new arrangements I outlined earlier will provide a simple, balanced system that will allow employers to get on with business and employees to get on with their jobs. It is part of our objective of creating a seamless national economy.

The Fair Work Bill demonstrates no ideological obsession but an understanding that workers and business need certainty and protection. It demonstrates that the Rudd Labor government is not a government of core and non-core promises. Promises made in last year’s election campaign are being systematically implemented, not conveniently brushed aside as the previous government was so cavalierly wont to do. This legislation aims to create workplaces where our children will do better, not worse, than we used to and in which prosperity expands and embraces us all. I recommend this bill to the House.

Mr JOHNSON (Ryan) (7.28 pm)—I am pleased to speak on the Fair Work Bill 2008 and am particularly pleased to follow the new member of the House from Victoria, the member for Maribyrnong. I recollect my wife and I having dinner with the member and his wife last year in Melbourne at the Davos summit, a very pleasant occasion indeed. I know that he is an ambitious man and that he seeks to attain the highest office in this land. I certainly wish him well in that endeavour. I, however, am very disappointed by the presentation he just gave. It was a very disappointing performance from a member whose reputation in the wider community is supposedly enormous indeed, but I am pleased to speak on this bill because I think it is significant in all kinds of ways for our country’s industrial relations architecture.

Before I go to the many aspects of the bill, the government’s position on them and, of course, the federal opposition’s position on them, I note the cut by the Reserve Bank of the cash rate and its significance as a stimulant for the Australian people, particularly those around the country who have mortgages. I applaud the Reserve Bank for its decision because this will have a very significant impact on households and families who might be stretched because of the global financial crisis and its impact on their budget. I think this is the right decision and this is the economic action that we in the opposition are advocating. There should be more of this kind of action before we go into the surplus. Taking funds from the surplus should be a last resort by a government, not the first resort.

I want to place on the record the formal position of the federal opposition on the Fair Work Bill 2008. In a media release dated 25 November 2008, the Leader of the Opposition, Mr Turnbull, said:

The Coalition accepts that the Rudd Government has a mandate for workplace relations change as proposed in their election policy last year.

The Coalition accepts that Work Choices is dead. The Australian people have spoken.
In a democracy we must respect the wish of the people. I do not hesitate to say that I only wish that when the Howard government was in office the Labor Party had respected the mandate of the people on many occasions over 11½ years, but the wheels of democracy will continue to turn.

The first sentence of the Leader of the Opposition’s statement is very significant and instructive, and I refer to the part of it where he says, ‘as proposed in their election policy last year’. The first point I want to make is that the government’s bill totally deviates from Labor’s 2007 election promise. This bill goes way beyond what the Prime Minister and the Labor Party promised at the election. This bill is overreach. This bill is overreach. It goes way beyond what they put to the Australian people, and I think this will come back to haunt the government in the very near future. More significant, more disappointing and more tragic is that its impact on the Australian economy will be felt in the future and everyday Australians will have to pay the price as the implications of this bill and its overreach cut deeply into the national economy.

The coalition’s position is that the WorkChoices legislation as put to the parliament by the Howard government is dead. It was a regime that went too far. I expressed those views at the time but, being a second-term member of the parliament, one’s voice is sometimes not heard by those with more influence. Perhaps an observation I should make to members on both sides of the parliament is: let this be a salutary lesson to those holding the office of Prime Minister or Leader of the Opposition or those holding keys to ministerial doors or shadow ministries. Whether one’s party is in government or in opposition, as the Minister for Workforce Participation at the table and the opposition spokesman as good political operators and having successfully won seats will be very aware, the role of backbenchers—and I am one in my third term—is very significant. Most ministers were backbenchers before they reached higher office, but as I said following my election victory in Ryan last November I intend to play a very significant role in the opposition proposing ideas and policy. Regardless of whether one is the Prime Minister or the Leader of the Opposition, do not discount the ideas and the contribution of backbenchers as the passage of workplace relations legislation in the last Howard government highlighted very instructively.

I suspect this legislation before us today might be going down the same track of overreach, of overstretch, because at no time did the Deputy Prime Minister, ministers or the Prime Minister say to the Australian people before the November election day that there would be pattern bargaining. At no time did they say that employers or businesses would be compromised by unions being able to go into workplaces where there was no relationship at all between employees and the union movement. At no time was it said to the Australian people that unions, union members or union officials should have access to non-union-member records. I think it is terribly disappointing. Let us not forget that only 14 per cent, if it is that, of the private sector is unionised. This is of great anxiety to me as the child of parents who ran a small business. My parents ran a corner shop and put me through law school and put my brother and sister through medical school. My parents, through running their own enterprise and employing people, put their three children through university, made their contribution to the community and are of the view, the philosophy, that they should be allowed to get on with running their business, to do the best that they can, to be a part of the fabric of our society and to not be harassed by unions for purely political benefit.
I am very disappointed at that, because I do endore the general thrust of what is being done here in terms of cutting away any excess that may have been in the previous Howard legislation, but for this to go way beyond the mandate of the people in November last year is terribly disappointing. I ask the question: where are the civil liberties groups now? Where are those in the community whose voices for privacy are often loud and clear on other occasions and certainly were vociferous during the Howard era? Where are those civil liberties groups now? I ask them to come forth to raise their voices when we are talking in a context of unions getting access to non-union-member records. This is terribly disappointing—I say that again. It is profoundly significant. It is a policy defect, and I suspect that, as with the effects of the Workplace Relations Amendment (Work Choices) Act in 2007 under the prime ministership of John Howard, this bill, the Fair Work Bill, will have a price in terms of its political consequences. I remind the hardheads of the Labor Party—of whom I know many, having been here for three terms—of this. A handful of them, in conversation in the last couple of days, have flagged to me their quiet disenchantment at the overreach.

Mr Champion—Don’t verbal people. Why don’t you name them rather than verballing them?

Mr JOHNSON—I hear an interjection from a new member here, but I suspect that he ought to spend a few more minutes in the parliament before he tries to be arrogant and to interfere in a colleague’s presentation to the parliament. I think that is another typical example of the personal abuse and arrogance coming across from a new member of the House. We have seen in this last week of the sittings, when perhaps most of us are looking forward to going home and being with our families, some of the dialogue across the chamber extend beyond robust, civil political exchange to a tad of abuse, and that is very, very disappointing indeed. I think others will judge accordingly.

If my views as a member of the opposition do not count for anything with those in government then I, like my previous colleagues, take the government to the words of a very significant political commentator—one who has certainly on occasion, when he thought it was appropriate, fired both barrels of the shotgun at the Howard government. On this occasion, I think he is firing both barrels of the shotgun at the Rudd government, because his words are very profound and instructive. I think it would be in the interests of the government to read the article by Paul Kelly—again, from Saturday’s Weekend Australian—where he says:

The new workplace relations model introduced by Gillard is a significant step into the past. It does more than abolish the Howard government’s Work Choices model; it goes beyond Work Choices to Howard’s 1996 reforms and even further to Keating’s 1993 reforms in reshaping the system. It is hard to imagine how its impact will be other than to weaken productivity and employment.

It is a very, very good article that I commend to all members of the House, because I think that of all the commentators in this country Paul Kelly stands head and shoulders above his peers. As I say, he is one who calls a spade a spade. When the Howard government felt his wrath, it did so with interest. I think that this time Mr Kelly’s words are very, very insightful indeed into the Rudd Labor government.

This test that the Rudd government now faces is pretty straightforward: is this bill going to help put people into jobs or put them out of jobs, as Paul Kelly alludes to? Will this bill create growth or hinder growth, particularly at a time of great economic challenge across economies and across the world? Will this bill erode labour market
flexibility and options for the hardworking Australians who do not want to be part of a union workplace? Is it going to be something that the Labor Party regrets because it has not learnt from the very recent experience of the Howard government in going too far? I think that it is incumbent on members of the opposition to acknowledge that, and I do so with regret that I did not get an opportunity to be heard more when the Howard government passed its legislation, but perhaps that is the nature of politics. It is a very good lesson that this bill, going way over the top and going beyond the mandate of the Australian people, is going to be something that the Labor Party will regret. As Paul Kelly says, at a time when we should be focusing on how to create greater productivity and get people into jobs, the last thing we need is to craft an industrial relations regime that will be counterproductive to those aims. We certainly oppose this overreach by the Rudd Labor government.

While the opposition should, as the federal Leader of the Opposition has said, acknowledge that Work Choices is dead, it should also, in another sense, note our record in creating jobs and ensuring that those who found jobs were able to stay in those jobs. We should be very proud of that. We certainly oppose this overreach by the Rudd Labor government.

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The first thing that should be said is, of course, that the Howard-Costello government was confronted with a $96 billion debt. Repaying this was not something that took place in a matter of months or years; indeed, it took a decade to pay off. We should continue to remind the Australian people that, when the Labor Party has its hands on the Treasury, the DNA of the party is such that it cannot help itself; it has to spend more than revenues allow, and eventually the country is taken into a deep, dark deficit—and who suffers the consequences but everyday Australians trying to run their own businesses and everyday workers in those businesses who will end up facing unemployment?

So I have no hesitation whatsoever in saying that the Howard-Costello years will stand as a beacon of national prosperity and growth. The tragedy of it all is that we are seeing the first signs of how this will be squandered by a Labor government—and of course we are gravely concerned about the impact of this bill on jobs and job creation, particularly in the current climate of economic uncertainty. Our focus has always been on jobs and it will always be on jobs, and the 2.2 million jobs that we created over the 11 years of the Howard government are evidence of that. I know it is an inconvenient truth for the Labor Party, but those 2.2 million jobs were real jobs. Unfortunately, in the first Rudd budget this year we saw them trying to signal to the people that some 134,000 jobs would have to be lost—and that was before the global financial crisis hit, so I am not sure how they are going to find work for people who lose their jobs, because certainly the policies of the government are not enhancing that prospect.

For my electorate of Ryan, I want to compare what might lie ahead for the unemployment rate with the situation at the time the Howard government left office. In Australia in October 2007 the unemployment rate was 4.3 per cent, an over-three-decades low, and had been below five per cent for 21 consecutive months. The male unemploy-
ment rate was 3.6 per cent and the female rate was 4.4 per cent. In contrast, if we go back to 1992 under Labor, the unemployment rate peaked at nearly 11 per cent, leaving almost one million Australians unemployed. Those are the hard facts. That is real evidence. I know that those opposite, the government, do not like references to those figures, but that is the inconvenient truth for them, and those of us on this side of the parliament must always remind the Australian people that, in our credentials in managing this $1.1 trillion economy, we are without peer.

I regret to say that my thoughts about where the national economy is heading under a Rudd Labor government are not positive. I note that the ambitions of the 2020 Summit were to make Australia the best place in the world to live and work, and to be among the top five nations in the world in terms of GDP per capita ranking—very fine sentiments, and with the right stewardship by the right people certainly very attainable, but with the Labor Party in office I suspect that we will not be going anywhere near a GDP per capita ranking among the top five nations in the world. (Time expired)

Ms RISHWORTH (Kingston) (7.48 pm)—I would just like to note that the member for Ryan made some interesting comments. I was not entirely sure what he was arguing. He was saying that Work Choices was dead and he did not like our bill, but he did not provide any alternative, so I am not entirely sure what he was arguing for. But I am very pleased tonight to be speaking on the Fair Work Bill 2008. I am also very pleased to have in the chamber tonight the member for Wakefield and the member for Adelaide, who I know fought very hard, as I did, against the extreme Work Choices legislation introduced by the Howard government—

Mr Champion—Even before that.

Ms RISHWORTH—Even before that, as the member for Wakefield rightly points out. This bill sets the framework for fairness in Australia’s workplaces.

At the 2007 election, industrial relations were at the forefront of people’s minds. Over the previous years the Australian public had seen the Howard government’s systematic removal of the basic entitlements that Australian workers had benefited from for many years. Indeed, some of those rights had spanned a whole century. The Australian people witnessed the stripping away of a safety net for our lowest paid employees, the use of individual contracts to further drive down wages and conditions, and the abolition of unfair dismissal laws—and this was just the start.

The Australian people saw that when it came to industrial relations the Howard government had gone too far with their extreme laws. The Australian people watched as the Liberal and National parties used their numbers in the Senate to push this extreme legislation through and onto the Australia people, who had never even voted for it. In addition, the Liberal government developed a very complex system—including adding policy at the eleventh hour—in a bid to get re-elected. This was only after the Liberal government realised that their extreme industrial relations ideology was not shared by the Australian people. Originally, the no disadvantage test was abolished under Work Choices for AWAs and enterprise agreements. However, just before the election, a new, sham fairness test was introduced. This was policy on the run, creating enormous confusion for businesses and employees all around the country. Unlike the sham fairness test proposed by the previous government, the Labor government are restoring true fairness to the workplace and delivering on our election commitments.
The bill before us today will create a balance between the rights and obligations of both employers and employees. Importantly, before the election, Labor clearly outlined for the Australian people our industrial relations policy, and this was certainly supported by the mandate of government. Now, with this bill and the bills that preceded it, we are delivering on this election commitment.

The inequity and inefficiency of Work Choices is demonstrated by a story told to me by Lynette and Rob from Hackham. They described an ordeal that their daughter, Julie, went through under the Work Choices legislation. Julie worked as a professional receptionist in various medical institutions for a number of years and, at the beginning of this year, was offered a job at a local clinic in Seaford. This job was ideal for Julie, as it would allow her to care for her children during the day when her husband was at work and enable her to contribute to the family income by working at night. Julie’s parents told me that her employer would only give her the job if she signed an Australian workplace agreement, which, despite extreme reservations, she eventually agreed to do.

Julie then found herself being paid at a rate considerably less than the award rate which she had been paid at all her previous workplaces. She eventually appealed to her employer to review the AWA and was shocked to find that it had still had not been presented to or reviewed by the Workplace Authority. Following her complaint, she began to notice her hours being depleted until she was eventually forced to hand in her notice as the job no longer provided sufficient income to support her young family.

The Work Choices legislation did not protect Julie’s right to negotiate the terms of her employment or provide her with a true safety net. Julie’s story is one of many that occurred as a result of the Work Choices legislation.

Earlier this year, our government abolished AWAs and introduced 10 National Employment Standards. The bill before the House today introduces the substantive bill that will replace the Work Choices legislation and add to these two previous bills.

The Fair Work Bill will provide a safety net that cannot be stripped away for any workers. The safety net will consist of the already introduced 10 National Employment Standards and an applicable modern award which will cover a further 10 matters. The modern awards will be reviewed every four years to keep up with community standards. Most importantly, this safety net of both the employment standards and the modern awards will be available to every employee who earns under $100,000.

I want to highlight to the House just how important this is. Over the years, the award system has provided industry standards on pay and conditions. However, as jobs have evolved there have been some cases where employees have slipped through the net. Howard’s Work Choices laws further put many low-paid workers at a disadvantage. I know that the member for Kingston will know this job particularly well, having been a trolley collector in the past. Trolley collectors are an example of a group of workers who work for private firms who contract their collection services out to shopping centres. During my campaign, and since being elected, I have conducted many shopping centre stalls and listened to residents. During these stalls I have been regularly approached by the trolley collectors in the car park, who have told me of their plight. Some of these workers told me that they are paid $7 per hour. These are not part-time rates; these are casual rates, so there are no holidays and no sick days. Further, these workers have told me that they have no tea breaks, no lunch breaks, no rostering provisions and no overtime. Many of these workers have no choice
but to work over 14 hours per day, seven days a week. Some people listening to this might think that they are junior employees who do get lower rates, but they are not. These are adults who need to put food on their family’s table. This situation should be unacceptable in Australia today.

Our government’s Fair Work Bill not only provides a safety net for these workers but also provides facilitated bargaining by Fair Work Australia for these lowest paid workers who have not had prior access to collective bargaining. The Fair Work Bill focuses on enterprise bargaining and, in particular, good faith bargaining. Evidence clearly shows that productivity growth is best achieved at the enterprise level. Under the new legislation, enterprise bargaining agreements must be lodged with Fair Work Australia, who will consider a number of aspects, including whether each employee covered by the agreement will be better off overall than the safety net.

The legislation also expands on the matters that can be included in enterprise agreements. One of the anomalies of the previous government’s Work Choices legislation was that, while they were spruiking the virtues of deregulation of the labour market, employment conditions and pay, they sought to overregulate anything that might benefit workers by excluding many provisions saying both to employers and employees that they could not be put into their enterprise agreements because it was prohibited content. In fact it did not matter whether an employee or an employer was happy to put up with this; if it was put in an enterprise agreement, they would be fined. This added extra regulation to employment contracts and was just to push the ideological agenda of the previous government, which was stripping employees of their rights and certainly did not make sense.

The new legislation before us today also includes reforms for unfair dismissal. The Howard government implemented an ideological policy that they had been trying to implement for some time. However, under Work Choices they went a lot further and that was to remove natural justice for those employees who had been unfairly dismissed from their workplace. They did this by stealth. Firstly, they introduced an exemption for unfair dismissal for those who worked in a company that had fewer than 100 employees. But, secondly, they allowed for other companies to unfairly dismiss employees for operational reasons, therefore providing a complex and incredibly unclear criterion in order to dismiss a worker. Both these mechanisms provided no consideration as to how long an employee may have served the company.

Our new system will restore fairness while still providing employers with the flexibility to determine if an employee is right for their business. Exemptions from unfair dismissal will occur for the first six months of employment if the employee works for a business with more than 15 people. A 12-month exemption will occur for those who work for a business with less than 15 people. This will allow time for both employees and employers to work out whether they are a good match for each other.

The same unfair-dismissal provisions will for the first time apply to casuals who have been working on a systematic and regular basis. Certainly, in my line of work, I have often seen people who had been regular casuals and who had been acting as if they were part time but who could be cut at any time. I am very pleased that casual workers will now have similar protection that had not been previously available to them.

Finally, I would like to mention the creation of Fair Work Australia, the new one-
stop-shop workplace authority. It will replace the numerous industrial relations bodies that currently exist. The new Fair Work Australia will set minimum wages, vary awards, ensure good faith bargaining, facilitate bargaining for the low paid, approve agreements and resolve disputes and unfair-dismissal matters. Fair Work Australia will also conduct mediation and conciliation. This will be a very important body to help resolve issues in the workplace and ensure industrial calm throughout the country.

This government is rebuilding an industrial system in this country that is fair for both employees and employers—a system that promotes cooperation and provides balance. I was pleased last week to hear members on the other side indicate they will not vote against this bill. I assumed that that would mean they would support this bill. However, at the same time we saw the Leader of the Opposition at the Press Club last week three times refuse to answer the question of whether or not a return to individual statutory contracts would be part of future Liberal Party policy.

Furthermore, we have seen in this debate over the last two days many opposition members talking up the golden years of Howard’s industrial relations. So we have not yet had an acknowledgment from many on the other side that they got it wrong—that their ideological agenda was unfair and not popular with the Australian people. What will the Liberal Party’s policy be at the next election? Who knows! It is the Labor government’s policy that is quite clear: a national, simple and fair system with no individual contracts, a safety net for workers and an independent industrial umpire. This bill puts in place this fairer system—one that aspires to the sentiments of our national anthem: advance Australia fair. I therefore commend the bill to the House.

Mr ANDREWS (Menzies) (8.01 pm)—In the ongoing struggle between those who believe in the freedom of the individual, including his or her economic freedom, and those who seek to protect vested interests, the Fair Work Bill 2008 represents the latter. It is a clear signal of the protectionist outlook of the Rudd government. In fact it is no coincidence that the government is also escalating industry protection to the car manufacturers at the same time as reviving industrial relations protection for the union movement.

Respect for the dignity of the individual and his or her freedom has been the harbinger of human, economic and political progress. Only self-doubt will defeat this struggle. I make these remarks at the outset because there is confusion about what this bill does and does not do. That confusion is fanned by the government’s rhetoric. Consider, for example, the assertion by the Deputy Prime Minister Julia Gillard when introducing the government’s new labour laws. She said:

… Work Choices is tantalisingly close to being gone forever …

If Ms Gillard means that the government is proposing major changes to the existing workplace relations legislation then she is correct. If however she means that every aspect of the existing workplace relations legislation is being changed or removed, which is the impression she is seeking to create, this is factually untrue.

Let us consider the main components of the Howard government’s legislation and Labor’s response to them. Firstly, Labor will retain the national system, a system which prior to the previous election they had opposed all the way to the High Court of Australia. Secondly, Labor said they would ban individual employment arrangements—and they have prohibited the making of new individual Australian workplace agreements
generally. But the Australian Industrial Relations Commission has approved a new individual agreement clause for awards which is very similar to an AWA—in other words, an individual contract in another guise. The difference, however, is the role of the union. Being subject to an award negotiated by the union means that real flexibility and therefore productivity is unlikely to be achieved.

Thirdly, Labor complained that minimum employment standards had been decimated under Work Choices. A new set of minimum employment standards will apply from 2010. Yet most of these standards replicate existing requirements. In fact employers successfully argued for the right to request ‘reasonable’ working hours beyond the standard 38 and the right to refuse requests for flexible working hours or a second year of unpaid maternity leave. The Australian Industrial Relations Commission resisted the union proposal for mandatory union involvement in such individual arrangements.

Fourthly, the Labor government will retain some unfair dismissal exemptions for small and medium businesses. The threshold will be set at 15 employees for the first 12 months of employment. This is a concession by Labor that employment protection laws actually depress employment in the small- and medium-business sector. I say that because we should recall that previously the Labor Party voted against any exemptions for small business—on over 40 occasions in this parliament.

Fifthly, the inquisitorial approach of the Fair Pay Commission, which replaced the old arbitration system of minimum wages, is being retained. Minimum wage increases will continue to be made after study and research, not as they were in the past by arbitration between the parties. Finally, the ban on industrial action during the life of an agreement will be retained. Secret ballots will also be kept. If these tenets of Work Choices remain as they do—they are not being abolished by this piece of legislation and I do not see any proposal from the Australian Labor Party, the government, to abolish what I have just spoken about—then what is this bill really about?

The real change in this bill is the reempowerment of the union movement through a combination of imposed collective bargaining, so-called good faith bargaining, default union representation, expanded right of entry and other provisions. The real message of the bill is that the unions are being repaid for their massive investment in the ALP’s campaign by being given access to almost every business in Australia. Let me illustrate this. Firstly, the government is reempowering a central industrial relations body to be known as Fair Work Australia. This is based on the belief that a centralised wage-setting dispute resolution body is best for the nation—yet is an idea that governments since the early 1990s on both sides of politics in Australia have moved away from. Unions will utilise mindless costly proceduralism to advance their causes while business, small business in particular, will pay the price.

Secondly, through this bill the unions will reassert a monopoly bargaining position in the workplace. A union will only require one member in a particular workplace to become a bargaining party. With the so-called good faith bargaining in place employers will be forced into a prescriptive system complete with the provision of considerable information about the business to the unions. Thirdly, the expansion of compulsory arbitration and pattern bargaining re-creates the conditions under which wage inflation flourished in the past. Despite denying numerous times that the bill would reintroduce compulsory arbitration and pattern bargaining, they are being revived.
While inflation may not be an immediate concern in Australia, these changes will be detrimental to the nation in the longer term. I hardly need to remind the House of the economic history of Australia—that wage inflation has been the precursor to outbreaks of inflation generally and the boom-bust cycles that have occurred periodically in this country.

Australia will experience a period of creeping re-regulation under the new government, especially as the industrial relations tribunal imposes unnecessary procedural burdens on business. That has been the history of the AIRC, and no doubt that will occur under the new body in the future. And the old destructive pattern of wage rises from a successful sector of the economy flowing through to less buoyant sectors is being revived. This will occur by bargaining across multiple employers within an industry sector. Industry-wide arbitration will therefore become commonplace.

Fourthly, union right of entry is being significantly expanded, despite Ms Gillard claiming that the existing provisions would be retained. Add to this the increase in demarcation disputes that will arise under this bill and you can see how industrial action will increase in the future. Indeed, over the course of this year alone there has been something like an eightfold increase in industrial disputation in Australia.

Instead of proclaiming what this bill is really about—namely, re-empowering the unions—the government hides behind the rhetoric of abolishing Work Choices. It knows that when Australians voted against Work Choices they did not necessarily vote for the unions. That is why Labor will not acknowledge what the bill really does, trusting that most people will never hear any more than the five-second sound bite on their television news.

The government is financially and morally bound to the union movement, and this bill is the latest consummation of that arrangement. It is an attempt to reverse the declining membership and significance of unions in Australia. By imposing the collective agreement as the standard, Labor seeks to insert the union into every workplace arrangement. Indeed, it is clear from what is in the bill, compared to the statements that were made in the middle of the year by the Deputy Prime Minister, that there has been a significant expansion of what has been provided in this bill, which could not have been inferred from what Ms Gillard had said then.

What is surprising is the alacrity with which some business organisations seem to have welcomed the return of the old industrial relations club. Many small and medium businesses will come to see that they have been poorly served by those who lead their organisations.

The test for this bill is what happens not just in the next year or two but over the medium term. The government talks about productivity but provides no evidence that this massive deregulation will achieve it. Indeed, all available evidence indicates the opposite—by allowing flexibility, subject to appropriate safeguards, workers, businesses and the economy would be better off. This has been the clear outcome of industrial relations reforms in Australia over the past 15 years.

Let me remind the House, then, of the benchmarks upon which Labor will be judged. On Labor coming to power the unemployment rate in Australia was 4.3 per cent. Real wages under the Howard government grew by over 20 per cent and more than two million new jobs were created. Only 2.6 working days were lost on industrial disputes per thousand employees. These are the benchmarks upon which the Labor Party in
government will be judged. And they are the benchmarks by which Australians in the future can judge the efficacy of this piece of legislation.

Using public dissatisfaction about one or two items in WorkChoices—such as penalty rates and overtime—as a guise for the massive re-empowerment of the unions will prove counterproductive for the Australian economy and the jobs of many people in this country. As business costs rise and unemployment soars, Australians should look back on this exercise as folly driven by ideology. Those who continue to believe in the individual and the national benefits of economic freedom will have to rejoin the struggle.

Mr CHAMPION (Wakefield) (8.12 pm)—I rise to support the Fair Work Bill 2008. Industrial relations has long been the great divide of Australian politics—the trench line, if you will, between the two parties. And it is not a debate that this parliament is having just at the moment; it is a debate that has gone on for decades. It has happened in pubs, clubs and meeting rooms and around kitchen tables all across this country.

I rather fondly remember having this debate with my grandfather, who was a small businessman and a member of the Liberal Party. Of course, I was a unionist and a member of the Labor Party. I guess we had this debate many times, and it was based on our beliefs and our practical experience. It was really a debate about the freedom of contract versus the right for workers to express a desire for collective bargaining. I think that debate has gone on around the country for many years, off and on, to varying degrees of intensity. It has helped to divide the parties and has helped to make this debate the most partisan in Australian politics.

You only have to look at the country’s history, including the 1890s strikes, which gave birth to the Labor Party. It was opposition to the formation of Labor that ultimately forced conservatives and liberals into the one party. There was the failure of the federation referendums—I think there were two referendums that failed—until the arbitration and conciliation power was inserted into the proposed Constitution to get workers’ votes. And only then did the referendum to federate pass.

There was the defeat of the Bruce government, with Prime Minister Bruce losing his seat, after they announced plans to abolish the federal industrial relations system and the use of the arbitration and conciliation power. Later—much later—there was the formation of the HR Nicholls Society, the Mudginberri disputes, the smashing of the unions in the Pilbara, and the beginnings of a conservative assault on the award system, the union movement and the industrial umpire.

After that was Fightback. I remember reading Fightback—in particular the industrial relations part of it, written by John Howard—when I was about 22. I lived in Elizabeth Downs at the time. It convinced me to join the Australian Labor Party. I doubt very much that I would be in public life or standing in this House were it not for the extremism expressed in that document. If you like, that was my intellectual conversion to the Labor Party and the labour movement.

Later on, I was a cleaner and a trolley collector, and I saw firsthand the competition amongst contractors and the way it affected wages and conditions. When I was a trolley collector in the early nineties I got $12 an hour but I did not get my penalty rates. A couple of years after I left that occupation, the companies that did that work escaped award protection, escaped the ambit of the Cleaners and Caretakers Award, through a legal loophole. It resulted in workers getting $5 or $6 an hour. It seems unbelievable but it was commonplace in Adelaide to go to shopping centres and find people working for 50
or 60 hours a week for $5 or $6 an hour. They were the vulnerable people in our society. They were people, most commonly men, who had left school very early, and often they were encouraged to commit welfare fraud to supplement their income. Working in that area and seeing how workers like that had little to bargain with provided me with a practical education and practical reasons for being in the labour movement.

The crescendo of that political barrage against the union movement—against the award system, against a safety net and against the independent umpire—was WorkChoices. It was the purest expression of the idea of freedom of contract, the destruction of the safety net and the complete removal of the umpire—Stalinist laws to restrict unions and the right to collective bargaining. There is no doubt that Work Choices affected those in vulnerable positions, like trolley collectors and the right to collective bargaining. There is no doubt that Work Choices affected those in vulnerable positions, like trolley collectors, but also many women in retail and hospitality, in the most adverse way. It cut their pay, it cut their penalty rates, it cut their overtime and it cut their conditions. It offended the basic values of the Australian people: fairness, fair pay and the idea that our interests are interrelated. When we look at our history—and I have given my own abbreviated version—we can see that Australian people have always sought to balance hard work on one hand with fairness on the other, and Work Choices failed that test.

The introduction of this bill marks a turning point in Australian politics and at least a public retreat by the Liberal Party from industrial relations extremism. I do not think that public retreat is an honest retreat. I think that Work Choices is not dead; it is just dormant in the hearts of the Liberal Party. This bill marks a new era in industrial relations—a fairer, more civilised era—and a return to Australian values: hard work balanced with fairness. The key features of this bill are a safety net to protect workers; enterprise bargaining based on good faith by employers, employees and unions; an independent umpire in Fair Work Australia; and job security subject to performance. The safety net will be expressed by the National Employment Standards—things like a maximum weekly number of hours, parental leave, annual leave, personal and carers leave and the like—and also by modern awards, which will be reviewed every four years and which will be easy and effective to use. The safety net will protect employees, fair-minded employers and, most importantly, society by protecting our most vulnerable. Most importantly to me, it means that when I look out the window of my office at Munno Para shops and see a trolley collector I will know that they are getting paid correctly and are being treated with dignity.

The other thing people will have is a right to enterprise bargaining. This bill helps to end the dog-eat-dog world of Australian workplace agreements and puts back an obligation on employers to respect collective bargaining rights where a majority of employees want that. It puts at its foundation the right to be represented by who you want—and, more often than not, working people will ask for their union; good faith bargaining and a set of meaningful obligations to require it; agreements that can deal with a wide range of issues, with the parties deciding on appropriate content, subject to some exceptions; special provisions to help low-pay bargaining; and proper dispute resolution processes, with an independent umpire or other third party. Most of all, approval of agreements will be subject to employee consent and approval and a ‘better off overall’ test.

I remember doorknocking during the campaign and coming across a worker who I knew quite well. He was a union delegate who drove a forklift for a living. When I knocked on his door he told me that he had
been voting for the Howard government since 1996 but that he was not going to do it again. He said that bargaining in the Work Choices environment was like playing poker where you had all the number cards and your opponent had all the picture cards. You might win the odd hand but, overall, you were going to lose your shirt. We are changing that situation. We are putting some of the picture cards back into workers’ hands. Likewise, there will be an umpire, Fair Work Australia, whose key functions will basically be the approval of enterprise agreements, award review and variation, good faith bargaining orders, unfair dismissal protection, industrial action orders, and mediation and dispute resolution. Having an umpire is a pretty simple idea but it is one that has been subject to intellectual assault by the modern Liberal Party, by the HR Nicholls Society and by extreme workplace relation advocates—and they are all over the place. It is a simple, prevailing idea that the Australian people strongly believe in and have always strongly believed in.

Finally, there will be job protection and unfair-dismissal rights subject to performance—subject to appropriate exemptions for small business. It will be quick—within seven days—and it will be simple and streamlined, where reinstatement will be the preferred remedy and where there will be a dismissal code for small business, which will help businesses that do not have the resources or expertise of a big human resources department. This bill has all of the essential provisions to ensure a fair workplace.

I have talked a bit about history and the public retreat the Liberal Party have staged on industrial relations. I think it has been pretty tragic to watch so many Liberals get up in this House, nitpick on provisions, talk about their philosophy, as the member for Menzies did, and then say they are going to support the bill. It is the most deceptive thing I have ever seen in my life. Their stance is a betrayal of their history and their most cherished beliefs. It is certainly a betrayal of my grandfather’s beliefs. It sees the courage and the conviction of the IR extremists of HR Nicholls Society and their parliamentary advocates—John Howard and the member for Higgins chief amongst them—replaced by cowardice and deception. The Liberal Party, once committed to fighting for these things, has gone from being the party of conviction to the party of cowardice. It robs the Australian people of a proper debate. I think it has turned the Liberal Party into the gutless party of Australian politics.

This bill reflects 100 years of debate and discussion on industrial relations. It reflects the priorities and the values of the modern labour movement—fairness with flexibility, fairness combined with hard work. In closing, I would like to hark back to Chifley’s words. I remember reading Chifley’s biography when I was a trolley collector. On the quiet days you got a reasonable lunch hour. I remember this quote sticking with me. Chifley said:

I don’t care what the privileged classes say about the Labor movement. We work for humanity when we fight for better conditions.

It is with those thoughts I commend the bill to the House.

Mr KATTER (Kennedy) (8.24 pm)—I compliment the previous speaker for his very excellent contribution in the debate on the Fair Work Bill 2008. Obviously it was one that came from his personal experience and from the heart; I think it was a very excellent contribution.

I will just give a quick history of the union movement in Australia. There were the great strikes of the 1880s and the 1890s—you hear a lot of talk about this being the worst drought in our history; it is really mild compared
with the Federation drought. It was called the Federation drought because it did not rain much between 1884 and 1914. But it precipitated the union movement because the wool 'cokeys' were in terrible straits. They felt that they should pay the shearsers less and the shearsers were not on particularly glamorous wages, and the fight was on. It is a very sad aspect of our society that not many Australians really know the history of their country.

I come from Waltzing Matilda country; it is just a few miles down the road from my hometown of Cloncurry. There was a shootout at the homestead where Waltzing Matilda was written. It left one man dead on the day, but another one died of wounds later on in the week. The shearer Hoffmeister, according to historian Richard Magoffin, was probably shot by the other shearsers because there was a huge reward—it was one of the highest rewards ever offered in British history—for anyone to dob in the strikers at the station property. The owner of the station property, ironically, was very sympathetic to the shearsers’ cause. In fact, he shouted grog down the pub and handed out the grog at the pub. He would not dob anyone in.

It told you a lot about the real Australia, but the people in Brisbane—the government of the day—sent more than 1,000 troops with cannons and galloping guns down into western Queensland, to Claremont and Winton. Most of the state executive of the AWU were thrown in jail. The AWU, who were really the cutting edge of this movement, saw their membership fall from about 15,000 to about 5,000. They saw all of their men who had done the right thing, as they saw it—who had gone out on strike, gone without pay, gone hungry with their families and lived in galvanised iron lean-tos—go back and work with all the scabs who had had a good income throughout that entire period. Of course, a lot of men lost their faith in unionism and simply would not touch it again. It burned into the memory and the soul of the AWU. Today many people say it is a supine union, and it is not strong enough, but really, if you know the history, it is very interesting. Even to this very day, that history still burns in the memory of the AWU in Australia.

I do not come from sheep country—it starts a few miles down the road from my hometown. I come from mining country. This time last century, one in 32 Australians who went down the mines never came back up again, or came back up and died the most dreadful death of miners phthisis. There was only one person in my class whose dad was a miner, and his dad died of miners phthisis. One in 32 is the actual figure. EG Theodore, who was the founder of the AWU as we know it today—there was an AWU, but Theodore refounded it, if you like, in Queensland as a mass union. And to this very day the AWU has been dominated by the huge numbers out of Queensland, where his brother organised the cane cutters. Again, in the big strikes in the cane industry, there were two men shot dead in the main street of Innisfail during the strikes and upheavals similar to in the shearing industry.

I have to pay tribute to the Christians in Australia, because the first president of the AWU and I suppose the great driving force behind it was a lay preacher in the Wesleyan Church, and a very committed Christian. My own great-grandad, who gave, in today’s money, nearly $1 million—I repeat that very slowly: gave, in today’s money, nearly $1 million—to the strike fund in the late 1890s, was also a very committed Christian. He saw it as his duty as a Christian to do everything humanly possible to help these people who lived in such terrible circumstances.

Debate interrupted; adjournment proposed and negatived.

Mr KATTER—I was saying that my great-grandfather contributed a very large
sum of money. I think it was out of his Christian commitment. The two sisters of Theodore, whom I was also referring to, became nuns, and his brother was a Christian brother. So the Christians were very much amongst the people who fought this battle, and I think that must be recognised in a debate of this type.

Henry Bournes Higgins, when addressing the opening of a big AWU centre in Saint Arnaud in Victoria, said—and I remember the Prime Minister quoting this in the House some time ago: ‘A contract made by one person is not a contract.’ Of course it is not—and that is what was proposed in this House with the IR legislation which swept away the last government. If they thought that Australians were so stupid that they would accept that proposition and not understand it, then they were badly wrong. A lot of people were deceived, but the vast bulk of Australians were not. The then government launched the biggest political advertising campaign I have seen in 35 years as a member of parliament, and it was the most counterproductive of exercises because it just reminded every single person in Australia that they no longer had protection.

The people on this side of the House really amaze me. They must have absolutely no experience of the real world, but it was clear to me as a young man 17 years of age when I started my first job at Mount Isa—and I had a lot of years at university, so I would like to say that I did it hard, but I did not in that sense—that if you complained about something you were called a troublemaker and you would be out the door. If that something happened to be a dangerous work situation then you were in a very bad spot if you did not have a trade union so that you could make your complaint through the union without having your job threatened. If the people on this side are naive enough to believe for one moment that you could complain or say, ‘We should get extra pay for doing this’—most seriously, particularly in mining, if an issue of safety were concerned—and do it without a union, then they believe in the tooth fairy. All that the now opposition did was demonstrate their towering ignorance of the real world out there, where 90 per cent of the Australian population live. It was staggering for me. If you had told me that in my lifetime someone would take the arbitration commission away, I would have thought you were mad. If you are naming the great pillars upon which freedom and democracy are built, I would say private property comes first, but I would say No. 2 might well be the arbitration commission.

I played rugby league for much of my life and I have been an official since I gave up playing. The thought of playing rugby league without a referee—sometimes I would have enjoyed it, I must admit, but at other times I think I would have come off very badly indeed—is quite something. But, in the far greater and more important game called the Australian economy, the then government foisted upon all of the Australian people its plan to play without a referee. Of course, the concept then becomes: who is the most powerful? I can tell you that it is the employer that writes the cheque at the end of the week—there is very little doubt about who is the most powerful figure.

The other thing that convinced me to be so passionate about this issue was that, as a very young man just out of university, having done economics—or economics having done me, to be more accurate—I went out with this free-market concept. When Doug Anthony introduced the wool scheme, I thought that it ran against everything that I was taught at university and that it was going to fail. Then I watched the price of wool double over the next two years and I saw the enormous value of collective bargaining. I still
thought it would probably fall over, but for the next 20 years I saw a nice, steady, stable increase in the price of wool that we enjoyed throughout all of rural Australia. It was just one of the most magnificent success stories and achievements of government in this nation’s history. And I regret to say, to put in a discordant note as far as the government is concerned, that Chifley considered wheat stabilisation one of his greatest achievements.

All of the history books nominate the Snowy Mountains scheme, the Holden motor car, the campaign for the eradication of tuberculosis, the housing commission, which built so much much needed houses in Australia, and wheat stabilisation as the five great postwar achievements. And it is not to Labor’s credit that it was responsible for removing wheat stabilisation. The then government applied one set of rules to the employees of Australia and applied another set of rules to the poor old farmers. Let me say, for anyone who had any doubts about the value of collective bargaining as far as wool went, it was removed by Mr Keating and within three years the price of wool had dropped clean in half. The wool industry in Australia is simply closing down. We have lost 50 per cent of our sheep, the numbers are continuing to fall and the price has been abysmally low. There was no doubt in my mind about the fate of wool producers in Australia. Within three years of the destabilising deregulation by hypocritical Mr Keating, we were averaging a suicide every two months in rural Queensland.

The egg industry was deregulated, and the right of egg farmers to collectively bargain was taken away. Sugar was deregulated, and the right of sugar producers to collectively bargain was taken away. The right of tobacco farmers was taken away. The right of dairy farmers was taken away. I recently brought into this House a litre of milk, a dozen eggs and a kilogram of sugar and I said, ‘The mark-up on this is 270 per cent, the mark-up on this is 270 per cent and the mark-up on this is 270 per cent.’ I am sure Mr Samuel, the champion of competition in Australia, does not believe in what the government is doing tonight—or maybe he does because maybe he thinks his job might depend upon having the attitudes that reflect the government’s attitudes. Mr Samuel said that there was no problem then. God is good, because those three items that I just mentioned were in fact under a fair claims tribunal, if you like. They were under statutory marketing arrangements and, when you had to justify how much the farmers should get and how much the retailers should have to pay and that was decided by a fairness tribunal, the difference was 80 per cent. It was 270 per cent under the free market—the magnificent magic mother of us all—but under a fairness tribunal it was 80 per cent.

I think everybody here knows the fate the sugar industry is facing. For those who do not know, there were 2½ thousand egg producers in Australia before deregulation and there are fewer than 300 now. In the dairy industry, the price of eggs dropped by 30 per cent within one month of deregulation. So, whilst it was never going to happen that dramatically to the Australian employee, there was never any doubt in my mind that it was going to happen. Harking back to my old great-grandad, he was not all just totally Christian; he was a shopkeeper. So long as the average worker had money in his pocket, his cash register was ringing. If you take the money off the ordinary worker, as they did in America in the late 1920s, then there will be no money going through the till. And then you have a thing called a depression, when there are a lot of people up here who have got all this money in their pockets and want to keep it there and there are a whole lot of people out there with no money to spend at
all. That is the logic of the current government in giving handouts before Christmas—to enable the economy to boost up.

I do not come in here one-eyed. I admit that I was very briefly a union spokesman—I might even say a union rep. I do not come in here with any starry-eyed notions that the unions are saints or anything of that nature. In Queensland, the electricity union stood us up. They just turned out the lights. They left the lights off for a significant proportion of Brisbane—about one-seventh of Brisbane—for about 11 days. Parts of Brisbane were out for 14 days straight. Two people died at intersections where there were no traffic lights working. Whether that was entirely attributable to there being no traffic lights working, I do not know. That was the situation with which we were confronted. These were people who, in today’s terms, were on about twice the average weekly earnings, so about $100,000. A large proportion of them, if not most of them, were on a nine-day fortnight.

A lot of us had made great sacrifices to deliver great power to the unions. Some of those unions abused that power most irresponsibly. That caused a lot of people to be anti union. It was not Mr Howard who removed our automatic right to arbitration but Mr Keating with his legislation of 1993. I remember being quite staggered at the time and thinking, ‘If the Labor Party got away with doing this, what is going to happen when the other mob get in?’ I must admit I did not think they would abolish the arbitration commission entirely. But that was what they did. If the union movement let the ALP get away with doing what they did, they sure were asking for trouble. They had opened the door and the other mob was going to walk through it. There was no hesitation. There was no doubt in my mind that that was going to happen.

Whilst we have made a great song and dance about what is happening here tonight, and I think many aspects of this show a degree of application of intelligence and responsible government, I probably am a lone wolf once again here. You do not have the right to arbitration in this legislation. The only way you can get the referee to act is if there is damage to the community as a whole or damage to one or other of the parties. Lockouts are very, very rare, so I doubt we would be getting the arbitration commission for a lockout. I can only remember one example of that in my whole lifetime. I know that has happened, but it is not a regular happening. The other occurrence is a strike. I could not get the figures tonight, but strikes are almost negligible these days. I cannot remember the last time we had a strike in North Queensland. The worst strike in Australian history and the worst strike in the last 40 years happened in my electorate at Mount Isa. But a stoppage is just not conceivable. It is not part of the modern lexicon. I do not know whether that is entirely a good thing, but the reality is that it is not there. So, if there are not going to be any lockouts and there are not going to be any strikes, you will not be able to get arbitration. That is where I regret that this legislation is very deficient. It has not returned the right of the worker to arbitration. The circumstances would be very peculiar if you got that right to arbitration.

I think the bill lacks the most fundamental of propositions, which the Prime Minister himself espoused in this place when he quoted Henry Bourne Higgins at St Arnaud’s: ‘A contract made by one person is not a contract at all.’ Let me conclude by quoting a person in my electorate. He said: ‘I was given the offer. They said: “Take it or leave it. There’s the door. It’s my way or the highway.”’ That is now the law. (Time expired)
Ms McKew (Bennelong—Parliamentary Secretary for Early Childhood Education and Childcare) (8.45 pm)—I rise to speak in support of the Fair Work Bill 2008. I must say that, sitting in the House as a native of Queensland, it has been most entertaining to listen to the member for Kennedy recount an extremely colourful, if somewhat selective, history of unionism in the sunshine state. But I intend to use my time to recount a little history of my own. Exactly one year after Australians said no to the Howard government’s WorkChoices by choosing a new government, the Rudd Labor government continues to honour its election commitments. The Fair Work Bill 2008 provides Australian workers with a new and democratised workplace relations system. This bill begins a series of reforms that will be implemented over the next two years. The Fair Work Bill says yes to rights at work, it says yes to a safety net, it says yes to good faith enterprise level collective bargaining and it says yes to balancing work and family life.

This bill guarantees social inclusion for all Australian workers and economic prosperity for the nation. It is significant, I think, that the introduction of the Fair Work Bill marks the anniversary of Labor’s victory. It is also significant that this bill marks the conclusion of the Rudd government’s first year, a year which began on a most historic day for the nation: Prime Minister Kevin Rudd’s apology to Indigenous Australians. It is momentous as well that the Fair Work Bill 2008 will deliver a workplace relations system equipped to meet the needs of the Australian people in the 21st century. It will move Australia forward with fairness.

Tonight I would like to speak to those parts of the bill that I believe are most relevant to my electorate of Bennelong, because, in 2007, then Prime Minister John Howard fundamentally misread how Work Choices was hurting his own constituents. That misunderstanding cost him his seat and his government. Bennelong is representative of the nation. It has the same ambitions, the same expectations for fairness in the workplace. This legislation returns equilibrium to workplace relations. It will replace the Workplace Relations Act and the complicated WorkChoices amendments introduced by the Howard government. For the first time, a diverse range of stakeholders, including unions, employer groups and state and territory workplace relations ministers, have been consulted and have participated in the drafting of a bill. Their input was invaluable and indicative of the government’s commitment to implementing a balanced and equitable workplace system. The Fair Work Bill is grounded in the corporatisation power of the Constitution and will create a truly national system.

The bill provides for a comprehensive two-part safety net which comprises National Employment Standards and modern awards. The National Employment Standards are 10 legislated employment conditions. Included in these, and of particular interest, is the new entitlement to request flexible working arrangements. The Australian Bureau of Statistics estimates that, for 2008, some 96,000 mothers in the workforce are eligible to take advantage of this entitlement. The cost to the employer should be minimal and the practical implications will result in increased staff loyalty, productivity and retention. The new National Employment Standards also increase parental leave for both parents, as well as extending parental leave to same-sex couples for the first time. The new Employment Standards remove the 10-day cap on carers leave and provide for employers to offer make-up payments for community service leave such as jury duty.

The safety net also consists of new, modern awards which will add another 10 conditions to the National Employment Standards.
The modern awards will be tailored to specific industries and occupations and will include a flexibility clause which allows for employers and employees to agree to flexible arrangements that meet both their needs. This will guarantee both worker protection and business productivity. The modern awards will instigate the return of legally enforceable minimum wages, which means that employers will no longer be able to strip away an employee’s entitlements without compensation. The modern awards will also provide for representation and dispute settlement opportunities. Importantly, the principal objective of the modern award and minimum wage is to strengthen the equal remuneration provisions—equal pay for equal work. This will address the ongoing issue of gender inequity which remains prevalent in many industries. Modern awards will be reviewed every four years and minimum wages will be reviewed annually. This will allow for minimum wage adjustments to be argued annually, based on social and economic factors. The combination of National Employment Standards and modern awards creates a flexible and stable safety net for employees and employers. It recognises the importance, and encourages the maintenance, of a work-family balance. The National Employment Standards and modern awards will come into effect on 1 January 2010.

There will also be a new institutional framework which will administer and regulate the new workplace relations system. Fair Work Australia will combine seven existing government agencies to provide efficient and effective assistance to employers and employees. It will incorporate the Office of the Fair Work Ombudsman, who will promote cooperative workplace relations and provide education, assistance and advice. Fair Work Australia will conduct the reviews of the modern award every four years, and a specialist panel will review minimum wages. This will ensure that a fair safety net is maintained. Fair Work Australia will also set a national minimum wage order to provide minimum wages for all award-free employees. Importantly, Fair Work Australia will mediate, conciliate, deal with industrial action and unfair dismissal matters, approve agreements and assist with bargaining at the request of a party. If Fair Work Australia is unable to assist parties to reach a resolution, the matter will be dealt with by new, low-cost, informal processes in the Fair Work Divisions of the Federal Court and the Federal Magistrates Court. New powers will be granted to the courts to remedy breaches of the act. Fair Work Australia will offer a balance of arbitration and legal proceedings.

Importantly, the legislation allows Fair Work Australia to facilitate a special bargaining stream for low-paid employees. The low-paid stream is part of the Rudd government’s commitment to enterprise level collective bargaining. Employees in industries such as child care, community services, aged care, cleaning and security often have difficulty negotiating agreements with their employers, so the focus will be on as many as possible of these workers and businesses receiving the benefits of bargaining at the enterprise level.

The new workplace relations system also offers low-paid employees access to a multi-employer bargaining stream. This allows for agreements to be put in place across a number of employers and employees. Fair Work Australia will play an active role in ensuring that equitable agreements are reached. It will assess applications for multiple employer bargaining across a number of public interest criteria, taking into consideration the interests of both workers and employers. The process of assisted enterprise bargaining offers low-paid employees greater opportunities.
Similarly, Fair Work Australia must take consideration of the circumstances and the productivity of the businesses concerned. What this means for childcare workers, for example, is that a multi-employer agreement involving a number of employers could be negotiated which establishes flexibility for employees around hours, roster and pay increases, as well as considering productivity improvements. Fair Work Australia must find the balance that is acceptable for both employer and for employee.

The Rudd government’s commitment to enterprise level collective bargaining is oriented towards a balance between workers, unions and employers to secure protection. The Fair Work Bill establishes a new framework based on enforceable good faith bargaining. Fair Work Australia will have the power to intervene when negotiations between parties break down. The bill encourages productivity and fairness through enterprise bargaining which is tailored to the needs of businesses and workers. Agreements will be approved by the majority of employees to whom they will apply. Combined with the safety net, the bill ensures that employees covered by agreements will be better off overall. Agreements must pass the better off overall test. Agreements that fall below the standards and conditions set by the safety net will be brought up to those standards.

Another important aspect of the Fair Work Bill is the reinstatement of unfair dismissal rights for the majority of employees covered by awards and agreements, including high-income earners. The bill introduces special provisions for small businesses and removes the 100-employee exemption. New qualifying periods based on the size of the business are introduced to manage unfair dismissal claims by employees. This bill also introduces a small business Fair Dismissal Code which provides a step-by-step process for small businesses to keep dismissals fair. Fair Work Australia will determine whether dismissals are just or unreasonable and provide a more efficient and less formal process.

The final aspects of the Fair Work Bill I wish to discuss are the return of freedom of association and right of entry. These two aspects of the bill relate specifically to employees’ rights to be represented by a union or another third party of their choice. This bill ensures that employers respect employees’ rights to be represented by a union. It eliminates discrimination based on association and provides more effective remedies to discriminatory acts. This bill re-establishes the right of union representatives to enter workplaces where they do and where they do not have members. It allows for union meetings to be held with members and nonmembers at appropriate times and places within the workplace. Union representatives will be required to provide employers with 24 hours notice of intended visits and behave in a fit and proper manner appropriate to their position as employee representatives.

The Fair Work Bill continues the rights of union representatives to investigate alleged breaches of workplace obligations. Union representatives will not be required to release the names and details of the members involved and will be allowed access to all records pertaining to the investigation. To guarantee the protection of all employees—members and nonmembers—this bill includes new provisions against the misuse of information and utilises the Privacy Act 1998 to make sure that employees’ personal information is protected. The bill formulates a fair and proper balance between the rights of employees to meet with their representatives and the rights of employers to manage their businesses without unwarranted interference.

In conclusion, as the year comes to a close, the Fair Work Bill 2008 signifies that
the end is just the beginning. The Rudd government will continue to honour its election commitments. It will implement and monitor the new and democratised workplace relations system, which guarantees social inclusion for all Australian workers and economic prosperity for the nation. Moving Australia forward with fairness, the Rudd government will continue to meet the needs of the Australian people in the 21st century. I commend the Fair Work Bill 2008 to the House.

Mr HAWKE (Mitchell) (8.57 pm)—In the current economic climate—with business confidence in tatters, with unemployment rising and with the historic challenges that we face in the financial markets—and in the investment climate generally, I have a lot of sympathy with the view that is being expressed by many commentators and other people that it is strange indeed for us to be adding, following an unprecedented era of economic growth and development, this type of reform to that series of challenges. It is indeed a risk that we may come to regret in this place.

If we examine what happened in the previous era of government, the 13 years of the Howard government—an era that saw the lowest unemployment rate in 33 years, a youth participation rate that ranked second amongst OECD countries, a real increase in wages over and above inflation of nearly 22 per cent and strikes and disputations at historic lows—we come to see that the current government have difficulty in defining what the problem is that they are trying to fix. What is it that they are trying to solve with the legislation that they have put before us?

The parliamentary secretary and member for Bennelong outlined that social inclusion was her priority. I would maintain that, if you are seeking social inclusion, it is very hard to be included in society if you do not have a job. It is very hard to participate in society when you do not have the ability to go to work, earn a living and provide for your family. We need to be saying—and I think the parliamentary secretary and member for Bennelong left out a few yeses—yes to jobs, low disputations and record low levels of industrial disputes and no to the return of the unions into every workplace in the country.

It is hard to see how many provisions of the Fair Work Bill 2008, which are additions to the election commitments that were given by the government prior to the election, will benefit the employment chances of ordinary Australians. The unions are enjoying a major comeback from the provisions of this view and at this time and in the current climate this may run contrary to the interests of the Australian people. If you ask the Australian people whether they voted for a return of unfettered union influence into every workplace, that is certainly not something that was proposed at the election and not something that people voted for and sought to achieve.

We are seeing a challenge here to the best interests of the economy, the jobs of Australians and the ongoing prosperity of Australian families. Whether you are a pro-union person or a person who has concerns about organised labour, there is a swinging back of the balance in favour of the unions out of this legislation. In the hidden provisions of this bill there is a return of things like pattern bargaining and the effective entry to any workplace that a union chooses to enter. The parliamentary secretary, the member for Bennelong, confirms that when she says that a union would have the right to access a workplace regardless of whether they had union members there or not. I think it was a footnote to her speech, but it is quite an outrageous contention that a union have the right to enter a workplace where they have no union members and seek access to the
records and information of people that want no truck with being involved in a union.

If we look at some prominent cases from prior to the election, the Cowra abattoir is a very good example of an enterprise that had a problem with the previous Work Choices legislation and many of the attempts by the Howard government to alter and ameliorate some of those concerns, such as the fairness test, were introduced to resolve some of those concerns. However, it is reported today in the Australian that the Cowra abattoir has new concerns about further industrial relations changes in Australia and many of the things that we are facing here in this bill before us tonight. The owner, who is a former union organiser for the abattoir, Mr Cummins, has come forward and said that he is now concerned about pattern bargaining within his sector and how that may have the capacity to put his new business out of business. He says:

We already pay more than award (wages); we pay for a lot of things we don’t have to … We even pay bonuses. (But) there’s no two abattoirs that are the same. That additional cost to any business could tip them over, it’s not viable.

That is from the mouth of a former union organiser. I could not have put it better myself. The reintroduction of things like pattern bargaining across our economy at such a difficult time could well tip many businesses over the edge. That will lead to higher unemployment and the reluctance of many employers to take on more employees.

This is not a concern that is unique to the Cowra abattoir. There are many businesses and business groups, including the Australian Chamber of Commerce and Industry, who have severe concerns over the pattern bargaining provisions within the bill before us today. One of the main threats that is posed in the Fair Work Bill is to the employment prospects of many Australians. We know that in the life of the last Labor government a million Australians were out of work. We also know that the OECD has forecast that 200,000 Australians will lose their jobs by 2010 regardless of whether we pass this bill before the House or not. When the provisions of this bill are implemented, that may rise. If we destabilise the climate in the economy further by radical industrial relations reform, we may add to that burden of unemployment.

Last week we had the extraordinary claim in this place that the opposition did not have a policy on jobs, that we think that nothing should be done to protect jobs, to protect families and to protect households. There is nothing more that we could have done than provide the lowest level of unemployment in 33 years, to what economists regard as full employment at four per cent. I accept the contention from many economists that unemployment is directly affected by labour relations practices and the labour market and, if you are seeking to ensure that you have a stable labour market, the way to do that is not to pass legislation which seeks to return organised labour to the fore of economic dispute at a time when you have a severe financial crisis.

This weekend we had the Rudd government’s ridiculous attempts to pass the buck on job creation to the states, and I think this is a product of the fact that somebody in the government understands that unemployment is going to be affected by this bill. You had billions of dollars being handed to state governments with the by-line, ‘Go and create jobs.’ They are supposed to create 133,000 jobs—an arbitrary figure. These sorts of airy-fairy instructions to go and create jobs represent the best that the Rudd government can come up with in the face of rising unemployment. The OECD has forecast that 200,000 Australians will lose their jobs by 2010. To my mind, this instruction to the state governments to go and create jobs with
the money that the federal government is providing is a false instruction.

With this bill we are facing unfettered union access to workplaces and a return to pattern bargaining. High levels of disputation must surely follow from such changes to the law. If we look at what is behind this instruction to the states to go and create jobs, it seems that it must be to try and ameliorate the impact that they know will occur from unfettered union access to workplaces: an increase in the levels of disputation, which have been at such historic lows. But there is a problem with that philosophy: the government cannot create the jobs the economy needs and any attempt to do so will distort the market further and make it harder for businesses and individuals.

In New South Wales we have more public sector workers than we have ever had, but if you went to an ordinary citizen in New South Wales and said, ‘Are you getting better outcomes from the bureaucracy that has more workers than at any point in New South Wales history?’ you would be laughed out of town. Indeed, we have seen the prominent example of railway workers who have been going to work for 12 months, sitting in front of televisions and playing cards and who finally have come forward and said, ‘We just want work to do; give us work to do.’ That is how you get a problem when you say to governments, ‘Go and create jobs.’ I do not think it is an instruction that will result in higher employment levels within our country.

Businesses are certainly under a crippling regime of taxes in New South Wales. If we want to do something to encourage employment, instead of changing and interfering with our industrial relations system, which has led to record low unemployment and levels of industrial disputation, we should be doing something to alleviate the taxation burden on small business. Payroll taxes in states cripple employment prospects. This government’s message seems to be: ‘Let’s take all this money from people. Let’s take it off through income taxes, the GST and a whole raft of federal and state government taxes. Let’s take it from entrepreneurs and small business people, the people who create jobs and employ people and the doers in our society. Then we’re going to reissue it to the likes of the New South Wales state government with the cheap and tawdry line that this will somehow create jobs.’ There is no doubt that that is a sham.

The DEPUTY SPEAKER (Hon. DGH Adams)—Order! The honourable member will address the bill.

Mr HAWKE—Thank you, Mr Deputy Speaker. There has also been much talk opposite about wages, how this bill will lead to higher wages outcomes and how modern awards, as outlined within the bill, will somehow improve wage outcomes. I also find that hard to accept, as real wages increased by over 20 per cent in the life of the previous government under the current system—and then the Work Choices system, of course—as opposed to a fall in the last Labor government. We see legislation before us today which will return us not just to the previous circumstances but further than the previous circumstances.

I also find it difficult to accept the provisions in this bill that give so much power to unions at a time when less than 25 per cent of our workforce are union members—and, of course, much less in the private sector. This legislation certainly addresses some concerns that were raised at the previous election, but we were promised by the Deputy Prime Minister that right of entry powers for unions would be retained. While this has occurred, ‘retention’ in the existing rules is something of a misnomer and is cosmetic at
best. I think that when you examine the detail of this legislation before us the actual effect is to give unions the best organising conditions that they have seen for decades—something which, of course, the Deputy Prime Minister has been quoted as saying to the Labor caucus in recent times.

Unions can now enter a workplace that uses AWAs, ITEAs or non-union collective agreements, whereas before they could not. One or several unions can now enter workplaces that use an agreement made with another union, and before, of course, they could not. Unions can now access non-union-member records, and before they could not. Unions can walk into any workplace, even where they have no members, and before they could not. Restrictions on where unions could hold meetings have been loosened. Unions can now bargain with an employer about the right of entry, and before they could not. Unions are now default bargaining agents, and before they were not. Unions are likely to be automatic parties to most new enterprise agreements, and before they were not. Unions get an automatic and privileged seat at the bargaining table, with disproportionate powers, and before they did not. Restrictions on who can go to the so-called industrial umpire, Fair Work Australia, favour those represented by a union. So how can it really be said that this bill retains right of entry provisions when its detail is obviously tilted towards paying off Labor’s debt to the union movement from the last election?

There are but a handful of measures left in this bill that will allow a workplace to keep out a union when the union is not wanted.

There is no doubt that we see a deviation from election promises, and in this place we have seen much made in the last year of keeping to election promises. In this bill before the House, there is no doubt that the balance is swung heavily back in favour of the unions, something that was not voted for, or sought by, the Australian people. There is no mandate for many provisions of this bill, including the return of compulsory arbitration. One of the real tests of this government and its industrial relations policies is obviously going to be how benchmarks like employment and real wages fare in coming years. If we look at some of the reaction to the announcement of this legislation from people who are close to the union movement, we can see some of the things that I am talking about here. Already since the election of the Rudd government we have seen, for example, a significant increase in industrial disputes over the past year. Disputes have significantly increased, from 36 in the December 2007 quarter to 60 in the June 2008 quarter. Working days lost due to industrial action have increased over the same period from 24,000 to 86,000. These are very worrying figures given the current challenges that we face.

Following the introduction of this bill into the House last week:

Louise Tarrant, the national secretary of the Liquor Hospitality and Miscellaneous Union, said the Fair Work bill would be a failure if it did not deliver higher wages for low-paid workers. Ms Tarrant said the bill “gives us the facility to try to get some sector-wide solutions”. “There is a very compelling logic as to why you want an industry-wide settlement (in industries such as childcare, cleaning, hotels, and security),” she told The Australian.

Indeed, I think that is a very revealing reaction from a prominent union organiser to the
provisions of this bill that is before the House—‘sector-wide solutions’. It indicates a return to pattern bargaining in industries such as child care. Ms Tarrant, perhaps, could not have picked a worse first example of where we need sector-wide labour solutions when we are looking at the closure of dozens upon dozens of childcare centres, including in my own electorate of Mitchell, where up to six or seven ABC centres are closing as a result of the problems that they have had. Sector-wide solutions do not exist. If we listen to the owner of the Cowra abattoir, he says that no two businesses are the same, and of course he has that just about right.

So the test of this bill before the House today is going to be in the benchmarks like employment and real wages, what happens to unemployment and how the levels of strikes and disputations rise in what we are going to see as difficult economic times. It is, of course, disturbing that one union member in a workplace can give a union unfettered power to access that workplace and the personal records of so many employees even if the employees do not want it.

I heard the member for Canberra, speaking on this bill, say that the unions are simply the bogeymen in the minds of the opposition. Well, I would say in response to the member for Canberra that, with the provisions in this bill that will allow unions unfettered access to workplaces, the bogeymen will not be just in our minds anymore. The bogeymen will be in the workplaces of those workers who do not want them there. They will be in every workplace, because this legislation, if passed, will allow them to be.

While the government may have a mandate to remove Work Choices—and indeed the opposition have indicated that Work Choices is now no longer coalition policy; it is dead as an issue with us—this legislation does breach commitments given by the government at the election because it adds so many components that they know will return union power to the Australian workplace relations system. That will mean unprecedented levels of union power and unprecedented conditions for unions to organise. That will indeed be a retrograde step, and that is why we in this place ought to seek to amend those provisions in another place.

As I said, while the government may have been given a mandate to remove Work Choices, they have gone too far with some elements of this legislation, and I believe those elements should be sent to another place to be reconsidered. Otherwise, it will be the case that those bogeymen are no longer just in the minds of the opposition; they will be real. They will be in the workplaces of ordinary Australians, and I think that when the ordinary workers of this country are confronted with the fact that those conditions for unions to organise are back we will see a different attitude prevail with regard to workplace relations in Australia.

Mr BRADBURY (Lindsay) (9.16 pm)—This is a very special moment for me because tonight I have the opportunity to make good on the promises that I made to members of my community throughout the election just a little over a year ago. The issue of Work Choices was without question the No. 1 election issue in my electorate of Lindsay. Having campaigned for a period of about seven months and having door-knocked extensively—some 23,000 homes during that time—I can say that Work Choices was the one issue that kept coming up. It was the issue that had turned many people who had previously supported the Howard government away from that government and into the arms of the Labor Party. For the first time in a long time, those people supported us. They supported us because they understood a number of very basic propositions.
Firstly, they believed instinctively—and I think it has been shown to be true by the evidence that has emerged, certainly since that time—that the Work Choices laws had gone too far and the pendulum had swung too far away from employees. The balance in the workplace had shifted that pendulum towards employers and had left employees vulnerable and at the mercy of arbitrary action in their workplaces. Many of them told me their stories about how Work Choices had impacted on them, on their children, on other members of their family and on their friends. These laws violated one of the most fundamental principles that we in this country believe in, and that is the fair go—the principle of the fair go.

I have yet to meet a person who believes that in the workplace, in the overwhelming majority of cases, an employee can sit down and somehow bargain with equal power with their employer. This is one of those principles that the Australian people understood. People understand the dynamics of their workplace. There is no question that there are some people who, due to their skills and the bargaining power that they bring to the table, will be able to negotiate a reasonable agreement. As someone who previously worked as a solicitor for a large firm of lawyers I can say that I saw many people who had trained for many years at university to advocate on behalf of clients, to take up a case against an opponent and to prosecute that case with vigour. Yet I have to say that, in my observation, many of those in my workplace who had been trained in all those skills and made a living out of advocating on behalf of others found it very difficult to put their own case forward when they sat down for their own remuneration discussions.

Now, if a person who has been trained at high levels to do that, who spends every moment of their working day out there representing other people, finds it difficult to sit at a table one-on-one with their employer and prosecute their own case, then what hope do the unskilled have? What hope do those who have a poor understanding of the English language or of their legal rights have? What about those who have not had the experience of advocating on behalf of others, those who would otherwise be disenfranchised within their workplace? This is something the Australian people understood very clearly, and it was something that they were moved to take action against.

What we see in the Fair Work Bill 2008 that is before the parliament is that for the first time we will have a truly national system of industrial relations, and I think that is important. The shift that is being undertaken here, away from conciliation and arbitration powers to a reliance on corporations and external affairs powers, is one of great significance. It is a shift that recognises that we are reforming our Constitution. We might not be able to do that through referenda, but we are reforming the way in which we operate at a governance level within this nation to reflect the new realities of a global economy. We have recognised the need to have a seamless national economy—and there is no reason why our system of workplace relations should not transcend the boundaries that were written on to the maps back at the time of Federation.

This is a system that is based on the principle that all employees deserve to be respected and given a fair go at work. The bill manages to bring back balance to our industrial relations system by ensuring a strong safety net, a safety net that protects the minimum conditions of all Australian workers. The bill achieves a system that restores the focus to bargaining at the enterprise level and ensures that that bargaining will occur in good faith. The bill recognises that the productivity gains that our nation needs to secure are best achieved through cooperation
and negotiation at the enterprise level. That is best done collectively where employers and employees have some opportunity to negotiate on something that is a little bit closer to a level playing field.

The bill provides greater protection from unfair dismissal, and this is an important point. One of the biggest issues that had resonance in my community throughout the last election campaign and through the many interactions that I had with people in my community was the fear in those workplaces of fewer than 100 employees, and we were told anything with fewer than 100 employees was a small business. If I can just digress for a moment, the only suggestion that was ever put forward in the preceding term of parliament before the 2004 election by the then Howard government was that they would introduce new unfair dismissal laws that provided an exemption to small businesses with fewer than 15 employees. That strikes me as something closer to a small business than something with fewer than 100 employees. In making that point, I think it is important to note that one of the things that people resented most about the Work Choices laws—and I know that they resented this because they kept telling me—was that the Howard government went to the 2004 election without putting these plans on the table. Introducing the Work Choices laws occurred only because the Howard government secured a majority in the Senate. They saw an opportunity. The then Prime Minister saw an opportunity to deliver on one of the great dreams that he had always held, and that was to reform the industrial relations system in a way that shifted the pendulum dramatically in the direction of the employer. He did not miss the mark, but people resented the fact that he did not put his proposals on the table before the election.

We heard from the member for Mitchell, who says that Work Choices is dead, yet there he was with the defibrillator trying to bring it back to life. In fact, it is not dead at all when it comes to those on the other side. The old saying that a leopard never changes its spots is absolutely true when it comes to those on the other side. This is an article of faith for them. Maybe this is just Lazarus with a triple bypass, but I can tell you that they believe in this stuff. They will not be giving up on it lightly and, in the same way they went to the 2004 election without telling people that they had plans to introduce Work Choices, they will go to the next election telling people they have no such plans. In the same way as after their electoral defeat in 1993 they suffered as a result of their attempts to try and introduce the GST and to introduce more radical industrial relations reform, they said, ‘Look, we have learnt; we have heard the message of the Australian people.’ They heard it all right, but at the very next opportunity they had they went back to their old form and tried to introduce the very reforms that the Australian people had already rejected.

I hear those on the other side, and in particular the member for Mitchell, say, ‘What a terrible thing to be introducing laws like this at a time when the international economy is taking a turn for the worse.’ Let me make this point: there is no question that this country is facing greater pressures when it comes to unemployment in the same way as other nations throughout the world are because of the impact of the global financial crisis and the flow-through effects of that to the rest of the economy. There is no question we face those challenges. But what do people in our communities expect and demand of us? I know what they demand of me in my community, and that is that I make good on the election commitments that I made to restore some balance to our workplaces by providing some protection against unfair dismissal occurring in an arbitrary way.
I heard many stories throughout the course of my discussions with people about how these laws, these Work Choices laws, were used to kick people out of their jobs, to sack them without any good reason and without any explanation. I remember one case in particular, a man from Cranebrook who I door-knocked. He worked for the same company for 20 years and was then dismissed without a reason and with no recourse to any protection under unfair dismissal laws. This was the sort of unfairness that was allowed to occur under the former regime and this is what we are dismantling. People in my community expect us to provide sufficient protections in the workplace so that they will be protected against arbitrary and unfair dismissal.

On the issue of individual agreements and contracts, we know that those on the other side have refused to rule out bringing them back. When this parliament last considered legislation in relation to individual statutory contracts, the opposition refused to rule that out. This was at the very heart of the unfairness of the Work Choices system. They decided to weaken the award system, to strip away the safety net and then, at the same time, to unleash the individual contract. There were many instances in my community where people came forward and told me about their unease with these individual contracts. They told me about how they were effectively being offered on a take-it-or-leave-it basis.

We have seen from data that has been released by the Minister for Employment and Workplace Relations earlier this year that the Workplace Authority provided to the government details in relation to AWAs that were lodged between April and October 2006. In relation to that data, the analysis revealed the so-called protected award conditions that were most frequently removed. These included: 70 per cent removed shift-work loadings, 68 per cent removed annual leave loadings, 65 per cent removed penalty rates, 63 per cent removed incentive based payments and bonuses, 61 per cent removed days to be substituted for public holidays and the list goes on.

In my community many people survive on their penalty rates. Many people see their penalty rates as being the thing that supplements their income to give them the basic and decent standard of living that they require to provide for themselves and their families. To put them in a position where their penalty rates were under threat was to threaten the very viability of the household budget for many people—and that is why people revolted against this. I am pleased to see that there will not be individual statutory contracts. There will be opportunities for flexibility in the form of individual flexibility arrangements.

My predecessor the former member for Lindsay would often say that one of the great things about AWAs was that they allowed people to secure better, more family-friendly outcomes in their agreements. Well, I have not seen many of those—indeed I have not seen evidence of that at all. But these provisions—individual flexibility arrangements—will allow that sort of flexibility to be achieved. Most importantly, as with all bargaining under this regime, it will have to satisfy the ‘better off overall’ test. It is that test, combined with the strong safety net, that will protect the rights of working people.

In addition to that, we are restoring the strength of an independent umpire. Those on the other side under the former regime decided to whittle away the power of the independent umpire because they believed in freedom of contract, so they kept telling us. I just want to make one point about freedom of contract which I find to be bizarre—and that is in relation to these transmission of
business provisions. The transmission of business provisions that were introduced by those on the other side basically said that, for a company acquiring a new company or business, after 12 months the effect of any employment agreements that were in place basically came to an end. I find that to be bizarre, because anyone who has ever acted in matters involving the acquisition of businesses knows that anyone looking to acquire a business or a company undertakes due diligence; and when you acquire the new company you acquire it with all the encumbrances—the legal contractual obligations that the company has already entered into. So if we believe in freedom of contract and we believe in the free market, then why should the employment contracts with individual workers be any different to that? Well, the answer is that they should not be and that is why we are restoring the position there and addressing that issue.

I want to conclude by quoting Ross Gittins, the economist and columnist with the Sydney Morning Herald. He said on Saturday 29 November this year:

... the new industrial relations legislation the Rudd Government unveiled this week establishes a reasonably even-handed treatment of employers, employees and their unions.

He goes on to say in relation to bargaining:

Of course, to be even-handed in a situation where the bargaining power of an employer and that of an individual employee are so hugely unequal requires government to provide employees with a degree of assistance.

That’s what was so unfair about Work Choices. It reduced the degree of protection afforded to employees while promoting individual contracts... 

We can add to that that the unfairness of it was in stripping away protections under unfair dismissal to make people even more vulnerable in the workplace. This legislation will right a massive wrong that was inflicted upon the Australian people. Those on the other side will say that Work Choices is dead but we know that in their heart of hearts they still cling to this stuff because they believe in it. We will keep fighting them on it because the Australian people deserve better than Work Choices; they deserve what they are getting here. I conclude by commending the minister for the outstanding work that she has done in bringing together the disparate views that exist in this debate to achieve what I think is an outstanding piece of legislation, and I am very proud to be able to get up and speak in support of it tonight.

Mr SIMPKINS (Cowan) (9.34 pm)—I rise to speak on the Fair Work Bill 2008. As a new member in this place this year I was not around to hear and see the debates that took place over previous years. Yet the past is clearly gone, Work Choices is finished and the coalition accepts that the policy was rejected by the Australian people at the last federal election. This does not, however, mean that the Rudd government has been given a blank cheque to unleash militant unionism into the Australian economy. The coalition of course stand by our achievements on jobs, inflation within the band across the cycle, economic growth figures and the surplus that was created out of a dreadful legacy of Labor’s last term in government—which amounted to $96 billion of debt. But, not surprisingly, the government continues to ignore the facts of the past.

In regard to jobs growth, we know that over the term of the last government over 2.2 million jobs were created—1.2 million were full time and around 950,000 were part time. That was between March 1996 and November 2007. Even during the short period of Work Choices, 438,600 additional jobs were created. This fact directly contradicts the claims by the then Labor opposition and the union movement that Work Choices would
result in mass sackings by unscrupulous bosses.

In October 2007 the unemployment rate was just 4.3 per cent, and it is always worth repeating that for 21 consecutive months the unemployment rate was below five per cent under the previous government—in direct contrast to the rate under the previous Labor government, which peaked at 10.9 per cent. If you look at any of the employment figures, they show that more people got jobs under the coalition. There is no doubt that this was largely the result of the various reforms of the industrial relations system introduced under the Howard government. It seems like a distant fond memory now as we contemplate the future—with unemployment predicted to rise by 200,000, which means roughly about 1,300-odd jobs per electorate; inflation at five per cent; growth in the one per cent band and a surplus that may still exist in 2009, yet that is looking increasingly unlikely. So members of the former government should remain proud of their record.

The other thing that the Minister for Employment and Workplace Relations enjoys talking about is how wages were trashed by the previous government’s laws. The only trouble with this is that real wages continued to increase. There was a 20.8 per cent increase in real wages over the period of the coalition government—easily contrasted with the record of the previous Labor government of a 1.8 per cent decrease. So the facts are that even under Work Choices wages grew by more than under the previous Labor government.

In spite of what was done and where this country stood in these important areas of real economics, the Australian people still decided that there would be a change of government last year. As part of that decision at the election there is little doubt that some Australians voted on the basis of dissatisfaction with the former government’s industrial relations changes. That is what prompted the Leader of the Opposition to say that we accept the government’s mandate for workplace relations—a mandate for those policies that were taken to the Australian people—but soon I will get to the departures from Labor policy that we are now seeing.

I would also say that although the coalition has accepted the concept of a mandate in this case, the concept of a mandate was always lost on the Labor Party during the years of the previous government. That was most evident during the introduction of the overhaul of the Australian taxation system in 2000. This was despite it being a pivotal part of the coalition’s policy manifesto for the 1998 election. Unfortunately, the Labor opposition did not respect that electoral mandate. It is worth noting that during the Hawke-Keating governments the coalition respected their mandates and supported a number of significant economic reforms.

I will move onto the core of what the government says this legislation is all about. What we have constantly heard from the minister is the fear and uncertainty that some Australians had of holding onto their jobs under the last government. As previous speakers from this side have said, this legislation and this government will be judged by the maintenance of existing jobs and the growing of more jobs over this term of government.

In Western Australia the previous industrial relations regime did not have a negative effect on my election. In Western Australia the people were used to seeing the public face of militant unions, embodied by the Secretary of the CFMEU, Kevin Reynolds. They saw the CFMEU bolster their protest-march numbers by bringing their children along on the hot days of early 2007. Perhaps what they did not see was the top-of-the-line
Range Rover that Kevin Reynolds had as his vehicle. I contrast this with photos I have seen of him in the past, when he was happy, on one occasion, to have a photo taken in Cuba where he was talking up socialism with the comrades. Yet these days he enjoys the trappings of the exalted position of secretary of the union, with a vehicle of a new value of around $125,000. Some may say that such a luxury vehicle was just a one-off—a one-off, just like his apartment at the Raffles Hotel site, which was, apparently, merely the result of good investments! I hear there was great industrial harmony on the site of the Raffles Hotel development, which no doubt led to the apartment being completed and available at the right price. Kevin Reynolds is clearly the epitome of the battling worker! Although some may say that I digress, this remains very relevant.

Let us look at the changes, under this bill, to the right of entry. In August 2007 the now Prime Minister and the Deputy Prime Minister issued a joint press release highlighting that ‘federal Labor will maintain the existing right of entry provisions’. In an attempt to appease the business lobby, the Deputy Prime Minister told the Master Builders Association that Labor had promised to retain the current right of entry framework and that this promise too would be kept. The government has no credibility when it comes to criticising the coalition on non-core promises, because what was said was that they would maintain the existing right of entry conditions. There was no mention of them being increased, decreased or having extra areas added; they spoke of maintenance of the existing arrangements.

Under this legislation Kevin Reynolds will be able to view the company records of non-union-members on the work sites of Western Australia. EBAs can also include a range of right of entry terms across different issues. On Thursday 27 November the *West Australian* newspaper reported that union officials would be able, after giving 24-hours notice, to inspect and copy the time and wage records of both union and non-union employees. This means free access to time and wage records. There was a time when there was still some protection, some privacy in this country, but it looks as if that is now being legislated out, through this bill, by the Rudd government. Strangely, there has been silence by the Australian Council of Civil Liberties in relation to this. Surely this would represent an intrusion on individual privacy by union officials.

It has also been said that union officials can initiate meetings during meals and other breaks in order to conduct recruitment activities. Is that true? So if this legislation is not amended, the lunch rooms and indeed the lunch breaks in this country will no longer be sacrosanct. Eating a sandwich will have to be on the run, because sitting down may involve an unsolicited conversation where someone can lawfully hassle you to join the union. Instead of asking whether you want fries with that, they may just ask you if you want an industry superannuation fund or insurance with that union membership.

Of course while employers are expressing that sort of concern, the counterpoint to that comes from the CFMEU national secretary who is quoted by the *West Australian* newspaper as saying, ‘A few noisy, extreme employer groups shouldn’t be allowed to dictate what’s fair and just in this country.’ No doubt the national secretary has in mind who should and who already has dictated what is fair in this country. I would imagine that the national secretaries of many unions have a great deal of influence in this place—certainly not on this side, but without doubt they have influence on the other side. You need only look back through *Hansard* at the first speeches to know who was anointed by the powerful unions. Those that owe their
place here or in the other place, to the nod or the imprimatur of a union, owe their souls to those same powerbrokers. Those that were replaced in preselections for the 2007 election by union heavyweights—and I mention the electorates of Maribyrnong and Carlton—know that they were on the wrong side of the numbers. This means that those who remain know that they are obliged to toe the line as well, as directed by the unions that control the numbers for their preselections. In the safe Labor seats, our opponents know who their main constituents really are—that is, the unions. Preselection, campaign contributions and booth workers are provided for those who toe the line. Oblivion awaits those that are not as well connected, and the preselections before the 2007 election, as I stated, saw the premature retirement of a number of the less well connected.

The next issue I would like to cover is the matter of pattern bargaining. Pattern bargaining is where unions seek to have a list of claims won across a number of industries or businesses, regardless of the individual businesses’ ability to pay. Of course the minister rejects that this bill will see a return to pattern bargaining because, she has told us, strikes to back such claims would be prevented. Yet a strike is just one weapon in the union arsenal. The point remains that this bill will actually allow the attempt to achieve a pattern bargain. We should also never forget that at the end of the process the pattern can be achieved if the government’s Fair Work Australia decides to impose a settlement. This pattern bargaining is possible because multi-employer bargaining has been allowed under this bill, as the government says, in order to assist lower paid workers. Yet it is difficult to really determine where the threshold is for the term ‘lower paid’. This will be a key point in addressing the need for amendments to this bill, when it comes to consideration of it in the other place, as the problems with pattern bargaining may still arise.

I reiterate that businesses have to have an ability to pay, otherwise we may see businesses fail and then everyone loses their jobs. Indeed, the story on the front page of the Australian highlights this fact. Owner of Cowra Meat Processors, Chris Cummins, is noted as highlighting his concerns that pattern bargaining would be highly detrimental to his operations. The government’s proposed industrial relations reforms may force Mr Cummins to close his business as a result. How would that make work fairer for his employees?

In May of last year the minister was quoted as saying:
Pattern bargaining, in the sense of having industry-wide action, is unlawful under Labor’s Forward with Fairness plans.

The Minister for Finance and Deregulation was quoted as saying:
We do not accept that pattern bargaining is legitimate.

The Minister for the Environment, Heritage and the Arts commented:
Once we’re in we will change it all.

That rings true. Pattern bargaining is another policy detail which did not form part of Labor’s electoral mandate. Where was the reintroduction of pattern bargaining mentioned in their campaign manifesto? You can go through it with a magnifying glass all you want but you will never find it.

Of course, the issue of individual agreements was dealt with by the parliament earlier in the year. AWAs can no longer be made, yet I note that individual statutory agreements still remain in a form. I wonder how the focused hatred of the unions and their federal government can come to terms with that anomaly. I suppose that pragmatism outweighed ideology in an attempt to keep
businesses on side. It may be worth while to note that by the end of July 2007 there were approximately 811,000 AWAs in operation, indicating that they were not as unpopular as was claimed by Labor and the unions.

I, like many of my colleagues, have received emails as part of a concerted union campaign to get the government to abolish the Australian Building and Construction Commission, the ABCC. No doubt we have seen the television advertisements as well, decrying the fact that those who commit unlawful practices would actually be punished for their actions. Perish that thought! I have suffered under the withering onslaught of 15 emails, yet somehow I think I can withstand it. There are many justifications as to why the ABCC should be left as it currently stands. Indeed, it was a significant factor behind an economic welfare gain of $5.1 billion to the community and a 10 per cent increase in industry productivity. It also led to a significant reduction in sector industrial disputations by an astounding 91.9 per cent. The number of working days lost per 1,000 employees in Australia was also slashed from a high of 104.6 under the Keating government to just 0.8 under the Howard government. This represents the lowest quarterly rate ever recorded by the ABS. Why would you get rid of something that clearly works?

Some members on the opposite side of the House may question, and have questioned, how the ABCC is relevant to this bill. It is directly relevant as this bill plans to weaken it by stealth by allowing unions to have access to a vastly increased number of workplaces. The extent to which this will occur as a result of this legislation was also not mentioned by Labor prior to the 2007 election. It is not at all surprising that Labor would break their electoral promises in relation to industrial relations, considering where their true interests lie. Labor do not govern for all Australians as they may claim but, in fact, for only a small minority of the population bound by the same ideology.

As noted by the editorial in the West Australian on Wednesday, 26 November: In tough economic times, the last thing we need is an emphasis on ideology rather than individual enterprise and a climate in which militant unionists can feel empowered to pursue an aggressive agenda.

This emphasis on ideology is exactly what this Labor government are doing. This editorial also conveys the strong apprehension of Western Australians towards the Rudd government’s industrial relations legislation. As mentioned earlier it is not surprising, considering that the only two seats won from the Labor Party by the Liberal Party, including my electorate of Cowan, which I am honoured to represent, are in Western Australia. My state saw firsthand the damage caused by rampant militant unionists who were responsible for delays in critical infrastructure projects, including the former Carpenter Labor state government’s pet project, the Perth to Mandurah railway line. Comments by union leader Joe McDonald prior to last year’s election, when he said, ‘We’re coming back,’ were indeed a forewarning of things to come under a Labor government fixated on ideology to appease their campaign financiers in the union movement. Western Australians do not wish our state to return to the soft-gloves approach favoured by the Rudd government, and there is undoubtedly a correlation between the actions of Reynolds and Co. and the strong preference for the coalition in Western Australia.

During the economic prosperous times experienced under the Howard government, Western Australia was in many respects the engine room of the Australian economy. Whether this will continue during the economically uncertain times we now face, as well as a result of Fair Work Australia, re-
mains to be seen. I, for one, hope that this is the case, but I do have significant concerns in this regard. This view is shared by Chief Executive of the Australian Industry Group, Heather Ridout, who has noted that the laws had the potential to damage the economy. Ridout is often quoted by the Prime Minister during ministerial statement time, which we previously knew as question time. However, I cannot help but notice that this view has been completely ignored by the government on this occasion.

For those opposite, Work Choices represented an attempt by the Howard government to abolish the union movement. This could not be further from the truth. We do not begrudge those Australians who wish to be members of a union. Individual choice is, of course, a strong Liberal value which I strongly advocate. The coalition recognises the unions’ previous role as guardians of workplace rights for ordinary Australians. Today’s unions, however, are a far cry from those in days long past. What we do have a problem with is when the selfish and narrow-minded behaviour of some militant unions reduces the capacity of Australian industry to be more productive and thus more prosperous, yet this is exactly what the Fair Work Bill would do if passed in full.

The coalition will not prevent the government from passing this bill. However, we reserve the right to make amendments to it in the interests of the Australian economy and to prevent the detrimental impacts it would have on jobs and job creation if this legislation were passed in its current form. I am extremely proud of the coalition’s record with regard to employment under the previous government. We will do everything we can to preserve this important legacy into the future because without jobs there can be no prosperity for Australians.

Mr CHEESEMAN (Corangamite) (9.52 pm)—It is with much pleasure that I rise today to speak to this very important bill. For the record, I am the first Labor member in more than 76 years to represent the seat of Corangamite. There is a very clear reason why that happened, other than my natural charms. It is because of the previous government’s absolute ideological obsession with its Work Choices legislation, which ripped away more than 100 years of industrial history within Australia. In 1901, when Federation occurred, Australians went about building a modern economy, building a set of rights in the workplace that enable people to aspire to what it is that we currently call Australian values. Three years ago the previous government and the previous Prime Minister, who had completely lost touch, took to the Australian people their Work Choices legislation following the previous election. The Australian people at the 2007 election rejected the then Prime Minister’s ideological obsession with doing workers in the eye.

It was my great pleasure to be able to communicate, along with the trade union movement within my seat, in a very direct fashion with voters. In my seat a battle took place over people’s doormats, in people’s workplaces, in people’s communities. We took a new way forward to the people in Corangamite which overturned three years of history. The three years of history that I refer to is, of course, Work Choices. Work Choices stripped away from Australians more than 100 years worth of collective industrial history. Of course I was very proud to be associated with that campaign.

The Work Choices legislation removed from Australians the very essence that makes Australians what we are—that is, the essence of a fair go. The then coalition government felt very clearly that we should not give those who have a collective spirit, those who wish to give a leg-up to their next-door
neighbour, their colleague in the workplace, an opportunity. That opportunity was absolutely essential to what makes Australia what it is today. The Australian people rejected the ideology that WorkChoices was based on—that is, it is a winner takes all society. We do not want a society that is based on that. We want a society where your next-door neighbour looks after you, you look after your family, you look after your colleagues in the workplace. We do not want a winner takes all society in which your relationship with your employer is critical to how you get remunerated. We know that if we go down that path that many people in the Australian community will be disadvantaged, particularly those who come from a different background to many other people, particularly those who come from a history of repression. And we might be talking about women, we might be talking about those who come from an ethnic background. Their capacities are no less than any other white collar bloke, but in the system of WorkChoices those sorts of things were disregarded. It was very much based on a winner takes all approach.

Australian workplaces have very much been built on a system that enables us to have a minimum set of terms and conditions that are fair, that are transparent, that enable people to collectively bargain around productivity; a system in which the spoils of rewards from successful businesses would be shared not only amongst the shareholders but also those who provided the labour. In Corangamite, a seat that we have not held for 76 years, we took to the people within the electorate two questions. Those questions, I think, were very important throughout not only Corangamite but also the nation. The questions were: what is a fair go? What is it that makes Australia Australia? The answer to that is the sense of a fair go, the sense of being able to give those who may come from different backgrounds the same opportunities as the rest of us, the sense of being able to restore family values in the workplace so those who have responsibility for their families, those who have responsibilities in their communities, can take that time required to care for their families, to care for their communities.

Work Choices turned that on its head. In my view, Work Choices very much took humanity out of the equation. It became an equation based much more around the economics. It removed the fair go from the equation. It threatened the values that make Australia what it is. Like many other people who chose to pursue a career in politics—of course on the Labor side—in conjunction with our friends within the trade union movement I took these questions to people’s doorsteps. We knocked on their doors and talked to them about what Work Choices meant to them, their families and their communities. We asked them whether this was what they wanted or whether they aspired to something very different. In Corangamite, along with many other electorates that are now held by Labor—often for the first time in many years if not, like Corangamite, many generations—the answer was clear: we do not wish to have the jackboot placed on our necks in our workplaces. We wish to have the opportunity to continue to keep the values that we aspire to as Australians. That was very clearly what came through.

We have all seen the statistics relating to Work Choices. Those statistics show that under Work Choices—under Howard’s AWAs—people were denied rights and entitlements that often had been built up over generations. For the first time since Federation many Australian workers actually had fewer rights in the workplace than their fathers and mothers. For the first time in our industrial history, Australia had gone backwards.
This bill restores the notion that Labor first introduced into this place in 1993. That notion, of course, was that bargaining should be based very clearly on productivity. If the workers in conjunction with their employers were able to demonstrate and deliver productivity, then they would share in the spoils. We would all have the opportunity to move forward. Of course, Work Choices turned that on its head. This bill, which I must say is a very Labor bill, gives workers and enterprises the opportunity to bargain collectively on productivity to really drive our economy forward. With the economic financial crisis that we are now suffering and the effects that might flow from it in the next 12 to 24 months, can you imagine what the consequences would have been under Work Choices? I think they would have been very dire. This bill will give the opportunity for employees to engage with their employers, with or without a union, on productivity. They will be able to implement measures in their workplaces that will make the workplace more profitable and more competitive and give those enterprises the capacity to provide better incomes for not only the shareholders or board directors but also the workers.

An enormous number of disputes have taken place in workplaces over the last 12 to 24 months which there has been no mechanism to resolve. Cochlear Ltd comes to mind, where the employer has refused, despite the wishes of its employees, to collectively bargain. There are many other examples where rogue employers have done the wrong thing time and time again under Work Choices. I believe this bill will provide the flexibility and the opportunity for a fair go, reinforce Australian values and create the opportunity to move forward. Under Work Choices we did not see this. Under Work Choices we saw rogue employer doing the wrong things, very much dragging down that which makes Australia what it is.

The new bill is a very Labor bill and it will very much assist working families. It will enable not only productivity bargaining but the opportunity to resolve disputes in a meaningful and expeditious way. It will not lead to a situation in which there is continual disagreement or disputation between employees and employers. It sets a new flexible safety net; it creates a new opportunity for us to bargain around maternity leave, paternity leave and all of the other things that will lead to a more productive and better society.

When I look at the changes that have taken place in the Australian workplace over the last 100 years, I see very clearly that a huge number of those gains have come from the efforts and hard work of employers working collectively and productively with unions, leading to reforms such as weekends, the eight-hour day—which came out of Victoria—and superannuation. There is no doubt that Work Choices denied the opportunity for further advancements in the workplace. If we had continued to tolerate those very unjust laws in the workplace, I very much doubt that we would have the capacity that we currently have to ride out the international financial crisis. I look forward to continuing to work with the trade union movement over the years to come to ensure productivity bargaining and to give a leg up to those that have minimum wage jobs. I think that is absolutely fundamental to the sense of a fair go and to the values of Australians.

In conclusion, as I said earlier, my seat has not had a Labor member for 76 years. I joined with the trade union movement in a doorknocking campaign, talking to people about their rights in the workplace and the laws that those opposite voted for that denied people the opportunity to have a fair go and continue to appreciate the values that make
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Australia Australia. I commend the bill to the House. I think it is a fabulous Labor bill and I very much look forward to my ongoing commitment and engagement with the trade union movement.

Mrs MIRABELLA (Indi) (10.09 pm)—I rise to speak on the Fair Work Bill 2008. I speak as a representative of an electorate that has consistently recorded unemployment statistics below the national average. As such, I am very concerned at the practical implementation of this bill and the outcomes it will produce for the employment outlook in Australia and, more locally, in my electorate in north-east Victoria. No discussion of this magnitude should be undertaken without reference to what has come before. The former coalition government created a golden era of employment, an age of prosperity, that produced economic conditions that underpinned our socioeconomic growth and our foundation for thriving employment and economic prospects. More than 2.2 million jobs were created. The participation rate grew to levels unseen in Australia. Unemployment dropped to 4.3 per cent—a 33-year low. There was a 20.8 per cent increase in real wages under the period of the coalition government, as opposed to a 1.8 per cent decrease under Labor’s last period in government. Female participation in the workforce was up, as was that for youth, where Australia ranked second highest in the OECD in the 15- to 24-year ranks for employment. The number of working days lost to industrial disputation fell dramatically to the point where, in the March 2007 quarter, the lowest ever quarterly rate of days lost to strikes was recorded.

As we are all seeing, with the election of the Rudd government, prosperous Australia is unravelling. The impact of this bill on employment prospects and job creation is a matter of grave concern, particularly as we legislate at a time of serious economic decline. The sad thing is that in last year’s election campaign the coalition was portrayed as negative when it highlighted the union movement’s entrenched links with Labor and what this would mean for the future industrial relations system. The legislation we debate today is in fact the very payback for the union movement that they so dearly wished for. Joe MacDonald’s catchcry that the unions would be coming back has indeed become a reality. Unions have got what they wanted, including access to non-union-member records, right of entry to a significantly wider number of Australian workplaces and an all-important seat at the bargaining table. This bill heralds an anachronistic return to the past of union domination and appeasement. It redefines the industrial relations landscape in this country and proclaims a return to a pre-Keating era world of compulsory arbitration and the closed shop.

But in its haste to confect outrage against Work Choices, despite keeping many of its provisions, the government has not even done a rigorous analysis of what its legislation means for employment prospects or for businesses employing people. For instance, a closer look at the bill’s explanatory memorandum at regulation 232 shows:

If employers perceive that there is a risk of an unfair dismissal claim being made, then this could increase the cost of employing workers and may reduce the incentive of businesses to employ workers.

This is a very clear statement that at least one of the provisions in the legislation will lead to increased unemployment. That did not come from the Liberal Party, it did not come from anyone in the coalition and it did not come from any employer organisation. This was from the official explanatory memorandum to the bill, which was produced by very fine impartial employees who serve this parliament extremely well. This is a very clear statement that at least one of the provisions
is going to be detrimental. The title of this bill is the ‘Fair Work Bill’, but the question needs to be asked: where is the fairness in an industrial relations system that forecasts higher unemployment queues? I present this challenge to every member of the other side: go to your electorates and tell them that this legislation that you herald as some mythical utopian answer to all their problems will actually increase unemployment.

Mr Bidgood—It’s called justice.

Mrs MIRABELLA—If the members opposite think that increasing the unemployment queues is just, they should speak to those young Australians who, in the early 1990s, were the victims of the recession we had to have. They should speak to them about how their lives were altered and how their employment prospects and their ability to fulfil their potential were destroyed by the recession we had to have. The test of this bill is what it does for jobs. One can have all the protections in the world, but if you do not have an economic climate where businesses are willing to employ people then these protections count for nothing.

In the current climate of economic uncertainty, we remain concerned—and quite rightly so—at the prospects of rising unemployment in Labor’s environment of increased regulation for employers and heightened union control over workplaces. We should be rid of the days of a complex, outdated and completely arthritic industrial relations system. Flexibility is the key to modern workplaces. Just ask any working family out there what they really need, and they will tell you that flexibility is very high on the list.

The coalition understands that many in the electorate did not like the removal of the no disadvantage test that existed pre Work Choices, but the electorate certainly appreciated the wages growth, the employment opportunities and the flexibility that came with it. It is a giant leap of faith to suggest that those who may have objected to some aspects of Work Choices would necessarily wish for union domination in the workplace and a return to the economically reckless stances of the union movement in calling the shots in our workplaces. And herein lies the essential dilemma with this bill: it is really more about protecting the union movement from its inexorable decline than it is about the rights of workers and their right to a job and decent rates of pay. The government should not in any way be jeopardising the employment and welfare of Australian families and their incomes and livelihoods to repay the union movement with interest, but that is exactly what they are doing. We know the indebtedness of Labor to the unions, and this bill gives them what they want. If the unions cannot raise their membership levels beyond the current pathetic 14 per cent level of coverage in the private sector workforce, then nothing will. Labor may have talked tough on stamping out union thuggery and lawlessness, but this bill gives them what they want. They contributed more than $40 million to the Labor cause at the last election and now this bill is part of their reward.

Mr Bidgood—And how much did business give you?

Mrs MIRABELLA—Not as much as they gave you. The passage of this bill will see the unions achieve seriously enhanced rights at the disputation and wage discussion levels. Previously, members on the other side of this House spoke about a new golden era, an end to the conflict between capital and labour, an end to the conflict between bosses and workers, but we still have those on the other side interjecting, crawling back to those older, dark days of conflict between workers and employers, to the old, dark days of the politics of envy. That is really at the heart of what the union movement is trying
to re-establish with this bill. If you create that division, you create the politics of envy.

Through the passage of this bill we will see the unions achieve seriously enhanced rights at the disputation and wage discussion levels. There is not even a need for there to be one employee as a union member for the union to have carte blanche access to a workplace and its employment records. The imposition of good faith bargaining is a backwards step, and the rise of compulsory arbitration is something Labor explicitly said they would not bring back. The same can be said for pattern bargaining—again not promised by Labor last year but mysteriously appearing as a possibility in the legislation. This is not the thing to be introducing at the current time. It will certainly not offer any freedom or flexibility that will be required in an industrial relations regime that will need to adapt to a looming economic downturn. Does this bill stand the test of putting more people in jobs and creating the economic conditions to keep them gainfully employed? Does this bill stimulate economic growth and activity or will it dramatically weaken labour market conditions at a time of economic decline and great uncertainty? These are the things that should be asked of this serious rewriting of the industrial relations landscape in Australia.

Debating this bill with the government forecasting an economic downturn and increased unemployment allows us to look back at the crowning glory of the Howard years: more jobs and higher pay. These are the facts that cannot be denied by the opposition. We will never forget the double digit unemployment that Labor foisted on the community. There was the 10.9 per cent unemployment peak in December 1992, with a million Australians out of work. Teenage unemployment peaked at 34.5 per cent in July of that year. My generation had forlorn prospects in the labour market as they moved out of university and training—a depressing reminder of Labor’s inability to manage the economy and create opportunities for young people. I seriously hope that there will not be another generation of young Australians who have to suffer what those young Australians suffered in the early nineties.

There are some serious tests ahead for the government in managing the economy. Their response so far in policy decisions does not fill me with particular confidence. Harking back to a rigid and union-dominated workplace relations system would be the worst thing for Australia at the current time. We do need to resist throwbacks to the past. We need to look forward. We need to maintain some sort of positive economic momentum in order to safeguard jobs and employment prospects for the people of Australia. Without the creation of jobs, without a positive economic outlook and without growth there is no positive future for Australian families. We are all in this place to create a better future and a better Australian society. Without the possibility of jobs and jobs growth we cut the ground from underneath them. I am very concerned that this bill will do nothing to create jobs but, in such greatly uncertain economic times, will do everything to entrench the power of the union movement, whose representation in the workforce is illustrative of their inability to convince those in the workforce that they are acting in their interests and that they are worthy of being a representative organisation for workers. After this bill has been passed, I look forward not with great optimism but with great concern about the future prospects for jobs, particularly for young people and for this nation.

Mr KELVIN THOMSON (Wills) (10.21 pm)—People who think that there is no difference between the political parties ought to pay more attention to parliamentary debates. In particular, they ought to pay more atten-
tion to this one, because it makes absolutely clear what a stark difference there is between the two parties. The member for Indi described the Fair Work Bill 2008 as an anachronistic return to an era of union domination. The opposition will vote for it, but they will be speaking against it. They give the game away. They cannot help themselves. The Liberal Party is still the party of Work Choices.

The absolute bedrock of difference between the Liberal Party and the Labor Party concerns the issue of relationships between employers and employees. The Liberal Party’s belief in free markets, in market fundamentalism, is such that they believe in individual bargaining between employers and employees. The Labor Party, by contrast, believes that this is inherently unfair. We believe that the inherent bargaining strength of employers needs to be leavened and some balance achieved in essentially three ways. Firstly, we believe there needs to be a right for employees to organise themselves and bargain collectively through trade unions. Secondly, we believe in the existence of an independent umpire who can resolve disputes. Thirdly, we believe there need to be certain minimum standards to protect those workers who have the least bargaining power. This difference between the two parties was true a hundred years ago and it is still true now. It is an ironic piece of history that former Prime Minister Howard lost his seat in the election following the introduction of Work Choices, just as way back in 1928 Stanley Melbourne Bruce lost his seat of Flinders when the conservative party which he led sought to do away with the independent umpire. So this kind of difference between the political parties has been true for a hundred years.

The opposition have forever been on the lookout for opportunities to do away with the rights of trade unions, with the independent umpire and with the legislated minimum standards. They referred to the Fraser years as a lost opportunity. Then we had the era of John Hewson, John Howard and ‘jobs back’, which was one of the things which cost them the unlosable election of 1993. And, of course, we come to Work Choices, which cost them the election last year. Those opposite know perfectly well that this is what cost them the election of last year, so now they are torn and conflicted. Some of them say that Work Choices is dead because they know that it is a lemon and that the voters do not want it, but others do not want to throw out Work Choices. The member for Hume threatens to cross the floor over it, and others in the debate make it all too clear that they are not really signed up to support this bill. Their mood is defiant. Deep down in their hearts, they still believe in Work Choices. They still believe there should be nothing standing between employers and employees in negotiations. One of the odd things about this view of the world is that it has led to more regulation rather than less. We saw a massive bill of over a thousand pages designed to restrict employees, designed to restrict unions and, indeed, designed to restrict employers with yards of red tape. You would think their view would lead to less regulation; in fact, it led to more.

The other point I want to make about the historical take on this is that in the years since the Keating government, Labor’s modern view of the needs of the workforce and the needs in workplaces is that of enterprise bargaining. The introduction of enterprise bargaining has been a great success and has led to productivity improvements far in excess of those which occurred during the period of Work Choices.

During the period after the introduction of Work Choices, it seemed to me in talking with workers that three issues were really on their minds: the issue of overtime, the issue
of penalty rates and the issue of unfair dismissals or job security. Those opposite essentially do not believe in overtime and penalty rates. They think that these are restrictions on workplaces and on employers and that the boss should be free to work the workers whenever he or she sees fit. We on this side think that is unreasonable. We think that, if you are required to work in the early hours of the morning or on weekends, there ought to be some penalty attached to that, some recognition of the hardship in relation to work and family life that that involves. In the area of job security, those opposite believe that the employer should have the right to get rid of any employees who they no longer wish to have working for them. We believe that this represents a real hardship for employees. Taking away their sense of job security is a hard thing for an employee to live with, and it certainly makes things difficult in terms of planning for the future, getting housing loans from banks and things like that. These were key issues in the election where voters decided that Work Choices was not for them.

The bill before the House implements a workplace relations system that restores balance and fairness. It will promote productivity growth, it will put to the sword the ideologically driven Work Choices and it will give us economic growth and productivity. The opposition do not like to acknowledge it, but the fact is that economic growth and productivity had been occurring under the existing system—inflation had been contained and there were low levels of unemployment and industrial disputes.

Work Choices was not about economic reform at all. It was about the ideological agenda. It was the agenda of the former Prime Minister. It was also the agenda of the member for Higgins, a foundation member of the HR Nicholls Society, an organisation committed to the radical deregulation of the labour market, including getting rid of minimum wages. Even after Work Choices was implemented, the member for Higgins indicated that more radical reforms should be considered—using the minimum wage as the starting point for negotiations between an employer and employee, excluding any conditions and extending the unfair dismissal exemption to all workplaces. It was not just the member for Higgins who wanted to go further. Senator Nick Minchin told the HR Nicholls Society in 2006 that there was still a long way to go and asked for their forgiveness that change had not been as rapid as they would have liked. The opposition have that kind of attitude and that is still what they think. Who could forget the member for North Sydney revealing on Four Corners earlier this year that cabinet colleagues in the Howard government were unaware that workers could be worse off under Work Choices? It is worth emphasising the impact of Work Choices on people in low-paid employment.

Debate interrupted.

ADJOURNMENT

Mr KERR (Denison—Parliamentary Secretary for Pacific Island Affairs) (10.30 pm)—I move:

That the House do now adjourn.

Swan Electorate: Swan and Canning Rivers

Mr IRONS (Swan) (10.30 pm)—The Western Australian Minister for the Environment, the Hon. Donna Faragher MLC, recently announced more than $1 million for 14 local projects to improve the Swan and Canning River foreshores. I would like to welcome this announcement as it will greatly benefit my electorate of Swan. Approximately 75 per cent of the border of my electorate is made up of the Swan and Canning Rivers. These rivers, and particularly the foreshores of these rivers, are an integral part
of day-to-day life for the people of Swan. Protecting these rivers and their banks is equally integral and important. The river-banks grant scheme will be run by the Swan River Trust. The trust is a statutory authority responsible to the Minister for the Environment. Members will be interested to know that the trust, which has a consolidated fund budget in 2008-09 of $7.5 million, is augmented this year by $6 million from the Burswood Casino electronic gaming machine levy. The trust works closely with local government, community groups and a range of state and federal government departments. Given the scale of the problems facing the Swan River, it is important that all stakeholders are widely consulted and that we work together towards a common goal. That is the strength of our democracy.

I will be working with these local groups as the local federal member to help protect the Swan and Canning rivers so that the people of Swan can continue to enjoy these great waterways. More than $5.5 million in funding through the riverbanks scheme has been provided since 2002, allowing more than 120 projects to be undertaken. As part of the most recent announcement by the Western Australian Minister for the Environment, over $330,000 in funding will go to the projects in my electorate. There is a series of projects that will be funded as part of this announcement: $111,000 will go to the development of a restoration concept plan for the Ascot Racecourse foreshore, and to foreshore erosion control and restoration works at Garvey Park, within the city of Belmont. This funding is particularly welcome given the level of deteriorating river wall infrastructure along the river—a result of lack of investment, increasing high tides and increasing frequency of storm events. Twenty local councils bordering the Swan and Canning rivers have recently put in a submission to Infrastructure Australia for $85 million to address this problem. I have written to Sir Rod Eddington, the head of Infrastructure Australia, in support of this submission.

It is important to restore the river wall infrastructure to ensure that the Swan and Canning rivers are a safe recreation area for the people of my electorate of Swan and all Western Australians. Additionally, this announcement will provide $75,000 to be spent on foreshore stabilisation and revegetation using local native plants within the city of Canning. A further $147,000 will be spent within the city of South Perth on bank stabilisation and rehabilitation through erosion control works and revegetation.

This announcement will provide for important projects that will address priority areas and issues along the Canning and Swan river foreshores. I am exceptionally pleased with this decision by the Western Australian Minister for the Environment and I am pleased to see the new Liberal government looking out for the interests of the people in my electorate of Swan. This is only the first of a series of steps required to save the Swan and Canning rivers. I pledge to the local community to do my utmost to protect this valuable asset. This announcement is important not only because it affects a significant part of my electorate but also because it emphasises a different approach to the environment between the different sides of politics. Gestures and symbolism too often disappoint those of us who genuinely care about the sustainability of our environment. This program will implement genuine solutions to genuine problems and make a real difference to these important river systems.

It is easy to pay lip service to the environmental issues and make symbolic gestures that give people the impression that you believe in protecting the environment. However, it is another thing entirely to do something to solve the problems that face the lo-
cal environment and to do something that will actually make a real difference not only now but in the future.

In conclusion, I welcome the recent announcement by the WA environment minister. I pledge to work hard with all stakeholders to save the Swan and Canning rivers and to support schemes like the joint council infrastructure submission. Like many Australians, I care passionately about my local environment. We are fortunate to live in a country of spectacular natural beauty. It is our duty as parliamentarians to protect it.

Death Penalty

Mr MELHAM (Banks) (10.34 pm)—I again rise in this House to reiterate my opposition to the death penalty not only in Australia but around the world. Some years ago I had a parliamentary brief prepared by the Parliamentary Library by a now former employee, Jennifer Norberry. She prepared a very good brief giving a bit of a history of the abolition of the death penalty in Australia. It is worth reiterating part of that history. Queensland abolished the death penalty in 1920 under the Theodore Labor government. New South Wales abolished the death penalty under the Cahill government in 1955 and the Wran government in 1985—a Labor government. In Tasmania the Eric Reece Labor government abolished the death penalty in 1968. In the Commonwealth and the territories the Whitlam Labor government abolished the death penalty in 1968. In the Commonwealth and the territories the Whitlam Labor government abolished the death penalty in 1973. In Victoria the Rupert Hamer Liberal government legislated for the abolition of the death penalty in 1975. In South Australia the Dunstan Labor government legislated for the abolition of the death penalty in 1976. In Western Australia the Burke Labor government legislated for the abolition of the death penalty in 1984. In the United Kingdom capital punishment for murder was abolished in 1969. Although never applied, the death penalty remained on the statute book for certain other offences until 1998. The last executions took place in 1964, by hanging.

I think it is worth citing a few cases in the United Kingdom that would have had different results for particular individuals concerned if the death penalty had been in place at the time of their respective convictions. One of the cases was that of the Birmingham Six, which involved the Birmingham pub bombings and where a number of people were sentenced to life imprisonment. Their convictions, however, were declared unsafe and overturned by the Court of Appeal on 14 March 1991. Serious doubts as to the police evidence in relation to those matters were raised. There had obviously been a long campaign agitating for the release of those men, and eventually they were released. In that particular matter, it was evidence of police fabrication and suppression of evidence and the discrediting of confessions and of the 1975 forensic evidence that led to the Crown withdrawing most of its case against the men.

It was not just the Birmingham Six; it was the Guildford Four and the Maguire Seven. The Maguire Seven were charged with possessing nitroglycerine allegedly passed to the IRA to make bombs, and they were tried and convicted in 1976 and received substantial sentences. With the Guildford Four, again, it was found after much agitation and many appeals that the police had lied, and the conclusion was that, if they had lied about a particular piece of evidence, the entire evidence was misleading. The four were released in 1989 after having their convictions reversed. The verdicts against the Maguire Seven were repealed in 1991, and the court held that members of the London Metropolitan Police beat some of the seven into confessing to the crimes and withheld information that would have cleared them.
Each of those cases involved serious allegations, but it was because of the atmosphere in which the people were tried that, many years later, the courts and inquiries raised real questions over the way those trials were conducted and the convictions. If they had had the death penalty in those cases, there would have been no appeals; the people would have been sentenced to death. Indeed, one of the judges in one of the original trials was unhappy that the men had not been charged with more serious offences so that he could have administered the death penalty. They are some examples in the systems of justice that we know where miscarriages of justice occurred and the death penalty would have been a disgrace if it had applied. (Time expired)

Asylum Seekers

Mr SIMPKINS (Cowan) (10.39 pm)—Tonight I rise to speak on the matter of border protection, which I know is a very important issue in Western Australia, particularly these days. I will begin by quoting the former Prime Minister of this great country, John Howard, saying those immortal words from 2001, ‘We will decide who comes to this country and the circumstances in which they come.’ The latest example of boat people arriving in or attempting to come to this country was 800 kilometres north of Perth, where 12 people who appeared to be Sri Lankans landed on the shores of Australia. When I think back to those words of John Howard, I am beginning to wonder whether this country does actually control who makes it to our shores these days, because since August there have been seven attempts by boat people trying to make it to Australia.

Indonesia stopped nine Afghan boat people on the island of Flores. In September, our Navy stopped 14 in the vicinity of the Ashmore islands. On 7 October another boat, carrying 17, was intercepted by the Navy near an offshore oil production and storage facility in the Timor Sea. On Monday, 20 October, authorities in East Timor detained 16 Sri Lankans and four Indonesians trying to make their way illegally to Australia. On 11 November, Indonesian authorities found and detained 40 Iraqis, including nine children—which is the worst part of this—stranded on the remote island of Sumbawa in another attempt to make it to Australia. Finally, on 19 November, HMAS Ararat plucked 12 people from a sinking boat south-east of the Ashmore islands. Together with those who were found near Shark Bay last Thursday, this makes seven attempts to reach Australia. I think one of the important things that we need to consider when putting this into perspective is that that is the number that we know about. How many are not known? How many that we still do not know about made it to this country? How many actually sank—which was the worst part of all? Possibly, people have risked and lost their lives in pursuit of trying to come to this country.

So why has it happened? Why have there been seven cases since August? My view is that the messages and signals being sent by the Rudd government are unclear. We have had the closure of the offshore detention centres, the abolition of the temporary protection visas, 200 fewer immigration officials and the perception that the Navy is in some way on lighter operations—and I make the point that that is a perception, but it is a perception that seems to be held in the region. The deputy chief of criminal investigations of the Indonesian National Police has been saying that people smugglers are charging around $18,000 for each passage, prompting people to transit through several countries on their way to Indonesia to try and hop on boats. Mr Steve Cook, chief of mission for the International Organisation for Migration—
Mr Shorten—He didn’t say this. Be careful. He did not say this.

Mr SIMPKINS—is reported as saying that people smugglers are responding to the change in Australia’s immigration policy over the past 12 months with a significant increase in activity. What this is about is the safety of people and the integrity of the immigration system. It is not about any sort of race card such as others often say that we are talking about. What is required is that people know that this is a tough place to get to and that they will not be given any special treatment, and that way they will not risk their lives or the lives of their children. I think that it is important that we send very strong and clear messages, supported by very strong laws. Strong border protection remains in the best interests of this country and of those who are tempted to risk their lives.

Moreton Electorate: Chinese New Year

Mr PERRETT (Moreton) (10.44 pm)—This is the last week the Parliament of Australia will sit before February next year, so I wanted to take this opportunity to honour Australia’s Chinese community and wish them a happy Chinese New Year: gong xi fa cai! Twenty-six January 2009 marks the first day of the lunar month, and it is the first time since 1971 that the Chinese New Year coincides with Australia Day. It is particularly significant for those Chinese-Australians in our community who can celebrate simultaneously the start of their new year and their country’s national day.

Chinese New Year festivities are renowned around the world for their spectacle and celebration of traditional Chinese culture and arts. In fact, I can still hear the firecrackers from this year’s celebrations! I am especially looking forward to being involved in the various events happening in Sunnybank and other suburbs in my electorate, as well as wider Brisbane, to mark the beginning of the Year of the Ox. It is said the ox is a sign of prosperity coming through hard work, so the ox well describes my Chinese community. They have worked hard over many years to gain skills and experience, establish businesses and become involved in our community.

In Moreton, I think of great, hardworking organisations like the Queensland Chinese Forum, the Mainland Chinese Society Queensland, the Chinese Methodist Church in Australia, the Cathay Club, the Taiwan Women’s League of Queensland, the Hong Kong Australia Business Association in Queensland and the Brisbane Chinese Lions Club. These are just a few of the Chinese groups in my electorate who work hard for the broader community.

As it is a sign of prosperity, the ox is hopefully a good omen for these troubled economic times—although I am told that those born in the Year of the Ox tend to get a little nervous about debt, so it might be a tough year for some oxen.

As the Chinese community reflects on 2008, the Year of the Rat, I am sure they will look back with pride. It was a year that saw China welcome the world during the Beijing Olympics and Paralympics, and as a result they earned the respect and admiration of many around the world. It was also a year in which China faced great tragedy, with the major earthquake in the Sichuan province in May, just a few months before the Olympics. The earthquake measured eight on the Richter scale, stole more than 69,000 lives, left more than five million homeless and caused more than $20 billion in property damage. In the face of this tragedy, which gripped communities around the world, the efficient response of China’s government helped to save thousands of lives and restore communities as quickly as possible.
I am proud of Australia’s Chinese community and the vast and varied contributions that they make to our society, especially in my electorate of Moreton. I have spoken before in this place about the contribution of Australian-Chinese to Australia’s defence forces, which is why I have committed to establishing a Chinese war memorial in Sunnybank, in my electorate. The memorial will honour the past and present involvement of Chinese-Australians in the Australian defence forces, such as Billy Sing, to name but one. I would like to thank all those who have already put up their hands to be involved in a steering committee to help plan and develop the memorial. I would particularly like to recognise local community leader Lewis Lee for his commitment to the project. Lewis is a hardworking leader in the Chinese community and someone who is determined to build stronger links between the Chinese and other local communities. This is especially important when we have a parliament where we can oh so easily have dog whistles blown in our midst.

The Chinese community is a significant and valued part of the Moreton electorate, and my good friend and next-door neighbour Kevin Rudd, aka Lu Kewen, and I wish each and every member of the Chinese community a safe and prosperous Year of the Ox. Gong xi fa cai!

Swan Electorate: Thank a Volunteer Day

Mr IRONS (Swan) (10.49 pm)—Last Sunday I attended the Thank a Volunteer Day breakfast organised by the City of South Perth in my electorate of Swan. Credit must go to the CEO, Cliff Frewing, and his staff for organising the awards ceremony. The event coincides with International Volunteer Day, an event established by the United Nations in 1985 and marked in most countries around the world.

A total of 26 nominations were received from local community groups in the South Perth area. Four nominations were received for the City of South Perth Junior Volunteer of the Year Award, for outstanding volunteers below the age of 18. Kurt Brownley and Jake Hasluck were nominated for their work with the Manning Magic Basketball Club. Charlotte Pitmann was nominated for her work with the South Perth Senior Citizens Centre. It is remarkable how much good volunteer work is undertaken on behalf of the elderly in my electorate and across the state, and this was recently recognised at the 2008 WA Seniors Awards. The Youth Sustainability Board of Millennium Kids was also nominated in this category. Millennium Kids is a not-for-profit organisation run by young people and established in response to their demand for a greater say about their environment and their world.

The winner of this category was Bonnie Sutton, who was nominated for her work at the Esther Foundation over the past seven years. The Esther Foundation is a not-for-profit organisation that operates a residential health and development program in South Perth for young women aged 14 to 35 wanting to get their lives back on track. The program is full time and provides support and accommodation for young women to overcome substance abuse, self-harming, suicide, family breakdown, domestic and sexual abuse, and mental health problems in a safe and structured environment. Bonnie devotes her spare time outside of school to this cause. Her passion and commitment to the cause is exemplary and commendable.

Young people between 18 and 25 were eligible for the City of South Perth Youth Volunteer of the Year Award. There were two nominations for this award. The South Perth Church of Christ Youth Team was nominated. In our increasingly secular society, religious organisations are often forgotten as
valuable providers of volunteers. A recent survey conducted by my office has highlighted the good work undertaken by all religious denominations. The winners were Simon Treadgold and Joshua DuHeaume from South Perth Outreach. Simon and Joshua take time out from their university studies to facilitate a homework club which offers a safe and inviting place to come and receive free tutoring.

Finally, 19 people were nominated for the City of South Perth Volunteer of the Year Award. Eligible persons were those over 25. Marjorie Barker was nominated for her work with the City of South Perth Historical Society, South Perth Old Mill. The South Perth Old Mill is a special cultural icon in South Perth, and I was pleased to be part of the effort to achieve funding for its renovation early in the year. Ada Bartlett of the South Perth Senior Citizens Centre and Ken Cleaver of Como Uniting Church were also nominated for this category.

Development of young people through sport ensures a generation of healthy citizens. Ron Connolly has worked with the Southern Districts Touch Football Association and Rosemary Handley’s work with Spirit Gmysports meant that she was also nominated for the Volunteer of the Year award. Roy Snelgrove was nominated for his work with People Who Care, which is a volunteer based, non-profit and non-denominational charity helping the frail aged and people with disabilities to continue living independently for as long as possible. Care for senior citizens has an increasingly important role as the population is ageing. Roy Mouritzen was recognised for his work with the South Perth RSL and Concorde Nursing Home while Kath Nielson and Dawn Shepherd were nominated for their volunteer work with the South Perth Senior Citizens Centre. I would also like to thank Roy for recently representing me at an ANZAC Day ceremony that I could not attend.

Val Laughton was nominated for an award for her volunteer work with Kensington Secondary School, as was Penny Branch of Kensington Primary School. Karen Jones and Shelley Kraus were nominated for their work with Penrhos College Alumni Inc. and the Penrhos School Council. Margaret Lofthouse was nominated for the Volunteer of the Year award for her work in the arts through South Perth Society of Arts and Crafts and the Embroiderers Guild of WA. Sue Gardiner was nominated as a volunteer for Save the Children. Like any parent, I respect the work that Save the Children does in securing and protecting children’s rights, and her efforts are to be commended. Similarly, Adrian Macdonald and Toni Mawer were nominated for their work with the South Perth Childcare Centre and their work with children.

The winner of the Volunteer of the Year award was Mr Kenneth Skinner. Kenneth is a volunteer for the Anglican Parish of Como/Manning, the Lions Club, the Manning Senior Citizens Centre, Southcare and the Flying Angel Club. Also, Julie Robinson was posthumously awarded the Volunteer of the Year award for her work with the Nursing Mothers Association, the Toy Library, St Augustine’s, Church of Christ and Holy Family playgroups, McDougall Park Preschool and Kindergarten, WA Community Kindergarten Association, South Perth Guides and Brownies, Collier Park Primary School, Penrhos College, Aquinas College, the Vegie Co-op and the Centre of Rhythm Dance.

It was a great honour to be at the awards and humbling to witness the selfless commitment of so many in my electorate. They are to be commended, and I am proud to represent them in this place.
Braddon Electorate: Forestry and Roads

Mr SIDEBOTTOM (Braddon) (10.54 pm)—At this very late hour, Mr Speaker, the story I am about to tell you should have been on the front page of every Tasmanian newspaper last Saturday. It was a good news story for the forest industry in Tasmania. Had there been protesters and people chained to machinery it may well have made the front page, but alas we did not rate as well in the eyes of the opinion makers. The story is about the opening of the new $35 million Ta Ann rotary peel veneer mill at Smithton in the beautiful far north-west of my electorate. I was privileged to represent the Minister for Agriculture, Fisheries and Forestry, Tony Burke, at the opening in recognition of the contribution to the project by the federal government. The mill is truly a spectacular sight to behold, located in a massive state-of-the-art shed on the outskirts of Smithton, which started as a timber town early in Tasmania’s history. The company Ta Ann Tasmania is a partnership between a Malaysian and a Japanese company and came about after a long-term campaign by Forestry Tasmania to promote local timber and its benefits across the globe.

Through a process of exporting timber Forestry Tasmania was able to prove up the benefits and qualities of Tasmanian eucalypts, and it has now paid off generously. Logs that were once chipped as waste or exported as unprocessed logs from the port of Burnie because they were too short for sawmills are now put through the peeler and become more high-value veneers for construction ply, container flooring and specialty products.

The mill, which has a sister operation at Huonville in southern Tasmania, was established with significant financial support under the Tasmanian Community Forest Agreement, with funds from the industry development program. Ta Ann’s Smithton operation will employ about 50 people and is a great example of what can be done with determination and innovation. Importantly, the resource for the mill comes from both sustainable regrowth and plantation timber. Old growth timber is not used by Ta Ann for its veneer.

The veneer produced is certified for sustainability to international standards under the Australian Forestry Standard and the Program for the Endorsement of Forest Certification. PEFC is the largest international certification scheme. This gives Ta Ann an advantage in the marketplace as the consumer becomes more aware of the need to support sustainable and responsible companies. It is great to see wood that would otherwise be chipped now made into a more valuable product and also creating more jobs and investment in regional Tasmania in Braddon. It is also worth noting that the building and site have been designed with expansion in mind so that further value adding may be an option down the track—for example, a full plywood manufacturing process once the current operation is well established. I am sure the region would welcome an increase in production and more development at the mill.

Last Friday I was also able to make another important announcement for the Circular Head region and Tasmania as a whole. It is something that will be welcomed by companies like Ta Ann as they send their products out to the world. Along with my state Labor colleague Bryan Green, I was able to announce a further $4.7 million in spending on the Bass Highway—my famous Bass Highway—between Wynyard and Smithton. The extra projects are being funded by savings made on current works on the same stretch of road, and funded jointly by the federal and Tasmanian governments to the
value of $30 million. Mr Speaker, it is a road you have driven on several times, I know.

These upgrades will cater for the increasing traffic in the area and, indeed, improve safety. I first called for this particular work in August 2007, when I was but a candidate, and this is a great way to improve safety on what is a vital road for the region and adds to my pleas, Mr Speaker, over more than a decade, which you well know, for the upgrade of the Bass Highway. It is also a tribute to the many people who have worked on the existing upgrades. The jointly funded $30 million Sisters Hills project originally involved the upgrade of a 15-kilometre section of the Bass Highway west of Burnie—the scene of over 90 crashes between 1993 and 2003, with the road’s tight curves, crests, steep grades and narrowness being factors in many of these tragedies. The new works west of Carrolls Creek will straighten, flatten and widen the highway as well as improve the intersection with Rocky Cape Road and Yanns Road. The upgrade of the intersection at Broomhalls Road and Bramich Road junctions will improve safety and visibility for all road users. I know all those in this House who visit my electorate will travel more safely because of it.

Question agreed to.

House adjourned at 10.59 pm

NOTICES

The following notices were given:

Mr Albanese to present a bill for an act to amend legislation relating to aviation, and for related purposes. (Aviation Legislation Amendment (2008 Measures No. 2) Bill 2008)

Ms Gillard to present a bill for an act to amend the law relating to compensation and social security, and for other purposes. (Employment and Workplace Relations Amendment Bill 2008)

Mr Fitzgibbon to present a bill for an act to amend legislation relating to defence, and for related purposes. (Defence Legislation (Miscellaneous Amendments) Bill 2008)

Mr McClelland to present a bill for an act to amend the Disability Discrimination Act 1992 and other laws relating to human rights, and for related purposes. (Disability Discrimination and Other Human Rights Legislation Amendment Bill 2008)

Mr McClelland to present a bill for an act to make provision for the exercise of certain criminal jurisdiction by the Federal Court of Australia, and for other purposes. (Federal Court of Australia Amendment (Criminal Jurisdiction) Bill 2008)

Mr McClelland to present a bill for an act to amend various Acts relating to law and justice, and for related purposes. (Federal Justice System Amendment (Efficiency Measures) Bill (No. 1) 2008)

Mr McClelland to present a bill for an act to amend the Foreign Evidence Act 1994, and for related purposes. (Foreign Evidence Amendment Bill 2008)

Mr McClelland to present a bill for an act to amend the law relating to surveillance and the interception of telecommunications, and for related purposes. (Telecommunications Interception Legislation Amendment Bill (No. 2) 2008)

Mr Martin Ferguson to present a bill for an act to impose a royalty on uranium, and certain other designated substances, recovered in the Northern Territory, and for other purposes. (Uranium Royalty (Northern Territory) Bill 2008)

Mr Debus to present a bill for an act to amend various Acts relating to law and justice, and for related purposes. (Law and Justice Legislation Amendment (Identity Crimes and Other Measures) Bill 2008)
Mr Debus to present a bill for an act to amend the law relating to customs, and for related purposes. (Customs Amendment (Enhanced Border Controls and Other Measures) Bill 2008)

Mr Bowen to present a bill for an act to amend the Trade Practices Act 1974, and for other purposes. (Trade Practices Amendment (Cartel Conduct and Other Measures) Bill 2008)

Dr Kelly to move:
That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Australian War Memorial Eastern Precinct Development and National Service Memorial, Canberra, ACT.

Dr Kelly to move:
That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Proposed fit-out for the Australian Federal Police of the Edmund Barton Building, Barton, ACT.

Dr Kelly to move:
That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Proposed Australian SKA Pathfinder radio telescope in Geraldton-Greenough and Murchison Shire, WA.

Dr Kelly to move:
That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Puckapunyal redevelopment, Vic.

Mr Hartsuyker to move—
That the House:
(1) condemns the decision by the New South Wales (NSW) Government to charge private hospitals for the supply of blood and blood products; and
(2) expresses its concern that:
(a) this decision to turn the supply of blood and blood products into a State money-making enterprise will deter all those who voluntarily donate blood; and
(b) any extra charge to private patients will result in an extra burden on the public health service in NSW which is already unable to cope with demand.
Tuesday, 2 December 2008

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

CONSTITUENCY STATEMENTS

Petition: Disability Services

Ms LEY (Farrer) (4.00 pm)—Today I present a petition on behalf of the Woodstock Parent Action Group, handed to me on 17 November 2008 in Albury. I would very much like to take this opportunity to pay tribute to this group of parents whose persistence in rallying support for the Woodstock Early Childhood Intervention Service resulted in the collection of more than 7,000 signatures in a short space of time.

Woodstock provides support to 33 children aged six and under with a disability, and their families, living in Albury and surrounding rural areas including Lockhart, Urana, Greater Hume and Corowa. Due to an ongoing lack of funding from the federal and New South Wales governments Woodstock has had to turn families away from their service. It is a disgrace, and there is nowhere else for these families to go.

Each signature on this particular petition, which I present to the House today, is an indication of the community’s strength of feeling about this lack of funding for specialist early intervention services for young children in our community with a disability or additional needs. The dedicated staff who work at Woodstock estimate that 260 children in the Albury region do not receive assistance due to a funding shortfall. This is not good enough and I have questioned both here in the House and publicly how and why particularly the New South Wales government has allowed this to happen and how the federal government is standing by and watching but not taking the necessary action.

The lack of government funding that would enable Woodstock to provide sufficient resources to early intervention is against best practice research, which identifies early childhood as the most critical and vulnerable period in a child’s development. Current research into early brain development has demonstrated that the first three years of a person’s life are critical in providing foundations for what will happen over a child’s lifespan.

On many occasions before this petition was presented to me I met with Woodstock, and on 29 September I was pleased to attend a public forum in Albury where I was presented with a badge announcing that I am one of the A team. I now ask the Rudd government if they are prepared to be one of the A team. Given that tomorrow is International Day of People with Disability, there is no better time for governments to consider the needs of people with a disability and to consider the very real need that is represented by this petition. If we are going to promote understanding of people with disability and organisations that assist people with disability, then we need to do so proactively. It is not enough for the minister to stand up in question time, as she did today, without committing to any real action that would assist organisations like Woodstock. We need practical outcomes. I present this petition to the House today with the hope that the views of my local community, the Woodstock Parent Action Group and Woodstock Support Inc., will be properly heard and properly responded to.
The petition read as follows—
To The Honourable Speaker and Members of the House of Representatives
This Petition of residents of 5 local government areas comprising Albury City, Greater Hume, Lockhart, Urana & Corowa Shires in southern New South Wales, brings to the attention of the House, the lack of funding for specialist Early Intervention Services for children with a disability/additional needs aged 0-6 years, in this area.
The undersigned petitioners therefore ask the House to recognise the inequity of this situation, and in doing so, ensure that the matter is addressed through provision of appropriate, ongoing funding for Woodstock Early Intervention, Albury New South Wales.
from 3,245 citizens
Petition received.

Corio Electorate: Awards

Mr MARLES (Corio) (4.02 pm)—In his 1961 inaugural address at a time of great upheaval across not only America but the world, the United States President John F Kennedy challenged his fellow countrymen and women to ask ‘not what your country can do for you, but what you can do for your country’. As the world faces another series of great challenges, very much the result of the current global financial crisis, it is appropriate for us as Australian citizens to ask ourselves what we can do to support not only our nation but also our neighbours, our friends, our families and our communities in these difficult times.

It is for this reason that last month I initiated a citizenship prize amongst all of the primary and secondary schools throughout my electorate to be awarded to the student who best exemplifies the traits of citizenry defined as the duties and responsibilities that come with being a member of a community. It is anticipated that these awards will be handed out at each participating school’s graduation ceremony or end-of-year assembly, and I hope to be able to attend as many of these gatherings as possible to personally award these prizes to the winning students. I strongly believe that by encouraging the next generation of community leaders to think and act in a way that is to the benefit of those who share their environment we are establishing a basis upon which our society can continue to grow in a cohesive and supportive manner.

In this vein I also congratulate all those who were elected councillors of the City of Greater Geelong in the weekend’s election and, in particular, those newly elected councillors. They are all great people and have chosen to sacrifice their own time in support of the Geelong community. There is much work to be done in our region as Geelong goes through a difficult economic period and a period of transition that will carry it into the future. For my part, I look forward to working with the council to meet the challenges ahead.

I would like to take this opportunity to put before the new councillors for their consideration an initiative my office has been developing. There currently exists no award at a governmental level that acknowledges an individual citizen of the Geelong region for their efforts in support of our community. I propose that the Geelong community, through its government, the City of Greater Geelong, bestow on an annual basis the Geelong Citizen of the Year Award, in much the same vein as the Australian or Victorian of the year awards. The assignment of such an award could best be presided over by an independent panel of judges, could be open to any permanent resident within the borders of the City of Greater Geelong and
could be based on a predetermined list of criteria set by the judging panel, such as caring for fellow citizens, assisting fellow citizens in difficulty and fostering a culture of kindness. The council is best positioned to administer such an award, and I will be taking this proposal to the new council at the earliest possible opportunity.

**Dunkley Electorate: Autism Centre**

Mr BILLSON (Dunkley) (4.05 pm)—A delicious opportunity exists to establish an integrated, one-stop peninsula autism centre. It would be a nationally significant initiative, servicing the greater Frankston-Mornington Peninsula area and the south-east area of Melbourne and addressing a poorly understood condition and a profound challenge facing a growing number of Australian families. Autism in Australia is diagnosed at a rate of one for every 160 children today, compared with four or five children for every 10,000 just a decade ago. We do not know why this is, but it does emphasise the need and the compelling case for making autism research a national priority. This increasing prevalence rate highlights the desperate need for improved and more readily available detection; an enormous boost for affordable, intensive and effective early intervention services; more accessible family support and respite; improved clinical awareness and training amongst professionals who work with young children; and a better transition strategy for young people moving through key life stages.

It is a credit to my friend and colleague Andrew Robb, the member for Goldstein, and his dedicated electorate staff, particularly Samantha Russell, that they and Andrew’s partner, Maureen, convened an autism spectrum disorder function quite recently. The guest speakers included Andrew; Val Spence from Autism Victoria; Patricia Duggan, the Larmenier school principal; Josephine Barbaro from La Trobe University’s Olga Tennison Autism Research Centre; Baptcare’s Kim O’Neill; and Kerry Lyons from MOIRA family services. All of them made wonderful contributions.

Many insights emerged—too many to be detailed in the time available to me—but the need to end the farce that is the Brumby government’s persistence in refusing to recognise autism under the Victorian Disability Act was a key conclusion. The need for Australian research to support and develop practical and dependable early diagnostic tools and to identify the most effective forms of intervention to optimise potential and quality of life was also an important, recurring theme. A serious and urgent need for more funding for comprehensive and coordinated services and the re-education of clinicians, educators and support service providers—who may not be aware of autism spectrum disorder—to make them informed about this condition and what they can do about it in their professions were some of the main themes that arose.

What I have put forward to the government is a practical response that would be a great leap forward for autism. It is a concept that involves the Frankston campus of Monash University, the incredible group of people at Abacus and the ABA clinic that they operate on a not-for-profit basis and also many committed people such as Professor Dennis Moore and these centres at Monash that give us a great chance to take a great leap forward. I welcome the response from the Parliamentary Secretary for Disabilities and Children’s Services, Mr Shorten. I know there is a tender process underway. I am sure this proposition meets all those requirements, but it also offers much more. It is a national initiative that is well deserving of being embraced.
Mr Ernest James King

Dr EMERSON (Rankin—Minister for Small Business, Independent Contractors and the Service Economy and Minister Assisting the Finance Minister on Deregulation) (4.08 pm)—In the Australian parliament, I pay tribute to a long-serving and hardworking member of the community of Logan City, Mr Ernest James King, known to us as ‘Jimmy’. Jimmy King passed away on 3 November 2008, aged 91. As a child living through the Depression, Jimmy helped support his family. At the age of just 10, Jimmy held down the equivalent of a full-time job and still managed to go home and get his chores done. Growing up in the Depression years gave Jimmy a fair idea of what he wanted for his future and he was not afraid to work hard to achieve it. He met and married Mavis, his wife of 64 years, and they started a family—one of which any man could be proud. Jimmy saw and experienced a great many changes through his lifetime, changes that most of us learn about in history classes. His passion for fairness and equality was unsurpassed, and he always had time for a yarn and to reflect on the changes within the local community.

Jimmy was a life member of the Australian Labor Party. He continued his work with the party into his late 80s. In fact, well into his late 80s Jimmy continued with every part of living, driving to Rockhampton to visit the family, mowing the lawn at home, handing out how-to-vote cards on election day, visiting older people in their homes to assist them with their postal votes, holidaying with his wife, Mavis, and doing community work.

Jimmy was a legend amongst Labor people in the Logan City area. He called a spade a spade and argued his point with passion. He was cheeky, and if you look in the Macquarie Dictionary under the word ‘larrikin’ do not be surprised if you see the name Jimmy King—a true Aussie larrikin who was never lost for an opinion. He had a sharp wit and a sense of justice that held him in good stead throughout his life.

Jimmy never missed an Anzac Day march in the entire time I was privileged to know him. He would be up at Woodridge Cenotaph with a tear in his eye remembering his mates left behind and the ones he had outlived. He would say afterwards, ‘We fought, yeah, we fought for something and I hope these kids never have to go through what we went through.’

Jimmy always had a smile for people. I remember a time when the two amigos, Bill Burton and Jimmy King, were the godfathers of Woodridge. I was proud to call Jimmy King my friend and he will be missed by his family and by his Labor mates, one and all. Vale, Jimmy King.

Ryan Electorate: Kenmore-Moggill RSL Sub-Branch

Ryan Electorate: Jindalee Golf Club

Mr JOHNSON (Ryan) (4.11 pm)—In the last sitting week of the federal parliament for 2008, I want to extend my thanks to two local organisations in the Ryan electorate that very kindly invited me to their annual Christmas dinners last Friday and Saturday. I refer first of all to the Kenmore-Moggill RSL Sub-Branch, in the Ryan electorate. This is an organisation that has the widespread respect of the western suburbs of Brisbane. It has this respect, esteem and affection because of the dedication of all its members. It is a sub-branch which pays tribute to all those who have worn the uniform of Australia and who have fought under the flag of our country in so many ways. It does this by honouring the memory of those who have fallen in our country’s name but it also attracts the affection and respect of the community by all it
does in the education of young people in the schools of Ryan. It does a very significant job in speaking to young people about the place of our military, about their contribution and the sacrifice of all those who have worn the uniform.

Anzac Day is a special part of our calendar and it is a day when the RSL comes to the fore, with all the logistics and the organisation of that special day in April. I want to thank the president of the Kenmore-Moggill RSL Sub-Branch, Stuart Cameron, and his committee for organising a very pleasant, very enjoyable evening. There were nearly 150 members and guests in attendance at the Jindalee Hotel that evening and I felt very honoured to be invited and to receive a vote of thanks for my support of their organisation. I acknowledge also the attendance of the Queensland RSL president, Doug Formby. His stature in Queensland is without peer for what he does to fight to represent the interests of the RSL sub-branches.

I also want to thank Keith Anderson, the president of the Jindalee Golf Club, who invited me to present the annual awards of the club. Those who love the game of golf—and there are many across our country and in this parliament—contribute to the community in more ways than I think we perhaps appreciate. They not only play golf for the love of the game but also take the opportunity as a club to make a contribution to the local community, the seniors in the community and those less fortunate than themselves. I would like to take this opportunity to say merry Christmas to all of them.

**Mr Kevin Maher**

Mr SHORTEN (Maribyrnong—Parliamentary Secretary for Disabilities and Children’s Services) (4.14 pm)—My friend Kevin Maher recently announced that after 25 years he had decided to pull up stumps in his role as Secretary of the Newcastle and Northern Branch of the Australian Workers Union, a role he has been elected to since 1998. He joined the Federated Ironworkers Association, the FIA, at the Electricity Commission’s Eraring Power Station, where he was working as a trades assistant. In 1983 he was elected as a union delegate. He became an official of the union in 1984, becoming assistant secretary in 1989 and branch secretary in 1998, following the untimely death of another great Ironworker leader, Maurie Rudd OAM.

Kevin has served on the FIA and now Australian Workers Union national executive since 1988 and was elected the AWU New South Wales president in 1998. He led in an era when rationalisation caused economic downturn in the manufacturing industries in Newcastle and the Hunter region. He was a senior player in the negotiations for redundancy provisions for AWU members at the BHP Newcastle Steelworks up to 30 September 1999, at OneSteel Pipe & Tube between October 2007 and May this year and at the OneSteel bar mill this year. He presided over one of the longest disputes the AWU has had since the shearers dispute—the Boeing dispute, which went from June 2005 to February 2006. I know firsthand that AWU members were locked out and on strike for 265 days over unfair individual contracts and members wanting a collective agreement and the right to be represented by a union. The outcome at the end of the day was that Boeing accepted nine of the 11 original claims.

Kevin has been a member of the Australian Labor Party for 26 years. He is Chairman of the Newcastle Branch of the Industrial Relations Society of New South Wales and a director of the Mechanical and Electrical Redundancy Trust Fund. Kevin has also been heavily involved in his community with the Hunter Westpac Helicopter Rescue Service, raising approximately
$120,000 a year—in fact, the union’s logo is emblazoned on the helicopter—and also with International White Ribbon Day for the Elimination of Violence against Women.

Kevin told the Newcastle Herald on 12 November this year that it was important to know when to move on in life. He said:

If [John] Howard was still in power I probably wouldn’t be going … but with the Rudd Labor Government in power in Canberra, it seems like a good time for the Newcastle branch of the AWU to have some new leadership.

I have previously told the House of the important role that modern unions play in our society. As a union organiser you see firsthand the huge potential that individuals exhibit. You see examples of cooperation, compromise and pragmatism delivering dividends all round. In his time, Kevin displayed all of these traits. In conclusion, if I may paraphrase George Bernard Shaw: Kevin Maher knows his people, Kevin Maher knows his language, Kevin Maher knows his town, Kevin Maher knows that an honest bargain is a square deal for all, Kevin Maher knows industrial relations is about people and Kevin Maher knows to never overpromise and to never give up. I am proud to say I had the privilege of working with Kevin, and I always valued his commitment and wise counsel. He will be missed by the AWU, but he leaves the branch and, indeed, the union in strong hands, led by Mark Stoker locally and by Paul Howes and Bill Ludwig nationally. I wish Kevin and Kerrie well in the next phase of their lives.

Calare Electorate: Multiple Sclerosis Society

Mr JOHN COBB (Calare) (4.17 pm)—In my electorate there is a man who hopes to donate $100,000 to the MS Society. MS is a horrendous neurological disorder for which there is no cure. Later this month Tony and his wife, Selena, will be auctioning their farm, which is at Lucknow near Orange, and he says a percentage of the money from that sale will go to the MS Society. Tony, who is 49 years old, is a victim of MS. He is a farmer but because of heat intolerance, a symptom of MS, he is no longer able to farm. If he gets hot he starts to shake, and tremors set in which can last for days. Like other victims of this hideous disorder, Tony has been struck down in the prime of his life. His four children and his wife are very supportive. He is a very bright man with no history of drugs. He might have lost skin playing rugby but, aside from MS, is generally very healthy.

It is staggering that three out of four people being diagnosed with MS are women, and most are diagnosed in their 30s. MS is more common in colder climates and also more prevalent in people who have a history of working outdoors. Tony has relapsing and remitting MS and was diagnosed about three years ago. Heat intolerance is causing great problems because tremors start instantly in the sunlight. He gets very hot, headaches start, and he has to lie down in a dark room until the shakes go away. Tony says he is fatigued most of the time and has gone from working up to 60 hours a week on the farm to maybe just three hours a day. He has also adjusted his work practices to work in the morning cool. His left eye has developed problems—eyesight trouble is just one of many symptoms of MS.

Tony says that when he was first diagnosed he did not believe it and he adopted a ‘head in the sand’ approach. He says that with his health problems there is no way he could do a walk or something like that to raise funds for the MS Society, but since he has to sell his farm, although it will not be a fire sale, he would like to donate a percentage of the profits from that
sale to the society. However, he will be checking on where the money goes to achieve the most good.

Tony is from the class of ’76 and, coincidentally, went to the same school as the Labor Minister for Agriculture, Fisheries and Forestry, Tony Burke—St Patrick’s College in Strathfield. I am told that the Today Tonight current affairs program will be running a story about Tony.

We do not know how many people have MS because not everyone is diagnosed, but it is a horrendous neurological disorder. The latest estimate is 18,000 people in Australia and 2½ million people worldwide, with the number rising by seven per cent each year. The average age of diagnosis is 30, and 80 per cent of sufferers are of working age. Anyone who is interested can look at this website: www.tottens.bigpondhosting.com. As I said, 75 per cent of people with MS are female—three-quarters of all sufferers. (Time expired)

Petition: Political Asylum

Mr DREYFUS (Isaacs) (4.20 pm)—I present two petitions that have been approved by the House of Representatives Standing Committee on Petitions. The petitions concern an issue on which a number of petitions have already been presented, and I note that the Minister for Immigration and Citizenship has previously responded to these and that his response was tabled in the House on 15 September 2008.

I want to take this opportunity to thank the petitioners, who are from St Augustine’s Anglican Church and Bayside Deanery Meeting of the Mothers Union, in Mentone in my electorate, for their commitment to achieving justice for those who have sought political asylum in this country. I am pleased that, since the election, the Rudd government has been able to fulfil the hopes of so many people around Australia who understand that, as a matter of policy, it has never been a choice between secure borders and the just treatment of refugees. As the Rudd government and the Minister for Immigration and Citizenship in the Rudd government, Senator Evans, have shown, it is possible to achieve both those objectives—that is, secure borders and the just treatment of refugees.

The government were elected last year on a commitment to reforming the treatment of those seeking the protection of our country. Acting on the commitment that we made at the last election, the government have ended the Pacific solution, have been able to close the so-called offshore processing centres on Nauru and Manus Island and have resolved the ‘legacy’ cases, which were a headache left for the present government by the former government.

Being fair and humane does not mean that we are undermining our national security. We have maintained and enhanced a strong border security regime while honouring international treaty obligations and our commitment to the rule of law. We have kept in place the system of mandatory detention while ensuring that no longer, as occurred under the former government, will children be kept behind barbed wire.

The petitions read as follows—

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

WHEREAS the 1998 Synod of the Anglican Diocese of Melbourne carried without dissent the following Motion:

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MAIN COMMITTEE
That this Synod regrets the Government’s adoption of procedures for certain people seeking political asylum in Australia which exclude them from all public income support while withholding permission to work, thereby creating a group of beggars dependent on the Churches and charities for food and the necessities of life;
and calls upon the Federal government to review such procedures immediately and remove all practices which are manifestly inhumane and in some cases in contravention of our national obligations as a signatory of the UN Covenant on Civil & Political Rights
WE, therefore, the individual, undersigned Attendees at the St Augustine’s Anglican Church petition the House of Representatives in support of the above mentioned Motion.
AND we, as in duty bound will ever pray &c.
from 33 citizens

To the Honourable the Speaker and the Members of the House of Representatives in Parliament assembled:
WHEREAS the 1998 Synod of the Anglican Diocese of Melbourne carried without dissent the following Motion:
“That this Synod regrets the Government’s adoption of procedures for certain people seeking political asylum in Australia which exclude them from all public income support while withholding permission to work, thereby creating a group of beggars dependent on the Churches and charities for food and the necessities of life;
and calls upon the Federal government to review such procedures immediately and remove all practices which are manifestly inhumane and in some cases in contravention of our national obligations as a signatory of the UN Covenant on Civil & Political Rights”
WE, therefore, the individual, undersigned Attendees at the Bayside Deanery Meeting of the Mothers Union, Mentone VIC petition the House of Representatives in support of the above mentioned Motion.
AND we, as in duty bound will ever pray &c.
from 28 citizens

Petitions received.

Dickson Electorate: F1inSchools

Mr DUTTON (Dickson) (4.23 pm)—I would like to take this opportunity today to recognise a group of up-and-coming young innovators from my Dickson electorate for their outstanding achievement. The group from Pine River State High School known as the ‘Razorbacks’ last week represented their school and the state of Queensland at the national final for the Schools Innovation Design Challenge F1inSchools project, conducted at Parliament House. This worldwide competition is an initiative of Re-Engineering Australia Forum Ltd, a not-for-profit public company established to raise awareness of careers in maths, science and engineering and to ensure that Australia has a pool of future top-quality engineers. The competition requires the students, through state-of-the-art technology, to design, manufacture and race a miniature F1 car down a 25-metre track whilst at the same time working with business and management principles, including marketing, promotion, and data collection and analysis. The competition’s procedure is similar to that of a full-size formula one race car team.

The Pine River State High School students, under the guidance of teacher Corey Gieskens and with volunteer assistance from Judy and Michaela Reilly, were Chris Mills, the team manager and resource manager; Jenny Muller, graphic artist; Sam Bryant, assistant engineer; Chris Woodrow, design and manufacturing engineer; and Jasmine Smith, aerodynamic engi-
neer. While they were not the overall winners and missed out on the opportunity to take their car to London for the international competition in 2009, the Razorbacks should be extremely proud to have won the Australian Grand Prix Corporation’s fastest car award in the Australian competition, with the time of 0.985 seconds—a remarkable engineering achievement.

To obtain this great result required assistance from sponsors and a number of generous local companies, who formed part of a sponsorship team to help get a great result. The sponsors include BP; Legend Racing; Nordon Cylinders; Mick Young’s Smash Repairs; Signs and Designs; The Best Music Shop; Autobarn Lawnton; Fat Pipes; Ultimate Performance Exhaust; Andersens at Lawnton; S and K Embroidery Creations; Let’s Choose Colours; Provide Print; Prolube; GMF Automotives; C&L Corporate Clothing; Stumers Sewing Centre; Mathers Hydraulics; The Hole Image Group; Concentric Asia Pacific; Create it, Make it, Live it; ALPS/Freeway; and the University of Queensland. I offer all of them my sincere thanks for their support of this wonderful initiative.

I was present in Parliament House with other members last Wednesday to witness these remarkable engineering displays, with many of us having the opportunity to test and race the cars on the track. Some of us were successful; others of us were not. I would again like to congratulate all teams of students—and, in particular, the Pine Rivers State High School Razorbacks—who took part in this program on their dedication and enthusiasm in achieving such remarkable results. Pine Rivers State High School is certainly a remarkable school, producing wonderful, talented students, and this was only reinforced by the example that these students set in undertaking this adventure.

**Eden-Monaro Electorate: Ms Ame Barnbrook**

**Dr KELLY** (Eden-Monaro—Parliamentary Secretary for Defence Support) (4.26 pm)—In my electorate of Eden-Monaro there are many remarkable people, but none more so than Ame Barnbrook. She is a young lady who is a finalist for the National Disability Awards, which are taking place tomorrow night as part of the International Day of People with Disability. Young Ame, who is only 20 years of age, suffers from a disease called phocomelia, which affects only about one in five million people. She has overcome severe physical impairments as a result. She basically has no arms and only one leg, which has three toes on it, but with that she is able to do a whole range of activities that she has excelled in, including parasailing and other sports, music—she plays the trumpet with those three toes and one leg—and academia. Ame is a student at the University of Wollongong.

Ame has been competing at club, state, national and international level sailing for 12 years and hopes to represent Australia in the Paralympics in London in 2012. She is a talented musician; she plays a specially modified electronic trumpet and has performed in major concerts in Melbourne and Sydney, with the Yamaha Youth Orchestra in Osaka and at the closing of the IFDS World Championship in Rochester. Scholastically, Ame has consistently produced above-average results throughout school, completing her HSC at Narooma High School. Ame has followed her obvious talent and passion for music to undertake a Bachelor of Creative Arts, majoring in sound, composition and music production at Wollongong university. Throughout her schooling, the New South Wales Department of Ageing, Disability and Home Care has provided Ame with a full-time assistant and carer. However, since beginning university, this support has ceased. Wollongong university must be commended for the support it has
provided Ame, including modifying buildings and providing staff to assist with her learning program.

The New South Wales Department of Ageing, Disability and Home Care provide personal care services but cannot provide the extensive personal care to support Ame’s university education. Her family estimates that she needs an additional 40 hours per week assistance to enable her to participate in her studies to place her on an equal footing with fellow students. I am encouraged by the announcement, after the meeting of disability ministers in Sydney on 30 May this year, of a $1.9 billion boost to disability funding. I am hopeful that under the new agreement reached on that day there will be much needed additional help for Ame and for others like her. Earlier this year, Wollongong university’s coordinator of sound, composition and music production, Dr Houston Dunleavy, wrote a reference for Ame in support of a nomination for a personal achievement award as part of the National Disability Awards 2008. In Dr Dunleavy’s reference, he described Ame as ‘a fine trumpet player and an extremely talented and creative composer’.

I wish Ame all the best for tomorrow night. But, whether or not she wins the award, she is already a champion in my eyes and in the eyes of the rest of the electorate, and I look forward to her success at the 2012 Paralympic Games. I would also like to salute the other activities that are taking place around the electorate for the International Day of People with Disability.

The DEPUTY SPEAKER (Mr S Sidebottom)—Order! In accordance with standing order 193 the time for constituency statements has concluded.

CONDOLENCES

Lieutenant Michael Kenneth Housdan Fussell

Debate resumed from 1 December, on motion by Mr Rudd:

That the House record its deep regret at the death on 27 November 2008, of Lieutenant Michael Kenneth Housdan Fussell, killed while on combat operations in Afghanistan, and place on record its appreciation of his service to his country, and tender its profound sympathy to his family in their bereavement.

Mr BALDWIN (Paterson) (4.29 pm)—The opposition joins with the government this afternoon in supporting the motion of condolence for Lieutenant Michael Fussell. Lieutenant Fussell lost his life in Afghanistan on 27 November and we offer our prayers and extend our deepest sympathies to his friends and his family: we know that words will do little to assuage your grief today; we seek only to acknowledge your immense loss and honour the memory of a brave young man whose contribution to this world belies his tender years.

Serving with 4 Battalion, Royal Australian Regiment, Lieutenant Fussell—who had just celebrated his 25th birthday—was killed in the middle of the night by an improvised explosive device while leading a foot patrol in southern Oruzgan province. Lieutenant Fussell’s friends and colleagues share his family’s grief today as they attempt to comprehend the loss of a good man and an accomplished officer.

It is clear that the death of this exemplary young man will be felt very deeply throughout every community of which he has been a part—from the battlefields of Afghanistan, where his troops carry on their difficult and dangerous work, to the New South Wales northern tablelands, where he spent his childhood, to here in Canberra, where friends gathered on the weekend to reflect on a life lived to the full, a life given in service and a life cut too short.
Michael matriculated from the Armidale school in the watershed year of 2001, enlisting in
the army in 2002. He successfully completed his bachelor’s degree at the University of New
South Wales at the Australian Defence Force Academy. Michael went on to graduate from the
Royal Military College, Duntroon in 2005, was commissioned into the Royal Regiment of
Australian Artillery and was posted to ‘A’ Field Battery, 4th Field Regiment. During his time
at ‘A’ Field Battery, he qualified as a paratrooper and was deployed to East Timor in 2006 and
2007, leading troops in Operation Astute.

In January this year, Lieutenant Fussell was posted to 4RAR (Commando) as a Joint Offensive
Support Team Commander. A decorated officer, Lieutenant Fussell was awarded the Aus-
tralian Active Service Medal with clasp International Campaign Against Terrorism; the Af-
ghan Campaign Medal; the Australian Service Medal with clasp, Timor-Leste, and the Austra-
lian Defence Medal. Staff, colleagues and fellow students were shocked and saddened to hear
of his death. They have paid tribute to him, recalling his wry, laconic and very Australian
sense of humour, his love and aptitude for the sporting field and his passion and knowledge as
a horseman. Those fortunate enough to count him as a friend remember ‘Fuss’ with warmth
and admiration. They remember his dedication and commitment, recalling the sacrifices he
made in achieving his ambition of serving in this very distinguished unit.

Lieutenant Fussell was the seventh member of the Special Operations Task Force, and the
first Australian officer, to lose his life in Afghanistan. He died in the service of others. He died
that the people of Afghanistan might have the opportunity to know peace and, above all, he
died to ensure the safety and security of all Australians. We will, and must, ensure that he has
not died in vain. On days of remembrance, all Australians recall that ‘age shall not weary
them, nor the years condemn’. Michael will not be forgotten, just as those who have fallen
before him are not forgotten. His bravery and his sacrifice will forever mark both his vital
presence and his courageous passing.

Although nothing can console a mother’s grief, we pray that in some small measure Mrs
Fussell is comforted tonight in the knowledge that her son lost his life pursuing a vocation to
which he dedicated himself without reserve. His name will be recorded, as he is counted now
with those who have gone before him—young men who have fallen on the battlefield so very
far from the towns and cities in which they grew up. He has taken his place in this country’s
history, both in its past and its future.

Herodotus observed that ‘In peace, sons bury their fathers. In war, fathers bury their sons.’
We in this chamber and in these corridors must never forget that in war, young soldiers die. In
this simple, enduring truth we are bound in the shared and profound burden of responsibility.
We must today mourn with a father as he prepares to bury a son. We mourn also that Michael
did not live to enjoy a family of his own. To Michael’s parents, to his sisters, Nikki and Nyah,
and to his brother, Daniel, who is also a lieutenant serving in the Australian Defence Force,
nothing can replace what you have lost in a son and a brother. Nothing can lessen your grief.
Know only that Michael’s loss is felt in some measure by all Australians.

To his friends and colleagues still serving in Afghanistan and elsewhere, we thank you for
your service, and we wish you safety and success in your work. We are all working to ensure
that you return home soon, safely, to your loved ones. With great depth of sorrow and respect,
I simply say: Vale, Fussell.
Mr FITZGIBBON (Hunter—Minister for Defence) (4.35 pm)—Last week, 25-year-old Lieutenant Michael Fussell became the seventh Australian soldier to lose his life in Afghanistan. He was also the first Australian officer to give his life in that country. Yesterday Lieutenant Fussell began his long journey home when Australian, Afghan and Dutch troops farewelled him at a solemn ramp ceremony in Tarin Kowt. Lieutenant Fussell enlisted in January 2002 and was appointed as an officer cadet at the Australian Defence Force Academy. His first officer posting was to ‘A’ Field Battery, 4th Field Regiment. In January 2008, he was posted to 4RAR (Commando) as a Joint Offensive Support Team commander. On 27 November, Lieutenant Fussell was serving with the Special Operations Task Group when he was killed by an improvised explosive device detonation. Lieutenant Fussell had dismounted to approach a target compound on foot and stood on what was undoubtedly a booby trap. He and his mates were only too aware of the risks they took in those situations. Two members of his team were also wounded in the incident.

The tragic incident is a reminder that Afghanistan remains a dangerous place. It also reminds us of the courage and dedication our troops bring to the task of protecting us and promoting freedom and liberty. Lieutenant Fussell died serving his country and is owed a special debt of gratitude that can never be fully repaid. He was an outstanding soldier, showing courage and professionalism in the most demanding of environments. Lieutenant Fussell’s military decorations include the Australian Active Service Medal with clasp, International Campaign Against Terrorism; the Afghanistan Campaign Medal; the Australian Service Medal with clasp, Timor-Leste; and the Australian Defence Medal. His fatal wounding follows the loss of six other brave and selfless Australian soldiers: Sergeant Andrew Russell, Trooper David Pearce, Sergeant Matthew Locke, Private Luke Worsley, Lance Corporal Jason Marks and Signaller Sean McCarthy. This huge loss of so many of our finest should make all of us in this place more determined than ever to prevail in our quest to deny terrorists a safe haven and training ground in Afghanistan.

Over the course of the past two weeks, I have travelled to Canada, Spain, Portugal and the United Kingdom for discussions on Afghanistan. I also met with our ambassador to the United Nations in New York to discuss what Australia might be able to do to secure more resources for the UN special representative in Afghanistan. In Canada, I attended a meeting of Regional Command South—that is, a meeting of the eight defence ministers representing countries that participate in that part of the world. We spent a whole day discussing how we can secure better progress in Afghanistan. By the time I got to Leeds, I was meeting with Minister for Foreign Affairs Stephen Smith at the annual AUKMIN talks—that is, the meeting between Australia’s defence and foreign ministers and the defence and foreign ministers of the United Kingdom. Again, we spent much of our day talking about Afghanistan. In Spain and Portugal, I met with the defence and foreign ministers of both of those countries and again spent most of my time talking about how we might secure better progress in Afghanistan.

I left Regional Command South somewhat encouraged by a number of things. The first was the reaffirmation by Secretary of Defense Gates that in the new year the United States will significantly enhance their troop contribution in the war-torn country. The enhancement is likely to be well beyond that which President-elect Obama had promised during the election campaign—up to five brigade combat teams, which is up to 30,000 additional troops. Secre-
tary Gates also spoke of progress he was making on the establishment of a special trust fund, which will be used to fund a significant expansion of the capacity of the Afghan national army and the Afghan national police. The US will put a significant amount of money into that trust fund to kick it off. It is some billions of dollars—I will not name the exact figure, because I am not sure that has been made public. It will be expecting other partner nations and nations not participating in Afghanistan to make a contribution to that trust fund. The trust fund, again, is being used to expand the Afghan national army well beyond the aspirational 80,000 we spoke about at Bucharest in April of this year, up to 130,000. It will also expand and provide more training for the Afghan national police. Both of those organisations will be crucial to improving the security arrangements in Afghanistan in both the immediate and longer term.

Those were both encouraging signs. We spent a long time talking about Pakistan in recognition of the fact that we will not secure better progress in Afghanistan until and unless we address the very significant challenges we face in Pakistan. It is well known that many of the insurgents are now finding safe haven in the tribal regions of Pakistan and are freely making their way in and out of Afghanistan. We need to work more closely with the Pakistan government to address those issues. Australia stands ready, by invitation, to do all we can to assist the Pakistan government. The eight ministers attending Regional Command South stand ready to do the same on behalf of their nation-states as well.

There are some signs of hope for better progress in Afghanistan. We have elections there next year—probably in September 2009. It will be a watershed. The proper conduct of those elections will be absolutely critical, and I suspect that Secretary Gates and NATO more generally will be looking at partner nations to provide extra security to ensure that those elections are free and fair. Afghanistan obviously remains a very challenging place. The security environment is not good despite the very good work being done by the partner nations, including and in particular Australians in Oruzgan province. We have a long way to go before we have security at a level which we would think acceptable, a level which provides a pathway of ensuring that we do more in economic and institutional capacity terms. We will not do better in Afghanistan until we get a coherent strategy, one which properly marries the military, civil and political efforts in Afghanistan. It is going to take a big effort from the partner nations, working very closely with the Afghan government in securing those changes.

I want to recognise that the ambassador of Afghanistan is with us this evening for this very solemn and important debate. I will continue, as I am sure all partner nations will continue, to do all I can to further progress success in Afghanistan. I have said publicly this week that the loss of Lieutenant Michael Fussell, and of course his six mates before him, only makes me more determined to secure our objectives in Afghanistan. I am determined that he and his six mates shall not have given their lives in vain. We owe it to them to press on and to secure those objectives we have been looking for in Pakistan and in Afghanistan.

I close by extending my very sincere sympathies to Michael’s father, Ken, his mother, Madeline, and his brother, Daniel—who, as the member for Paterson pointed out, is also a lieutenant in the Australian Army. The Fussells have made a very significant contribution to their country, and I thank them for that. My sympathies also go to his foster sisters Nikki and Nyah, and I also remember today all of his mates, whether they be part of SOTG, the Special Operations Task Group, or part of the mentoring and reconstruction task force, who are still in Afghanistan mourning their mates. It is a very difficult time for them, and I thank them col-
lectively for the very significant contribution they continue to make to the effort in Afghani-
stan and for what they are doing for their country.

The DEPUTY SPEAKER (Mr S Sidebottom)—During this condolence motion this
chamber recognises and welcomes the ambassador of Afghanistan, His Excellency Amanullah
Jayhoon. Welcome.

Mr COULTON (Parkes) (4.44 pm)—I rise tonight to recognise the contribution, to cele-
brate the life and to mourn the death of Michael Fussell. My colleagues here can speak of his
military career far more eloquently than I, but I am today speaking on behalf of his friends.
Michael Fussell was my nephew’s best friend at school and an acquaintance of my daughter,
and his parents, Ken and Madeline, are good friends of my brother and sister-in-law. I have
asked my nephew James to send me a few words so that I can speak on their behalf.

James wrote that Michael was known to his mates as ‘Fuss’. He was a strong-willed and
determined character who made the most of his opportunities. This was demonstrated by the
career that he chose. He had a passion for sport, in particular rugby, squash and polocrosse, all
of which he excelled at. He was the epitome of the ‘country bloke’ stereotype and never shied
away from hard work. Fuss was a frequent visitor to my brother’s property and used to enjoy
helping out on the farm. He also used to go out to Warialda and Gravesend to compete in
polocrosse carnivals. He excelled academically, particularly in chemistry, history and English,
and he loved to read. He was known to recommend many a good book to his friends. He was
truly a loyal friend and he never let his rigorous Army schedule get in the way of keeping in
touch with his mates and family. Fuss spent memorable weekends with mates in Newcastle,
deep-sea fishing and attending a music festival. I think it was on 2 November, only a month
ago, that he attended a festival in Newcastle with my daughter, Claire, and my nephew James
just before he left for Afghanistan. Fuss died in the same way that he lived: serving his coun-
try and giving selflessly. He will be sorely missed by all who had the privilege of meeting
him.

James has added a few interesting anecdotes as to the sort of chap Fuss was. He and James
paddled in the Hawkesbury River Classic and canoed 111 kilometres in 16 hours. When he
was visiting my nephew on his property at Gravesend, his determination and athleticism led
him to catch a wild pig completely unaided. Anyone who has had anything to do with that
activity will know that it is no mean feat. There was also an occasion at home when he tried to
re-create a science experiment that he had done during chemistry at school and filled the fam-
ily kitchen with purple smoke.

When we mourn the loss of our soldiers it is important to remember that they are some-
one’s friend, someone’s son, someone’s brother, someone’s mate.

Mr DANBY (Melbourne Ports) (4.48 pm)—I rise today to support the motion of condo-
lence on the death in action in Afghanistan of Army Lieutenant Michael Fussell which was
moved today by the Prime Minister, supported by the Leader of the Opposition and so elo-
quently spoken to just now and prior to that by the Minister for Defence. I join with all other
members who have spoken on this motion in expressing my condolence to Lieutenant Fus-
sell’s parents, brother and sisters on their loss. I note that his brother is also a serviceman, a
lieutenant, as the defence minister pointed out.
We ask a lot of our service personnel and even more of their families. Lieutenant Fussell was the seventh Australian to die in action in Afghanistan, and we as a nation owe their families a great debt. I am sure that Lieutenant Fussell’s family and other families who have lost sons, husbands and brothers in Afghanistan would not want to think that these brave young men had died in vain. It is my strong belief that they did not. I could not support sending our soldiers into harm’s way if I did not believe very strongly that the mission of which they were a part was both just and attainable, and I am sure that this is the view of honourable members.

Why do I think our cause in Afghanistan is a just one? In 1996, Afghanistan, which had already suffered 20 years of civil war, invasion and oppression, was taken over by the Taliban—an army ruled by Islamic extremists of the most extreme type. This regime not only cruelly oppressed the Afghan people; it also harboured the headquarters of the al-Qaeda terrorist organisation. It was from Afghan soil that Osama bin Laden planned and launched the September 11 attacks in which 11 Australians, whom we should not forget, were killed in New York. When the Taliban regime refused to hand over Osama bin Laden and other al-Qaeda leaders, the US and its allies launched Operation Enduring Freedom, designed to remove the Taliban from power and establish a democratic government in Afghanistan.

We should be very proud of Australia’s armed forces, along with those of our allies and the Afghan people themselves, because of what they have achieved in the seven years since 2001. The Taliban regime has been removed, 30 million people have been delivered from tyranny and, for the first time in Afghanistan, we have a freely elected president and a multiparty parliament. The rule of law and civil rights have been established, although far from perfectly enforced. My apologies to the ambassador for saying that. Between friends, we can factually evaluate things. I think all the members of this parliament appreciate the respect the ambassador is showing Australia and Lieutenant Fussell by being here today. Millions of girls are attending school in Afghanistan. Those of us who have seen very moving films about Afghanistan like Kabul and The Kite Runner understand just how meaningful and important that particular aspect of a democratic pluralist country, which Afghanistan now is, is. That is surely a very important part of it. Fifty per cent of Afghans enjoy some rights under the government that now exists in Afghanistan with Australian support and the sacrifices of people like Lieutenant Fussell.

The war in Afghanistan is by any reasonable definition a just war, and one that deserves the support of all Australians. That is why my party gave bipartisan support, when we were in opposition, to the previous government’s commitment to Afghanistan and why we have continued that commitment in office. But the sacrifice of the lives of our soldiers, even in a just cause, can only be justified if that cause has a reasonable expectation of success. It is true that over the last few years things have not been going well in Afghanistan. I thank the ambassador, General Molan, Professor William Maley and various other people who have testified before this parliament, including before my foreign affairs committee recently, for trying to outline solutions and make suggestions that we can all look at to improve the performance of the Afghan army, the Afghan government and the allied forces who are there supporting them.

The first thing that I think we need to agree is that there has not been a strong, unified or coherent leadership of the coalition forces in Afghanistan, as the Minister for Defence has pointed out so many times and very strongly too, with a great deal of support from people in this parliament. Such leadership is necessary for success, and such leadership must come from...
the United States. The sad fact is—and I say this with regret—that, under President Bush, the
US has not exercised that leadership over the past four years to the extent that it should have.
The Bush administration has obviously been bogged down in Iraq, militarily and politically. It
has taken its eye off the main game where terror central is based, where Mullah Omar, the
leader of the Taliban, is still free and where OBL probably wanders the hills of Waziristan.

The second point flows from the first. In the absence of strong and respected leadership
from the United States, the other countries which have forces in Afghanistan have not worked
together. They have pursued their own strategies, some better than others, in different parts of
the country. I think we are all very proud of the work of our fellows in Oruzgan province but I
am not sure that this is being pursued as efficiently and effectively by other members of ISAF
in the rest of Afghanistan. We saw in Bosnia-Herzegovina that this approach does not work,
yet we have made the same mistake. Unless the coalition forces in Afghanistan work to a
common objective, under strong and accepted leadership, they will not succeed.

The third reason we are having difficulties is that the coalition forces in Afghanistan are
simply not strong enough. I do not argue that the war in Afghanistan can be won by force
alone, but without adequate forces it certainly will not be won. The rule of thumb is that suc-
cessful counter-insurgency warfare requires a ratio of 20 combat reliable troops per 1,000 of
population. In Iraq, with 27 million people, there were, at the height of the surge, 175,000
coalition forces. In Afghanistan, with 30 million people, there are 60,000 coalition forces. The
Minister for Defence has pointed out that the United States and the new US administration of
President-elect Obama have promised a further five brigade forces, and that should take the
coalition forces to 90,000.

However, the real problem in Afghanistan is that unlike in Iraq there are simply insufficient
members of the Afghan army. Currently there are only 64,000. The ambassador has advised
me and the foreign affairs committee that there is a proposal to take that to 134,000, which I
think is very good. But, as General Molan suggested to the foreign affairs committee yester-
day, we need to take the struggle further. So, with 90,000 coalition troops and 134,000 Afghan
troops, I still think that with 30 million people there are simply not enough boots on the
ground. The fourth reason is the role that Pakistan has played in the Afghan conflict from the
beginning.

Mr Baldwin—As reluctant as I am to rise on a point of order, Mr Deputy Speaker, this is
actually a condolence motion.

The DEPUTY SPEAKER (Mr S Sidebottom)—Yes, indeed it is a condolence speech and
I am sure that the member for Melbourne Ports is well aware that it is a condolence speech,
thank you.

Mr DANBY—I am trying to explain why it is a just war. I am very surprised that the Dep-
uty Chair of the Defence Subcommittee does not understand this.

The DEPUTY SPEAKER—Please continue your condolence speech.

Mr DANBY—Thank you. Pakistan has always regarded Afghanistan as part of its sphere
of influence and the Pakistani intelligence services played a major role in bringing the Taliban
to power in the first place. Now the border regions of Pakistan are being used, with the con-
nivance of some elements of the Pakistan army, by the Taliban and al-Qaeda as a safe zone for
mounting operations in Afghanistan. I do not doubt that the Lashkar-e-Taiba terrorists who
mounted the appalling attacks on Mumbai this week were also trained in the Pakistan tribal territories.

Fortunately, all these problems can be solved. In January we will have a new administration in Washington. President-elect Obama has named a tough, experienced and, dare I say it, hawkish national defence team, with Hillary Clinton as Secretary of State, Robert Gates at the Pentagon and Marine Corps General James L Jones as National Security Adviser. Anyone who feared that the Obama administration was going be soft on terrorism can be reassured by these appointments. President-elect Obama has committed the US to withdrawing its combat forces from Iraq over the year. This will free up troops and resources for Afghanistan and, just as importantly, will refocus national attention in the US on the war in Afghanistan, to which both President-elect Obama and Secretary-designate Clinton are strongly committed. President Obama will come to power with enormous international goodwill, and I hope and believe he will use that leverage to insist on a unified command in Afghanistan, to insist that the US allies commit more resources to Afghanistan, and to insist that Pakistan regain control over its border areas and stop them being used as sanctuaries for the Taliban, al-Qaeda and Lashkar-e-Taiba.

We can now use our influence in Washington to call for renewed focus on and commitment to Afghanistan, as the Minister for Defence has been doing, and for a united strategic approach backed by adequate force to achieve success there. Some argue this may require additional commitment to Afghanistan. That is something I think we should consider. Success in Afghanistan—by which I mean stable, democratic government in Kabul able to defend itself and provide security and freedom to the long-suffering Afghan people—will be the best way of honouring the memory of Lieutenant Michael Fussell and the other six brave Australians who have given their lives in Afghanistan.

Mr ROBERT (Fadden) (4.58 pm)—I rise to honour Lieutenant Michael Fussell, the 25-year-old commando serving with the 4th Battalion in the Royal Australian Regiment (Commando) who gave his life whilst serving the nation in Afghanistan, in the southern province of Oruzgan during a night-time offensive operation.

He was born in Coffs Harbour, New South Wales, on 17 November 1983 and enlisted in the Australian Army in January 2002, straight to the Australian Defence Force Academy—and having been there, I certainly know the shocks of arriving there at that time of year. He completed a Bachelor of Arts and was a keen sportsman. I believe he captained the rugby team. He graduated from the Royal Military College, Duntroon, having been in Gallipoli Company, in 2005 and was posted to the ‘A’ Field Battery, 4th Field Regiment as part of the Royal Australian Artillery. During his time at ‘A’ Field Battery he qualified as a paratrooper, subsequently deploying to East Timor on Operation Astute in 2006 and 2007.

He was subsequently posted to the 4th Battalion of the Royal Australian Regiment (Commando) in January 2008 as the JTAC, the joint terminal attack controller. Lieutenant Fussell’s military decorations include the Australian Active Service Medal with clasp, International Campaign against Terrorism; the Afghanistan Campaign Medal; the Australian Service Medal with clasp, Timor-Leste; and the Australian Defence Medal.

Michael leaves behind two loving parents, Ken and Madeline, his younger brother, Daniel, and two young foster sisters, Nikki and Nyah. His brother Daniel, incidentally, is a lieutenant with the 1st Field Regiment of the Royal Australian Artillery based in Brisbane. Michael’s
parents and family should be very proud of their warrior son and brother. He died a soldier’s death. Lieutenant Fussell was the first officer since Vietnam and the first graduate of the Australian Defence Force Academy to be killed on active service.

Michael fought and died with a great battalion from a great regiment. The decision to raise the 4th Battalion of the Royal Australian Regiment was actually made in 1963. It was officially raised on 1 February 1964 at Woodside in South Australia, which was the first time a regular infantry battalion had been raised on Australian soil. Of note, the then Governor-General announced that the 4th Battalion assault pioneer platoon sergeant would be the only soldier in the Australian Army permitted to wear a beard. In October 1965 the 4th Battalion joined the 28th Commonwealth Independent Brigade Group at Terendak camp in Malaysia as part of confrontation.

In 1968, on 13 May, an advance party from the battalion moved by air to South Vietnam and the rest of the battalion followed on board the HMAS *Sydney*, relieving the 2nd Battalion on 21 June. The battalion would commence its second tour of Vietnam from May to December 1971. On 18 August 1971 Prime Minister McMahon announced the withdrawal of troops by Christmas, and in December 1971 the Battalion less Delta Company and 1 Troop B Squadron 3 Cav returned to Townsville, again on board the *Sydney*. Delta Company remained at Vung Tau until March 1972.

In August 1973, due to the reorganisation of the Army and the cessation of national service, the 2nd and the 4th battalions were linked to form 2/4 RAR. The 2nd/4th returned from deployment on Operation Tamar to Rwanda in 1994 and they were delinked on 1 February 1995, with the 4th Battalion moving to Holsworthy. A decision was made in 1996 to convert 4RAR to a special forces unit within the Royal Australian Regiment and on 1 February 1997 the battalion was renamed the 4RAR (Commando).

Today the 4th Battalion of the Royal Australian Regiment, who Michael so proudly served with, is the commando battalion of the Royal Australian Regiment and one of the three combat capable groups within Australian Special Operations Command. Many descendants of the original members of the battalion are currently serving or have served in the battalion, and those who have served in the Royal Australian Regiment know that to serve is to serve proudly— as Michael Fussell certainly did.

I am especially proud to relay to the House this afternoon that over 150 Helensvale State School year 7 students and one year 6 student in my electorate of Fadden have been sending and are continuing to send letters to the officers and soldiers of the 4th Battalion of the Royal Australian Regiment while they are serving overseas. The school liaison officer, Mrs Mary Anne White, states that many of the letters are heartfelt and emotional, indicative of a school that cares and reaches out to its community. Let me conclude this speech on the condolence motion for Lieutenant Fussell by reading a letter written by Jake Gould from class 7W, Mrs White’s class at Helensvale State High School in my electorate. This letter, like the other 150 letters, was sent to men of the fighting fourth, the 4th Battalion of the Royal Australian Regiment in Afghanistan. The letter says:

Dear soldier,

My name is Jake but my friends call me Big Red which is weird because I’m not big and my hair is brown with blond bits. I think it’s because of my big muscles, (narr I’m kidding my muscles aren’t that
big). This year I’m in year 7 and I’m actually enjoying it. The big year 7 test was on and it was a bit hard but I think I pulled it off.

If there’s 3 things I enjoy doing they would have to be skate park, hanging with friends and rugby league and union. The skate park is so much fun on bike and scooter. I’m getting a bike soon. It will be the same as Barry’s also known as Ryan. Ryan is my best friend (one of a million). Ryan is a good friend with a nickname Barry.

My other three best friends are Spasm, Big Blue and Timmy. Spasm’s real name is Cam and Big Blue is Dean. Timmy doesn’t have a nickname.

Anyway, I would like to hear the life of an army man. What are the grounds like? Because I can picture them quite hilly. When you get told to go out are you scared? I think that would be one of the most scariest things you could do that’s why I truly look up to you guys. What type of weapons do you use and are they hard to fire? I don’t know if you have kids of your own but if you do you should know that they would think the world of you. Well if my Dad was over there that is how I would think.

I don’t know how you feel but if you get time to one day, could you please reply to this. Because that would mean the world to me.

I do not know which soldier of the 4th Battalion in Afghanistan received Jake Gould’s letter. But, knowing soldiers as I do—and I am looking across at the member for Eden-Monaro, Mike Kelly, who also knows soldiers—I know that Lieutenant Fussell would have read one of the letters from Helensvale State School, and I know it would have brought him enormous comfort, as heartfelt letters always do. The year 7 students of Helensvale State School will never forget the men of 4th Battalion, RAR. They will never forget Lieutenant Fussell, who would have read one of their letters, and nor will this grateful nation.

Dr KELLY (Eden-Monaro—Parliamentary Secretary for Defence Support) (5.06 pm)—I rise as a member of parliament, as a member of the Defence portfolio team, as a member of the ADF and as a member of the rugby fraternity to farewell Lieutenant Michael Fussell. There is never any getting used to these casualties and, as the member for Fadden, Stuart Robert, knows, every time one of these things happens it is like losing a member of the family, and you feel it deeply—though not, of course, as much as the members of his family themselves. But it is a tight fraternity in the ADF, and his friends and colleagues and the members of his unit in Afghanistan will be feeling this keenly at the moment. All of our thoughts and prayers, I know, are with those members in Afghanistan at present.

We had a very special individual here in Lieutenant Fussell. He was a true leader. And it is very obvious, from the service record that has been outlined by many of the members who have spoken, what type of man he was. He was not only a keen sportsman but also, as he pursued his career, he achieved greatly through the Royal Military College and then, as he went on to the Royal Regiment of Australian Artillery, he qualified as a paratrooper—and that exercise in itself tells you a lot about the man. It is not an easy thing to step out of a perfectly serviceable aircraft. If anyone knows anything about paratroop training, they will understand that it is always the officers who are asked to step out of the plane first, ahead of the rest of the troops. So what we had, in Lieutenant Fussell, was really one of those men who are of the ‘follow me’ type, and a great loss he will be to the Australian Defence Force and to our community. Who knows what he would have gone on to achieve, not only within the ADF but in life in general.

Certainly, our thoughts and prayers are with Madeline and Ken, his parents, and his siblings, Daniel, Nikki and Nyah. It is worthy of note that this family has offered this nation two
sons to the service of the ADF, and our thoughts and prayers are with Daniel, in particular, at this moment in the 1st Field Regiment of the Royal Australian Artillery.

It is also important to note that this casualty occurred as a consequence of contact with an improvised explosive device. The bulk of our casualties in Iraq and Afghanistan have been caused by these improvised explosive devices. They are an insidious threat not only to our personnel but also to NGOs and everybody who operates in these environments. We are facing an ongoing battle with insurgents and terrorists. It is, effectively, a cat-and-mouse game of measure and countermeasure that is being played in dealing with these insidious devices.

I would like to take this opportunity to salute the wonderful service of the men and women of the ADF’s Counter IED Task Force, led so ably by Brigadier Phil Winter. This task force is doing outstanding work. They are quiet achievers. They are not well known outside of the Defence Force—or, indeed, within it—but the work they do is as important as anything else that is being done within our organisation. The establishment of this task force has led us to acquire important capabilities and make improvements in the posture and the capability of the Defence Force in that it has forced us to acquire weapons technical intelligence capabilities associated with this effort. Those capabilities in themselves have enabled us to, if you like, get inside the loops of the insurgents and the terrorists that we are dealing with. The information that is yielded through this capability is essential and important to our ongoing effort against terrorism and insurgency.

Once again, I wish to draw attention to and salute the efforts of the Counter IED Task Force. We need to do more in this area to continue the battle of trying to stay one step ahead of the enemy. It was my privilege, as director of the Middle East strategy group within Defence, to pursue this effort with a lot of vigour because I was well aware, of course, of the threats being posed to our personnel. We will reach out to our allies and to any in the international community who are pursuing research and development in this area to further the benefits to our personnel of greater force protection, technologies, measures and assets. That is an ongoing effort around the world as we speak, and certainly it has been my privilege, in this current portfolio position, to assist in pursuing that effort.

As the member for Melbourne Ports emphasised, when we suffer casualties in Afghanistan it is important to remind the Australian community and the parliament and reassure the family of the member who has been lost that the war in Afghanistan is important and the deaths we have suffered are not in vain. The war in Afghanistan is important for a number of reasons in relation to our national interests and the cause of international peace. Probably about 20 per cent of the drugs on our streets emanate from Afghanistan, so the effort in Afghanistan is important in relation to our fight against drugs nationally. It is also important because, as the member for Melbourne Ports highlighted, Afghanistan was a haven for terrorism, and not just in relation to the infamous 9-11 attacks. Certainly, Afghanistan was a haven for terrorism throughout the South-East Asian region. The Bali bombers, who caused such havoc, in particular to Australian citizens, received their succour and support from the terrorist infrastructure that existed in Afghanistan. It is currently being rebuilt in the ungoverned spaces in Pakistan today, in the federally administered tribal areas of North Waziristan and South Waziristan and in the North-West Frontier Province. A great effort needs to be mounted there not only by Pakistan but through all the assistance that the international community can render to President Zardari and the Pakistani government.
It is important to deny terrorists that safe haven. We cannot win a counterinsurgency effort in Afghanistan without denying them that safe haven and continuing to assist our brothers and sisters in Afghanistan—and I acknowledge the presence of the ambassador here today—in building good governance and infrastructure and a better future in Afghanistan. That is how we will win this counterinsurgency. As a counterinsurgency rule of thumb, these conflicts are won by a combination of about 20 per cent military security and about 80 per cent social, economic and political factors. We need to make a better effort towards that 80 per cent and mesh our military and civil construction efforts much better, as has been highlighted many times. We continue to promote that effort internationally and now we have equipped ourselves nationally to improve our ability to do that through the establishment of the Asia-Pacific Civil-Military Centre of Excellence in Australia, which is based in my electorate.

The other key point to make about the war in Afghanistan is the potential for the spillover of that conflict to destabilise the region generally. Of course, one of the most significant risks there is in relation to Pakistan itself, a nuclear-armed state which we cannot afford to allow to become an ungoverned space or, indeed, to fall into the hands of Islamic extremists.

All this is to say that Lieutenant Fussell’s death and the efforts of all of our men and women in the ADF continue to be of importance to our national security and to the international effort for peace and security. I salute the service of those men and women. I salute the service of Fuss and I tell Fuss today: we will not forget you.

Mrs BRONWYN BISHOP (Mackellar) (5.14 pm)—I, too, rise to honour Lieutenant Michael Fussell. It is significant that we set aside days in our calendar year when we commemorate and say thanks to all who have served, right throughout our history, to help shape our nation and to give us the gift of freedom that we enjoy. The Anzac spirit which originated in Gallipoli is the common thread that winds through every war and engagement that we have had as Australians and leads us to this condolence motion today. Michael Fussell was in fact the inheritor of that tradition and he upheld that tradition, as do all our members of the ADF. But he laid down his life as well.

The incident of 15 schoolgirls having acid thrown in their faces because they dared to seek education, with one blinded and others permanently disfigured, shows we have a long way to go. But Lieutenant Fussell was there; he showed how important it was, by the way he conducted himself. He believed in the justness of the war he was fighting. The war is important—and I, too, would like to acknowledge the presence here today of the ambassador of Afghanistan.

The pride that we have in all our men and women who serve our nation wearing the uniform, fighting under a flag, is a pride that we extend to and indeed embrace Lieutenant Michael Fussell with today. Six deaths have preceded his. It is remarkable that those deaths, each of them tragic, are indeed so few. And the reason they are so few is that our troops are so well trained and that their dedication to remaining well trained and well disciplined is ingrained in them. They serve, and we are the beneficiaries.

To parents Ken and Madeline, to brother Daniel, himself a serving officer, and to foster sisters Nikki and Nyah, I extend my sincere condolences and sympathy. But I say to them, as I think to myself: to have known such a young man must give you eternal pleasure; to know that he is lost to you will give you eternal sadness. But know that the nation shares with you a
pride in your son and your brother. I think that is an important thing that we do in this parliament, and that is why I am adding my remarks today.

The DEPUTY SPEAKER (Hon. KJ Andrews)—I understand it is the wish of honourable members to signify at this stage their respect and sympathy by rising in their places.

Honourable members having stood in their places—

The DEPUTY SPEAKER—I thank the Committee.

Ms KING (Ballarat) (5.18 pm)—I move:

That further proceedings be conducted in the House.

Question agreed to.

MINISTERIAL STATEMENTS

Economy

Debate resumed from 1 December, on motion by Mr Albanese:

That the House take note of the following document:

Australia’s response to the global financial crisis

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (5.19 pm)—The government’s response to the global financial crisis has been characterised by its failure to heed warnings from 2007 and specific warnings from late 2007 and throughout 2008 as the failings of the US subprime market infected the global financial sector. Had the government read the signs and heeded the warnings, it could have responded in a far more considered and reasoned way, both with a coordinated overall strategy, not the ad hoc, hasty decisions that we have seen, and in a more calm and measured and steady manner that would have boosted confidence in Australia, not destroyed confidence as it has lurched from one bungled response to another under the guise of ‘decisive’ action. The Prime Minister and his ministers’ pavlovian response that the government acted ‘decisively’ in response to the global financial crisis might mean it acted quickly but it does not mean it acted in a considered, well-advised, thought through or measured way.

The government’s lack of preparedness to respond to the global financial crisis was highlighted by the Deputy Prime Minister in a radio interview on 24 November this year, when she said:

No-one 12 months ago was talking about a global financial crisis, now everybody is talking about a global financial crisis.

How wrong she was. In fact, on 12 November 2007, the then Treasurer, Peter Costello, warned of:

The collapse of the sub-prime US lending market which is now having reverberations around the world. And all of these things will buffet global inflation, they will buffet our economy, they will buffet exchange rates, they will affect growth and job opportunities. They will require careful management on the Budget, on tax, on structural policy, on industrial relations, on competitiveness, on investment.

That is what former Treasurer Costello said on 12 November 2007. But if the Deputy Prime Minister did not want to heed the words of the then Treasurer, by the time the Rudd government came to office it should have at least read the Reserve Bank warnings, and they had begun not in 2008 but in early 2007. The Reserve Bank’s Financial stability review in March
2007 referred to the increase in delinquencies on subprime loans causing significant difficulties for many subprime lenders. Reflecting this, it said:

… more than 20 sub-prime lenders have shut down and, on average, the share prices of the largest sub-prime lenders in the United States have fallen by nearly 40 per cent since the start of the year … The problems in the sub-prime market have also weighed on other financial stocks …

They went on with another warning. The Reserve Bank’s Statement on monetary policy in May 2007, talking about the three main risks being identified and their impact in the US economy, spoke of ‘a generalised tightening in credit standards leading to a “credit crunch”’. The Reserve Bank of Australia was referring to the US credit crunch of May 2007. It went on to refer to:

… an overly aggressive regulatory response by state and federal agencies which could also cause a decrease in credit provision; and a deepening of the ongoing contraction in residential construction and stagnation in house prices.

In its September 2007 Financial stability review, the Reserve Bank referred to the marked increase in the delinquency rate on subprime mortgages, and spoke about a large number of mortgage originators in the United States closing and potential losses on the subprime mortgages of some US$100 billion. In February 2008, the Reserve Bank statement warned again of the ongoing turbulence in international financial markets since the last statement, including a large correction in global equity prices, and it spoke about the growing pessimism among investors about the outlook for the US economy and, by extension, for global growth. The United States congress, in early 2008, was already implementing significant measures to deal with the slowdown in the US economy—a slowdown which would, as we know, impact worldwide. Economic indicators had suggested an increased risk of recession in the United States. I point out that, in January 2008, the US congress enacted the Economic Stimulus Act 2008, signed into law on 13 February 2008. Its provisions included tax rebates to individuals, and business tax incentives. In fact, the total cost of the bill was US$152 billion.

The Reserve Bank of Australia sent out another warning in its Financial stability review of March 2008 and another warning of the impact of the US subprime crisis globally in its Statement on monetary policy in May 2008. So for the Deputy Prime Minister to say in November 2008 that no-one was talking about the global financial crisis 12 months ago shows that the Deputy Prime Minister was not following international financial trends, nor was she following Reserve Bank warnings. In fact, the government was so ill prepared for the impact of the global financial crisis that in early 2008 it declared that its No. 1 priority was fighting inflation. The Treasurer had his entire focus on fighting inflation, egging the Reserve Bank on to put up interest rates when the rest of the world was loosening monetary policy to deal with the impact of the pending global financial crisis. We all recall the Treasurer’s now infamous statement on the eve of the Reserve Bank meeting that the inflation genie was out of the bottle. He was egging on the Reserve Bank to put up interest rates. The Prime Minister was in on this as well. Inflation was ‘public enemy No. 1’ for the Prime Minister. On 21 January 2008, he declared a ‘war’ on inflation and he set out a five-point plan to fight inflation. He went on in June of 2008 to talk about the inflation ‘monster’ wrecking havoc on interest rates. Even as late as 27 August 2008, in the House of Representatives, he spoke about inheriting inflation running at 16-year high and putting downward pressure on inflation.
As we know, that was precisely the wrong message to be sending. While the rest of the world was loosening monetary policy, the Prime Minister, the Treasurer and the government were egging on the Reserve Bank to tighten monetary policy. The government’s first budget gave another sign of the fact that the government was completely misreading the economic circumstances that were unfolding around the world. It was so blinded by its desire to harm the record of the former coalition government on economic management, so blinded by its political efforts to damage the coalition on one indicator, inflation, that it took its eye off the ball. The budget included tax increases—$20 billion in increased taxes and revenues. That was precisely the wrong fiscal response for that time, and yet the government refused to acknowledge that it should be easing fiscal policy. By 15 September, once Lehman Brothers had collapsed and the catastrophe in the United States was becoming evident even to the government, it started to talk about the global financial crisis. Of course, on 12 October the Prime Minister made the first announcement comprising part of the government’s response to the global financial crisis. But, as we know, that response was not in relation to what was happening around the world; it was a response to the fact that the Leader of the Opposition and I had called a press conference on 10 October and set out a number of suggestions for the government on bank guarantees, on the residential mortgage backed securities market and on delaying the emissions trading scheme in the face of the unprecedented global crisis unfolding around us.

The government’s announcement of an unlimited government guarantee for bank deposits has been canvassed on numerous occasions in the House of Representatives. Suffice to say that the opposition believed the government when it said that it took explicit advice from the Reserve Bank governor, the man charged with the responsibility in this country for the stability of the financial markets. We believed the Prime Minister when he said that he had explicit advice from the Reserve Bank governor. We now know that this unlimited bank guarantee has caused enormous dislocation in the financial markets. That was an inevitable consequence when the government announced that it would guarantee some deposits in some institutions and the Prime Minister says that they are therefore protected and safe. In the minds of the public, that means that deposits that are not in those institutions are not guaranteed, not protected and not safe. It is no surprise that billions of dollars of funds were moved out of one sector of the financial markets into another.

We also know that many of these funds and institutions had to freeze their accounts to ensure that there was not a run on them. It has been estimated that some 270,000 Australians have had their funds frozen in mortgage funds and the like as a result of the government’s bungled unlimited bank guarantee. And who will forget the Treasurer’s response to those who were suffering hardship as a result of their funds being frozen? His response was, ‘They can go to Centrelink.’ That was an insult to thousands and thousands of self-funded retirees around this country.

But the government’s bungling continued. The government informed those institutions that did not receive the guarantee that they could just convert into banks and it gave APRA more money to fund the conversion. Anybody would know that it does not take days to convert into a bank. It could take months, if not years—and that is if they wanted to do it. The government also said, ‘Well, those suffering hardship because their funds have been frozen can get ASIC to somehow assess their hardship and then try and unfreeze the funds.’ We have not heard too
much about that. Eventually the government caved in, after weeks of uncertainty in the financial markets, after weeks of hardship for Australians, and imposed a cap of $1 million, with a fee for deposits above that amount. As we know, the Reserve Bank governor has been begging the government to impose a cap—‘the lower the better’.

The government has also bungled its introduction of the wholesale term funding guarantee for Australian banks. For weeks the opposition suggested that the government should introduce legislation with a standing appropriation to ensure that the guarantee was unconditional, irrevocable and timely, but of course the government would not do that. It has now conceded that should have been done at the time of the announcement.

The government has also announced a stimulus package of some $10.4 billion following Treasury advice that it needed to act in a manner that was temporary, targeted and timely. As that package has yet to be delivered, time will tell whether it will have the desired effect. But there is another view of fiscal packages, and that is that they be permanent, pervasive and predictable. This alternative stimulus mantra has been offered by John Taylor, a professor of economics at Stanford University, in testimony before the Committee on the Budget in the US Senate on 19 November this year, as the United States Senate considers the options for a second stimulus package in addition to the US$152 billion boost in the Economic Stimulus Act passed earlier this year, which I have just referred to.

Another concern is the government’s failure to provide the Australian public with confidence. It has been talking down the economy. In order for banks to lend and people to spend, they have to feel confident about the government’s handling of the economy, growth in Australia and our prospects for the future. So what does the government do? It announces that it will go into deficit. Unlike virtually every other comparable country in the world, Australia has no government debt. It had a surplus of $21 billion, it has growth at two per cent and it has plenty of room to move in monetary policy. The government is yet to provide any modelling, research or evidence to back up its responses to this global financial crisis. It has yet to update its forecast. It does not keep people informed of what it is doing. Jobs are at stake and people deserve to be kept informed.

Mr NEUMANN (Blair) (5.34 pm)—Before I was elected on 24 November last year, for a bit more than two decades I actually ran a small to medium sized business: a law firm. I had business experience and built it up virtually from scratch. At 26 years of age, I put out my shingle—with a bit more courage than common sense, to be honest with you. I have listened to the member for Curtin on numerous occasions. I saw her on The 7.30 Report, A Current Affair and on the news. I heard her speaking on economic issues many times. As a candidate in the last election, we got briefings from the national secretary of the ALP. We saw statements made by the ministers of the then government. But I cannot recall at any stage hearing anything from the member for Curtin about a looming global financial crisis. In fact, in the debates last year between the then Prime Minister and then Leader of the Opposition, Kevin Rudd, I cannot recall that the global financial crisis, looming like a sword of Damocles over Australia and the rest of the world, was a topic that was really discussed. It is great to be wise in hindsight. I listened intently to the member for Curtin just to find out what the opposition’s response was and what they would do if they occupied the treasury bench. What would be their response? In 15 minutes, we heard nothing about what they would do. We heard plenty
of criticism of us and plenty of prophetic utterances but virtually nothing about what they would do.

The global financial crisis is a real issue for my electorate, which is in South-East Queensland. Because of its large dependence on the mining sector and on agriculture—on the dairy, beef and horticultural sectors—Queensland suffers a lot when there is a downturn in the economy. My area, which is around Ipswich, has historically suffered a lot when there have been downturns. We have relied on the coalmining industry, on railway workshops, on woollen mills and on the agriculture just outside of Ipswich in the Lockyer Valley and the old Boonah shire for employment. When global crises have hit us in the past—I am thinking back to the recessions that we had in the nineties, the eighties, and in the seventies when I was growing up—we copped it pretty hard. My dad lost his job. I know my friends’ parents lost their jobs. They say that all politics is local. The global financial crisis will have a big impact upon the men and women in the electorate of Blair, which includes Ipswich and the rural areas outside of it. I know it will have a big impact on rural areas in Queensland. I see the member for Kennedy here; it will have a big impact on his electorate as well.

We are not talking about stuff here in this chamber that is trite or trivial. Making political points and criticising us as if somehow we should have seen this coming and as if we are at fault for not seeing it really does not go down well. The truth of the matter is that we are talking about really serious stuff. People are going to lose their jobs. People are going to lose their houses. Their kids are going to suffer as a result of this. Whole communities—both rural and metropolitan—in Queensland and elsewhere in this country are going to suffer. Whilst we may be geographically an island, we are not financially. We know that we are integrated into the world economy. At the push of a button, people can move millions of dollars all around the globe. People in my electorate look at the Dow Jones and the FTSE, and they look at how their superannuation is being affected. They have told me that they worry when they see statements from their superannuation funds. So this is not a time for cheap political point scoring; this is a time for true bipartisanship. That is what this should be about.

I almost feel sorry for the member for Curtin. She came in here and really ripped into us about this without giving any positive response as to what she might do if she happened to have ‘Treasurer’ after her name. This is a time of fear in the community. It is a time when we only have about 13 banks in this world with AA ratings—four of them are, fortunately, in this country. It is a time when 1.2 million jobs have been lost in the US. It is a time when 200,000 jobs in the automobile industry in this country are at risk, and that is why we have committed $6.2 billion to the car industry.

Fears are crossing the world. In this globalised world that we live in, we have seen the best and the worst of globalisation. We have seen people suffer across the world, and we know that in our electorates they are going to suffer. Anyone who does not think that business is suffering ought to go Christmas shopping. Go Christmas shopping in metropolitan Australia and see the specials that retail outlets are putting out now, the kinds of specials that we are used to straight after Christmas in this country. Retailers in my area, South-East Queensland, have told me that they are experiencing a downturn. People are staying home. They are making their own lunches. They are not buying that car. They are not buying the house. They are not buying that item for Christmas. They are cutting back. That is why we need true bipartisanship. That is why we need to act in this country with precision, with clarity and with true
commitment to the welfare of our country. We need to protect, as much as we can, the people of our country from this unprecedented period of economic volatility.

We understand that the global financial crisis started in the US. I think the people in our electorates understand that. But we are not able to sandbag our economy; we just cannot do it. The truth is that we are so integrated with the world. When the Prime Minister talks about acting ‘decisively’, it is not a term for derision; it is a term that is true. We are trying to protect our economy with a $10.4 billion economic stimulus package. We are confronting the worst financial crisis which our modern market economy has ever faced. I know that, from 8 December this year, nearly 44,000 people in my electorate will benefit from that package. That is older Australians, those with young families and those who have been doing it tough for a long time. They welcome the package. I think it is high time that those opposite said the same thing.

We are trying to ensure that our economy can remain as robust as possible and that our people do not suffer the kinds of problems that we have seen overseas, where at least six of our OECD partners are in recession. We face the challenges of the severity of a global financial crisis here in Australia as well. We are entering a new and dangerous time in our economy. It is time for governments to be responsible, and it is time for politicians, who represent the people of this country—whether they be Independent, Green, Labor, National Party or Liberal politicians—to act responsibly and get behind the government. In a sense, it does not really matter what party the government is, Labor or Liberal; politicians need to get behind the government in a bipartisan way. I am pleased that the Prime Minister has announced the kind of package that will help the families, the carers, the first home buyers and the senior citizens in my electorate. These one-off payments will find their way into the economy and will help mitigate the worst effects of declining consumer sentiment.

It is important for us, as politicians—even those who have just been elected—to show compassion, understanding and commitment in what we say and what we do, because we are the ones, whether in the ministry, in the cabinet or simply as backbenchers or cross-benchers, who have to stand up before the people in our communities, talk about these issues and see the pain, the hurt, the lack of self-esteem and the travails of those people. Anyone who has seen the look of despair in the eyes of a man who has lost his job and his house and who has to look after his wife and kids will understand what a challenge this will bring to our economy and to the families of our country. We have seen analysts, conservatives, progressives, trade union leaders, people in ACOSS and people in the business community welcome the package that we have rolled out, because it will have an impact on local communities.

It is not just the $10.4 billion economic security package that we have handed out; it is also the $300 million that we are giving to local councils. In my electorate we have seen Ipswich City Council get $921,000 as part of this response to the global financial crisis, the Lockyer Valley council get $661,000 and the Scenic Rim council get $667,000. I have talked to the mayors of these councils—to Paul Pisasale, the Mayor of Ipswich City Council, to Steve Jones, the Mayor of the Lockyer Valley Regional Council, and to John Brent, the Mayor of the Scenic Rim Regional Council—about what they are going to do. I spoke last evening to John Brent and to Dave Cockburn, the deputy mayor of the Scenic Rim council, and I know they are considering some infrastructure programs. I know Scenic Rim are considering today what they can do in terms of a hydrotherapy complex that will make a big difference in health
and rehabilitation in the Scenic Rim, in the Boonah and Beaudesert areas and the areas south of Ipswich and that will also bring in tourism. That is the sort of infrastructure project that they could not afford without this money. Community projects that will boost local economies will do a lot for my area, and I have spoken to the mayors of those councils about what they will do in terms of sporting grounds, community centres, libraries, walkways and swimming pools. These are important community facilities that the local people use. I have also talked with the mayors about what they could do in terms of the $50 million for strategic projects.

This response by the Rudd Labor government should be commended, but we have heard very little from the other side. We have heard a lot from local mayors and from the 565 councils and shires. Many of the mayors came here with their CEOs to talk about how to refurbish infrastructure. Funding for local community infrastructure is so important, and this is a timely response to the global financial crisis. I also warmly welcome the COAG process which will see about $15.1 billion injected into our economy as part of our response to the global financial crisis. That will make significant reform possible in the areas of health, education, housing, business deregulation and Indigenous affairs.

In my area we have three particularly great private schools, Ipswich Grammar School, Ipswich Girls Grammar School and St Edmund’s, and another good school, St Mary’s. But when I look around the state schools and some of the primary schools in my area I can see they are in real need. The funding we are talking about here, as part of our response to the global financial crisis and through the COAG reformation process in the historic education reform package, will make a big difference in those schools, particularly in the disadvantaged schools. We are talking about a huge injection, of $1.1 billion, to help low socioeconomic status communities. The schools I am talking about in my area include schools like Boonah State High School, Bremer State High School, Ipswich State High School and Lockyer District State High School, which will benefit from this funding. So this is another great response to the global financial crisis which will have an impact on the schools in my area.

I commend what the government has done. This is a time for true bipartisanship. It is not a time to be making petty points. It is not a time to be criticising us without putting alternative propositions to the chamber. I suggest that the member for Curtin get behind the government and make a contribution which is positive to the local community in my area and in hers. (Time expired)

Mr BILLSON (Dunkley) (5.49 pm)—I rise tonight to make a contribution to the debate on the Prime Minister’s statement on the global financial crisis. I will not go over all the elements, as I have had the opportunity to reflect on some of the local opportunities that I hope the Frankston City Council and the Mornington Peninsula Shire Council will take up in terms of the stimulus package. Much has been said about the tactical and political responses of the Rudd government, and the Deputy Leader of the Opposition and member for Curtin has eloquently outlined that argument. I have also heard a bit about bipartisanship. My understanding of that is that it is not a call from one side to demand an almost one-party-state approach where there is some slavish adherence to a world view put forward by one side of the parliament. Bipartisanship has a sense of shared purpose, of valuing a broader range of input, of mutual adjustment and then moving forward together. I invite the members of the government who have arrived at a rather strange understanding of what bipartisanship means to reflect on that. The reflection might bring a more collaborative manner to their involvement.
What I will do tonight is talk about what I think the global financial crisis requires of all of us, and that is to look forward and see that this time is one where we could reflect on what it is we are trying to achieve. I advise my colleague the member for Kennedy that I am filling in for the member for Cook and take that opportunity to point out what I think we need to do. We need to embrace the three steps to a greener growth economy to improve sustainability. I characterise those three steps as Californication, alignment and transformation: three elements that I think the government should embrace.

Our gift to the next generation must be a greener growth economy and a more sustainable high standard of living. This means an Australia with an economy that builds on secure resources used conservatively and efficiently, where we nurture dependable and improved prospects for future prosperity, where the improved health of our natural systems is what we consistently work for and enhanced personal wellbeing and community vitality. We peer across the Pacific and see our nearest mainland American neighbours living a lifestyle and pursuing ambitions not dissimilar to our own. Peel away the obvious similarities and you will discover a quite different way in which enterprising Californians are going about creating wealth and improving living standards. This experience presents a pragmatic and inspirational case study for Australia that we could wisely emulate. If you need convincing of the opportunities, let me share a simple metric with you: California uses about the same amount of energy as Australia—to power almost twice the number of people and an economy twice the size.

On the energy front, the Californian example demonstrates how, through a systematic, better practice performance approach, gains are being secured on a project-by-project, building-by-building, decision-by-decision basis. Over time, this aggregates into a substantial improvement in energy efficiency and use. New business opportunities have emerged as the performance standards drive innovation. Consumers and investors look for proven and viable sustainability features as key selection criteria to satisfy smart regulatory requirements and to avoid premature obsolescence. Essentially, the Californian example embeds sustainability principles and objectives in the regulatory framework operating at the state, county and municipal level as it relates to property development and land use, production plant and equipment, durable consumer goods, household and workplace appliances and service consumption. These sustainability performance improvements became inculcated in things people do and buy and in decision making, just like safety. Securing these improvements should be our first step. This is the Californication step.

Our next step should be to make sure governments get their own house in order and ‘walk the talk’. This goes to the element of alignment. The public sector’s own activity needs to be more alert to opportunities to pursue sustainability objectives in concert with programs that also pursue other public policy goals. This alignment of public policy objectives recognises that governments can and must chew gum and walk at the same time. A positive example is how the Commonwealth as tenant seeks office space and commercial premises that incorporate sustainability attributes. Governments need to set an example, offer attractive work environments and reduce the operating costs of these premises. Fleet selection and fuel contracts are other areas of some positive action. But these are very obvious opportunities where sustainability considerations are and should be front of mind when it comes to value for money and other routine procurement disciplines. Perhaps less obvious are the opportunities to secure sustainability gains in parallel with other, more explicit public policy goals across gov-
ernment. Embracing this alignment ethos is another way government can pursue a greener growth vision.

The Commonwealth should insist on sustainability objectives being embedded in programs and policies on a whole-of-government basis and as a ‘must have’ feature of any program or project for which it is a partner. Examples include ensuring that transport plans and projects incorporate broader mobility objectives like reducing journey need and distance, and opportunities for optimising public and active transport modes. Facilities and buildings commissioned by the Commonwealth should showcase design features, construction methods and materials, technologies and best-practice-use sustainability attributes. Facilitated activity like that overseen by the Defence Housing Australia organisation, as it accumulates its property portfolio, should emphasise sustainability features in dwelling options. And what a missed opportunity the $622 million National Rental Affordability Scheme is, with sustainability attributes of new housing projects relegated to the ‘nice to have’ project selection criteria rather than being a fundamental requirement of proposals seeking government funding and support. It could not be clearer that a home that incorporates leading-edge sustainability attributes would be cheaper to run, as well as cheaper to rent, under the scheme. A showcase alignment opportunity has been passed over for what the Rudd government claims is an initiative that will ‘leverage private sector investment of up to $13 billion over the next four years’.

A whole-of-government consciousness about policy alignment opportunities to pursue sustainability improvement is becoming more important given the Rudd government’s ‘watch’ of the erosion of the strong fiscal position and positive economic legacy left by the Howard government. What remains of the coalition’s treasure chest must be deployed wisely. A handful of major, high-profile, headline-grabbing ‘plaque’ projects alone will not markedly lessen our environmental footprint or bring about the greener growth gains we need to make. The remaining nest egg of infrastructure funds and our enduring positive fiscal position makes it possible and necessary to reach beyond incremental baby steps and the policy alignment gains I have mentioned, to pursue sustainability improvements that embrace meaningful reform. Australia’s hard earned financial capacity should be applied to secure a great leap through targeted investment in transformational change—to bring about structural, systemic and technological change to greatly advance a greener growth agenda for improving productivity, sustainability and living standards.

This concept was explored and teased out at the recent Australian Davos Connection’s Infrastructure 21 Summit, From Incrementalism to Transformational Change. As ADC chairman, Michael Roux, put it:

Transformational change is required to take a generation step forward envisioning the Australian society of tomorrow. This leap forward will require creative policy innovation, resilient leadership and concerted cooperation across jurisdictions.

While this perspective related more specifically to the infrastructure challenges this nation faces, it is an important approach that extends beyond the infrastructure networks of our future economy into the broader agenda of a more sustainable Australia. Cross-jurisdictional, public, private, corporate and individual collaborative action is required to secure a positive and fundamental step-change in how we go about making operational our vision for an Australia where economic growth and a cleaner environment go hand in hand.
Beyond the built form element of proposals that may absorb much of the available funds, project selection and success criteria would also require a whole-of-system strategy to optimise sustainability outcomes through governance and regulatory reform, asset performance and efficiency standards, demand management, pricing transparency and reform, smart systems use and best practice management models. A relevant example is the coalition’s commitment to ‘replumbing’ rural Australia to make irrigated agriculture more sustainable and secure and to shore up reliable environmental flows. The practical action of piping public and private water delivery systems, lining dams to stop leakage, and taking steps to avoid evaporation should be accompanied by institutional and structural reforms and structural adjustment programs, proper pricing for infrastructure and resource use, smart systems for water management and use, efficient use and demand management incentives, and functioning and transparent markets that encourage resource security, investment and the best use of our scarce water.

Commonwealth funding would then support infrastructure ‘hardware’ but, importantly, also facilitate the transformation of the complementary structural and systemic ‘software’ and the renovation and reform that these need. Assessing candidate projects against this more comprehensive set of interrelated goals would support calls for transparent and objective evaluation of project proposals and evidence based allocation of funding. Whole-system thinking would be embraced. This brings forward the need for broader expertise, like that offered by the Productivity Commission, to the crucial task of proposal evaluation.

An example might involve a rail network enhancement proposal. Such a bid would need to be accompanied by proponent funding undertakings, commitments to improve the management and operation of the system, its interconnection with other transport modes, sustainability dividends, timetable enhancements, signalling investment to optimise current and proposed line use, rolling stock upgrades, complementary land use changes and possible private sector collaborations. The partnerships would be essential for actioning a transformational approach, which would help to ensure Commonwealth funding secured the best of all involved and that the federal government was not viewed simply as a soft touch for cash with no strings attached.

The greener growth Australia agenda and a concerted effort to secure a more sustainable future for Australia, our people, our economy and our natural systems requires this three-step approach. We need a focus on pursuing incremental and gradual gains inspired by the Californian example, sustainability objectives embedded in all activities of government and aligned with policy goals across all portfolios wherever possible and the use of infrastructure funds and the more positive fiscal position provided by the coalition government to leverage transformational leaps forward. This is what the agenda for the future should be. This is the challenge we should tackle and react to in light of the challenges of the global financial crisis.

Ms SAFFIN (Page) (6.01 pm)—I speak in strong support of the Prime Minister’s ministerial statement of 26 November on the global financial crisis that began out of the US subprime crisis 12 months ago and has spread from a small number of cases to a crisis of epidemic proportions. I speak in strong support of the Rudd government’s actions, including Treasurer Swan’s particular actions, which are decisive, timely and needed in this challenge that we face. And correct action it is, in not just responding but also pre-empting the situation as it develops—in the much heard but correct phrase, ‘to keep us ahead of the curve’. That is what
decisive action is about. It is not just responding; it is pre-empting and it is staying ahead of
the curve so that we can continue to come out of the global financial crisis with our economy,
which is strong, more intact.

I speak in strong support of the particular actions that form the nucleus of the government’s
Economic Security Strategy, a strategy designed to stimulate the economy and one that is act-
ing in partnership with monetary policy. The budget framed by the Rudd Labor government
and shaped and delivered by the Treasurer provided and provides the backdrop for the gov-
ernment’s ability to act now, as the global financial crisis impacts on us here. The $9 billion
tax cuts, as one example, which were introduced in the budget to help ease the cost-of-living
pressures, have certainly positioned us well for the things that are now starting to affect us.

One key plank of the Economic Security Strategy is the $10.4 billion package that was de-
ivered in October. There are a few items in that, obviously. There is assistance to pensioners
of over $4 billion in cash payments nationally. Also, there are about two million families eli-
gible for the family tax payment A who will benefit from the package. There are also the first
home buyers, whose grant is going up from $7,000 to $14,000, and if you are building it goes
up to $21,000. All of this package is part of what is designed as the economic stimulus.

In fact, it is welcomed by all, including the opposition. The honourable member for Cow-
per, who also comes from the Northern Rivers and North Coast area, like me writes a column
in a local newspaper. He welcomed the Rudd Labor government’s $10.4 billion economic
stimulus package and was happy to showcase that in his writings for the local electors. There
are other components of it which came after. Last weekend we had the $11 billion for critical
government services, notably health and education, come out of the COAG agreement. There
is also $6.2 billion for the auto industry that will kick in by 2010.

To put it in context, I will just give a brief snapshot of the global conditions resulting from
the crisis. There are at least 30 bank bailouts. The share markets are down 50 per cent—and
counting. It has come to that in Australia as well. As of November, the governments of at least
15 countries that we know of have put together rescue packages, and more are doing so now.
Recently we heard the President of the EC, His Excellency Jose Manuel Barroso, talking
about the bailout package for the 27 EU countries. Major economies are falling into recession.
Germany was the first cab off the rank, followed by Japan and Italy. Others have already ex-
perienced negative growth: the UK, the US, Canada, France and others. The projections for
the US and others are bleak, and we know that projections globally are not good. There is no
use gilding the lily. Some people ask, ‘Why are we talking about it?’ We have an obligation to
be open and frank with the Australian people, just as I do toward the people of Page, who I
represent. They need to know exactly what is happening and, equally, what action the gov-
ernment has taken to cushion us from some of the shocks.

These economies I have referred to are generally strong economies, as, indeed, is ours—a
little bit sounder than others, I might add. But our economy is now being bombarded by some
forces out of our control. What is under our control is our competence and leadership. Leader-
ship is important in these times, and the decisive action that has been taken by the Rudd gov-
ernment with the economic stimulus packages will help. I say ‘help’ because it helps to insu-
late us somewhat from the shocks to our system. It is a bit like being buffeted with a grenade.
Some of the other economies are being buffeted by a rocket. There is a comparative differ-
ence. That is the way I think about what is happening to our economy and to other strong
OECD economies at the moment. We are starting to read about what is happening to developing economies, a lot of which are right here in our own backyard in this region. That cannot help but impact on us.

There is a global financial trend downwards. We are the world’s 14th largest economy, and we experience the good and the bad of globalisation. Globalisation is a fact of life. We experienced good out of it, particularly over the past 17 years of sustained economic growth, but the tide has turned globally and it is dumping on our shores. I want to talk a little bit about trade, because the countries to which we send over half our exports have economies that are slowing or in recession. That, coupled with falling commodity prices, gives us a bleaker outlook for our terms of trade. The official forecasts are for an 8.5 per cent downturn. It makes it even more important that we give attention to completing the Doha negotiations. I note that one of the things to come out of the G20 meeting was a renewed vigour to complete some of the agreements in the Doha Round. All of the respective ministers have been instructed to be in Geneva, and I wish our Minister for Trade well in his deliberations there.

I have a few comments that are relevant both on the national scene and locally in Page—and, indeed, in all of our electorates. The Australian share market has fallen by up to 50 per cent. Some local independent retirees and others tell me their incomes have fallen 40 to 50 per cent. Some are able to adjust and withstand that; for others it creates a lot of difficulties. There are falling house prices. We know that in the last two quarters consumer confidence has been at levels unparalleled since the early nineties. The November figures tell us that retail sales grew marginally after falling for two previous quarters. I note the retail sector got some degree of comfort that sales were actually up, because a big part of the objective of the economic stimulus package is aimed at spending. Building approvals are down. Car sales are down by about eight per cent nationally—I know my local car dealers are affected by that—and that flows on to all of us. Credit conditions are tough. It is difficult for businesses to obtain finance; that difficulty is at a 26-year high.

Here is another issue, both nationally and also in Page. I had three local mortgage investment companies with about 10,000 local investors. Some of those were pensioners, some were short-term investors and some were charities and other groups, and all of them had been impacted by the global financial crisis. Another example of the government, particularly the Treasurer, taking action is when they worked with ASIC through the time when there were freezes on redemptions. ASIC worked out with the government a system whereby those investors could apply under hardship conditions. They did it through their mortgage investment companies. They could access up to $20,000 plus half of the balance of what they had left in there. That seems to be working quite well and things have now settled down in that area.

In these times, we face a scenario described by the Prime Minister—though he was clear in stating that we have not reached this scenario yet—in his statement:

If global growth continues to deteriorate in the period ahead, consistent with the economic data that is emerging during November, then there will be a further slowing of growth in the Australian economy—as surely as night follows day.

If Australian economic growth slows further because of a further deepening of the global financial crisis, then it follows that the Australian government revenues will reduce further.

We have heard that they could be down by as much as $40 billion, which certainly impacts on the ability to deliver new programs. The Prime Minister said that we have not reached that
yet, but he was flagging that, if we do get to that situation, that situation would be the trigger for a temporary deficit. It was just putting the cards on the table for the Australian people, saying to them, ‘If we get to this, then we’ll need to do that, and we’ll need to do it because it will trigger a further economic stimulus that will be needed to help that situation.’ With those comments, I give my strong support to the Prime Minister’s statement of 26 November.

Mr KATTER (Kennedy) (6.14 pm)—I have said in this place many times that it is my view that one of the major problems that we have in government in Australia is that, for many of the people who come into this place, when they were little their mummies and daddies never had them play Monopoly. If you have played Monopoly you will, of course, understand that if you own all of the utilities you can charge seven times the amount that you could if you only owned one utility. Anyone who has been in business for themselves knows that you do not go out there to create competition—you go out there to eliminate your competition. That is the name of the game. Yet people in here somehow think that by allowing a free market you are going to create competition.

The Australian economy is probably one of the greatest examples in world history of the marketplace having been freed up completely—and I think that Paul Keating did probably establish the freest economy in the world. But what happens is that you do not thereby create competition. Take Woolworths and Coles—let me be very specific. They had 50.5 per cent of the Australian market in 1991 and by 2002 they had over 82 per cent of the market. So we most certainly did not create competition in the field of fruit and vegetable retailing in Australia—and I could go through all of the other sectors of the economy if you wished me to.

I would say that I would have maybe two or three times as many economics books in my house as anyone else in this place, and I would say that I would probably be the only person who has read The Ascent of Money by Niall Ferguson, who was one of the best-selling historians in the world and who has turned his hand to this book on economics. In The Ascent of Money, Niall Ferguson talks about the game of Monopoly in exactly the same way as I have addressed the game of Monopoly today.

There are people we in Australia call ‘economic rationalists’—they may be called ‘market fundamentalists’ in other countries—and anyone who does not agree with their viewpoint is regarded as somehow imbecilic or very limited in their intellectual capacity and very poorly read, and as someone who does not understand economics. People like me are relegated to the garbage can of intellectual debate.

The economic rationalists of the previous government and the one before it have almost eliminated manufacturing in this country. And I do not pluck ideas out of the air: every single thing that I say here I can back up with hard statistical evidence, and I am quite happy to give you the references. In the year before Mr Keating lowered tariffs on motor cars, 79 per cent of Australian motor cars were Australian made. Last year, 19 per cent of Australian motor cars were Australian made. And, since the decline is picking up very dramatically, it is expected that over the next 10 years only five per cent of Australia’s motor cars will be Australian made.

There is virtually no manufacturing taking place in this country. For instance, I buy Baxter shoes—and, contrary to popular belief, RM Williams boots were not the ones with elastic sides; they were Baxters. I could not buy any and so I rang Mr Baxter up. I said, ‘I am very, very pleased, Mr Baxter, that you are still in business.’ And he said, ‘Don’t hold your breath,
Bob. We’ve got 120 employees this year; next year we’ll have six. We can’t compete against
the Chinese. And their quality is very good. I’m not going to say their quality is poor—it is
not; it is as good as we are able to produce here. So,’ he said, ‘next year we have to join them
or we go under.’ I said, ‘You’ve been around for a fair while, haven’t you?’ He said, ‘Don’t
you read your box? We’ve been around since 1854.’ They have survived government after
government and setback after setback, but they could not survive the whirlwind and holocaust
of economic rationalism which has been perpetrated upon this country over the past 15—or,
arguably, 18—years.

Mr Clinton was also a great advocate of the free market—contrary to the beliefs of all the
run-about lefties. He liberalised the administration of and effectively abolished the restraints
and safeguards placed upon housing loans in the United States so that people were able to sell
off their mortgages, particularly the poor ones. They were collected into a big heap—I am not
going to use technical terms. I am trying desperately to avoid technical terms because a per-
son who comes into this place and uses a whole stack of buzzwords and phrases like ‘mone-
tarism’ and ‘fiscal horizontal equalisation’ only confuses people. And those who actually un-
derstand those terms realise the complete intellectual bankruptcy of these galahs, who use big
words that have no substance to them whatsoever.

Let me return to Mr Clinton. They used the term ‘collateralise’ but all that meant was that
they put together a heap of poorly performing housing loans and flogged them off to some-
body. That was called the subprime market. There were enough rubbish housing loans out
there to gravely threaten the major financial institutions of the United States. There had been
no prudential behaviour. There had been no demand upon banks to act responsibly. The atti-
dude was: in a free market you cannot restrain people; let the market look after itself. You loan
money to everyone you can loan money to. The head of St George obviously put enormous
pressure on his salesmen to go out there and flog off housing loans, and they did. The net re-
sult was that in 2003 in Australia the average house cost 28 per cent of average weekly earn-
ings. Last year that had risen to 40 per cent. There were people out there who were grossly
irresponsible.

When I had a marketing agency with the AMP Society, prudentially responsible behaviour
was demanded of us. If 20 per cent of our insurance contracts lapsed then we were shown the
door—the agency was taken away from us. If the figure was over 10 per cent you were asked
to explain. That was prudentially responsible behaviour; that was not the free market running
amok, saying, ‘You will go out there and sell, sell, sell.’ Yes, they said that to us but they also
said, ‘If you sell rubbish, if you give a person a contract that he cannot complete, then it is on
your head.’ Over the last seven or eight years the banks have never said that to anyone, and
we have had this explosion in Australia.

If the subprime market pulled America down, people in this place had better take note. In
America, the price of a house is 3½ times average annual earnings. To put that in perspective,
when I bought my first house I had an income of $16,000. The average price of a house then
was about $42,000 or $43,000. My house, humble as it was, cost only $23,000. I was in a
country area and I did not have to pay much for the land. That was less than three times aver-
age annual earnings. When America hit house prices that were 3½ times average annual earn-
ings, it got into very serious trouble. So you might say that Australia, if it was not travelling
really well 20 or 30 years ago, is travelling a hell of a lot worse now. To put a figure on that:
America got into trouble because its house prices were $3\frac{1}{2}$ times annual earnings. In Australia the figure is six times. So if they are in trouble, I leave it to your imagination, Madam Acting Deputy Speaker, to figure out just how much trouble we are in. If I wanted to be very technical about it, I would say we are in double the trouble.

Having read widely on economics—and I am still doing it; for example, I just read Niall Ferguson’s book—I have come to the conclusion that the specific anecdotal evidence is far more valuable than the macro approach, to use the technical term. In the Gordonvale cafe I was enjoying a cup of tea with the IGA Queenslander of the Year, Davey Chalk, president of the local branch of the RSL, a TPI Vietnam vet and a really good bloke, and in walked the spokesman for the local coalition parties. He was not very friendly to him. His name is not Sam, but I will say it is Sam, and I said to him, ‘Sam, what do you reckon about next year?’ And he said, ‘I was going to buy a truck but now I am not going to buy a truck.’ And I said, ‘Yeah, my son and my wife were going to build three units in Mount Isa next year and now they are not.’ Multiply that by one million and you have what is going to happen in Australia next year.

There was $1.1$ billion spent last year. It is not going to be spent next year. There are going to be people working in hardware stores that sell nails that will be put off, there will be people who sell and repair trucks that will be put off, and there will be people who are builders and electricians that will be put off, have no work and have great difficulty meeting the repayments on their houses. That is what is going to happen next year.

That is the bad news. The good news is that we had a Great Depression and in that Great Depression there were many men of towering intellectual capacity, men whose names resound loudly to this very day: John Maynard Keynes, Hjalmar Horace Greeley Schacht and John Kenneth Galbraith to name but three. Those great men could see beyond the pettiness of politics and the specifics like ‘Oh! We have got a deficit budget! We cannot have deficit budgets! Deficit budgets are bad!’ I am colossally staggered and also scared by the opposition saying that deficit budgeting is horrible. The coalition is showing towering ignorance. If you are not deficit budgeting in a recession then that is very bad. If you deficit budget in ordinary times then I agree with the coalition—that is not good. But these are not ordinary times. Their own rhetoric has said again and again that these are not ordinary times. These are very troubling, extraordinary times.

I try to use language that people understand. I return to the Gordonvale cafe: I said that the good news is that the government can write on a piece of paper, ‘We owe the bearer of this piece of paper $1,000 and we will pay it back to you in 10 years time, and we will pay you four per cent interest.’ That is what is called a government bond. But I do not want to say that: I want to say that the government writes on a piece of paper, ‘We will pay you $1,000 in 10 years time.’ If they print a million of those and give them to the Reserve Bank, then the Reserve Bank has collateral to give the government $1 billion to spend. So then roadworks will be done at Gordonvale and someone will buy a truck. The government, in its wisdom—we hope—will say: ‘Yes, there is housing needed in Mount Isa. So even though little Robbie Katter did not build those three units, the government will build them.’ Then people will not lose their jobs in Australia.

Read about the Depression, read about when the police came into people’s houses and at gunpoint threw them out in the streets in Sydney, and all their earthly belongings sat there...
whilst the children sat on top of the mattresses and howled their eyes out. Ask about the people who lived on the riverbanks and who died of starvation. Ask about that and about the number of people who committed suicide during that period of time, and you are looking down the gun barrel of what could happen now. Ask about how many people lived on rabbits during that period. In one of our great movies, *Caddie*, the rabbitohs were ubiquitous. We had a great fight over the football team—they were the Rabbitohs.

Roosevelt saved America from communism, it is said—and I think that is a fair call. Funny enough, Milton Friedman—of all people—would be one of the people responsible for the basis of what I am saying. Milton Friedman was the great champion of the exact opposite viewpoint I am putting here. If you read and understand his works you can see that he backs up every single thing that I am saying. I will give just one example. During the Great Depression America established the Tennessee Valley Authority. They built a canal right into the heartland of America where they could float out their timber and cotton. They did not have to build roads. *(Time expired)*

**Mr Morrison (Cook) (6.29 pm)**—I am very pleased to have the opportunity to speak on the government’s response to the global financial crisis. I must admit that when I listen to the debates around this topic, not just in this place but outside of this place, one could be forgiven for thinking that for the last 10 years Australia ran deficit budgets and we built up massive debt—

**Mr Katter**—Australia did; not the government but Australia.

**Mr Morrison**—I listened to you, Member for Kennedy, and I am sure you can extend the same courtesies. I am sure some may think that may have been the case in other places and I know it is the case in other countries. But one thing I do know is that in this country for the last 10 or so years we have had outstanding financial management. That financial management built up surpluses and it has enabled this country to face the storm that we are now facing. This country is not in the situation faced by many of those countries described as developing and also countries that are developed. Our country is in a position where it can actually face this crisis with a sense of confidence. One of the things that have disturbed me outside of this place and inside of this place is a sense of defeatism that says that somehow this crisis will defeat us, that somehow this crisis is not something that can be weathered. It was the former Prime Minister who made the point that it is dangerous to compare our current situation to the very tragic times of the Depression. It is very dangerous to make those comparisons because the situation is very different.

Tonight I wanted to make two points, firstly about deficits and then about housing matters in my capacity as shadow minister for housing. A youth worker in my electorate once told me that the single most dominant factor in determining how your children will turn out is who they hang around with. That is why it is important for the Prime Minister and the Treasurer to be a little bit careful about how much time they spend hanging around with many of the nations they meet at the G20. At the next meeting, I suggest they seek a spot sitting next to the Canadians. Notwithstanding the Germans’ reputation for Oktoberfest, binge drinking is not the culture the Prime Minister and Treasurer must be careful to avoid at these gatherings. Rather it is the binge culture of deficits and debt that many G20 nations are famous for.

It is no surprise that the majority of the G20 think it is time to go into deficit. They are already there and have been there for years. In fact, deficits are the norm for these countries. If
the Prime Minister and the Treasurer are taking their definition of a temporary deficit from their friends at the G20, then there is one thing we can be certain of: it will not be temporary. According to the IMF, the French and Italians have not had a budget surplus for over 25 years, the Japanese had their one and only surplus during this time in 1992 and the Germans have had only two surplus budgets since 1980, one in 2000 and the other in 1989. In the UK, the last surplus purple patch was from 1999 to 2001, when they achieved a trifecta, showing just how rare such an achievement in budget management can be in the G20. Across the Atlantic, Bill Clinton is the only US President to have presided over a budget surplus in almost 30 years, from 1998 to 2000. Yet in question time last week the Prime Minister held out Germany, the United States, the United Kingdom and Japan as his reference points for conservative fiscal management.

By contrast, Australia has been in surplus for more than 10 years, including the current financial year. Only Canada and South Korea come close to this record, based on the available IMF statistics, despite a few more deficits during this time. So when it comes to picking our friends on responsible economic management, it is worth peering over the shoulder of the Canadians to see how they are answering the question. Last week, the Canadian Finance Minister made a statement to the Canadian parliament on Canada’s fiscal outlook. He said the government is planning on balanced budgets for the current and next five years. Of significance is the fact that the Canadian economy is forecast to grow at a lower rate than Australia, at just 0.6 per cent this year and 0.3 per cent next year.

You also pick up from Finance Minister Flaherty’s comments on the prospect of a deficit a much stronger resolve than that shown by our Prime Minister in terms of going into a deficit. He correctly says that ‘no government can guarantee the future’—and, to be fair to the Australian Prime Minister, he has said the same thing—and that tough choices are ahead for the next budget. However, after drawing attention to the Canadian government’s decisions to reduce federal debt by $37 billion, reduce taxes and engage in reducing the tax rate on new business investment to the lowest level in the G7 by 2010, he makes this comment:

We do not take the potential of a deficit lightly. The thought of a long-term structural deficit would be even more serious—one that the Government is unable to climb out of, even when the economy improves. The days (and years, and decades) of those chronic deficits are behind us. No matter what 2009 brings, they must never return.

This is wise advice. The Canadian finance minister is not advocating a deficit as the first policy of his government in terms of how to address the global financial crisis, which is the concern the coalition has about the government. Australia is even better placed than Canada to avoid a deficit, thanks to the economic legacy left to the Rudd-Swan government by John Howard and Peter Costello. Rather than lazily allowing ourselves to fall into such a trap, as so many of the G20 have done for more than 20 years, we should be strengthening our resolve, as the Leader of the Opposition and the coalition are arguing. Labor just simply cannot be trusted on deficits.

I now want to turn to the issue of housing, which featured in the government’s stimulus package, particularly in relation to first home owners grants. My comment is that we really need to be thinking a lot more outside the square than the first home owners grants in terms of the issues we will be confronting in the 12 months ahead at the very least.
In 2003, long before the global financial crisis, the former Prime Minister’s home ownership task force introduced the concept of shared equity mortgages. The leader of that task force was the now opposition leader, Malcolm Turnbull. Rather than paying off interest on an 80 per cent mortgage, a shared equity loan allows, say, a much smaller 60 per cent mortgage combined with a separate 20 per cent loan on which no interest or rent is paid. In return, the borrower gives the shared equity investor a minority portion of future capital gains, capped at 40 per cent. If the property’s value stagnates, they simply repay the original 20 per cent sum with no interest. If the value declines, the shared equity investor actually wears 20 per cent of the losses. Importantly, since the lender has no ownership interest in the property, the borrower has complete control over it.

Shared equity has since been taken up in Australia by the Bendigo Bank and the Adelaide Bank as well as by the South Australian, Western Australian and, most recently, Tasmanian governments. The Australian model has also been inspiration for the UK and New Zealand governments to support similar shared equity products, with the British investing £1 billion in their scheme.

Despite acknowledging their merits, the Rudd-Swan government have done nothing to support shared equity mortgages in this country. When it comes to housing, they show little interest in the 80 per cent of Australians who are in private housing. With more than 200,000 people expected to lose their jobs over the next few years, this will put increased pressure on people trying to pay their mortgages.

A few months ago, in response to the Leader of the Opposition, the government decided to invest $8 billion in the residential mortgage backed securities market—the RMBS market—to increase liquidity and ensure continued competition for housing finance. Only $1 billion of these funds has so far been committed. I note reports this week in the media that the government has been largely the sole investor in these RMBS products that have come onto the market. Some 80 per cent of the purchasing of funds making investments in these products has been done by the government. Shared equity funds were not a beneficiary of this decision. Unlike the banks, they do not benefit from the government’s deposit guarantees. However, these shared equity funds are similarly strained by the global financial crisis.

The chief long-term investors in shared equity are super funds. These investments are their way of accessing Australia’s $3.2 trillion housing market. However, due to losses in share portfolios and application of their rigid asset allocation models, super funds are now withdrawing from shared equity. The Rudd government has an opportunity to break the capital drought faced by shared equity funds by immediately setting aside up to, say, $500 million from the $8 billion already committed to the RMBS market to invest in the shared equity sector. This would allow 5,000 Australian households to access shared equity mortgages and instantly cut their monthly mortgage repayments by up to 30 per cent or more, or reduce their upfront home purchase by a similar margin. This is especially necessary given the government and the OECD are now forecasting an increase in unemployment, as I mentioned before.

Moving to a shared equity loan is one way to reduce this burden. A rise in mortgage default would undoubtedly stress our housing market, which has so far weathered this crisis relatively well. In fact, the biggest challenge facing our private housing market across Australia at the moment is unemployment. Mortgage default for banks is still, however, 40 per cent less than it was when Labor last left office in 1996 and the coalition government took over. The key
difference is that back then unemployment was at 8.1 per cent. Sharp increases in mortgage default caused by rising unemployment would lead to dumping of housing stock and a collapse or even just a fall in house prices.

The human costs would also be great, with families forced to rely on already overcrowded social housing and other government support. These impacts would not be temporary. For some the impact would be intergenerational. Just last week I was speaking to the homeless council here in parliament, and I stated very clearly that I thought the biggest risk for their clients was there being more clients coming their way as a result of them being unable to remain in the private housing market. Keeping people in their private homes is one way to ensure that the important resources we have available for social housing in this country remain available for those who most need it. For all these reasons we must do all we can to keep Australians in their homes during this crisis. This will require governments and lending institutions working together to give people and families struggling with their mortgages real options, and that includes passing through rate cuts in full. I am disappointed to learn that Westpac has today chosen not to do that for their mortgage holders.

Kevin Rudd, the Prime Minister, and the Treasurer should move now to invest in shared equity. The government should also consider providing access to rent assistance for mortgagees who have lost their jobs. Why we spend $2.2 billion on income support to help eligible families pay the rent but not a mortgage is a question worth asking, especially in these times. Ideas such as government providing HECS style income contingent loans through the tax system, to provide a lifeline to mortgagees while they get back on their feet again, as recently suggested by Melbourne University academic Joshua Gans and the ACTU President Sharron Burrow, also deserve consideration. Finally, as I have mentioned, banks must pass on rate cuts in full and they must work to tailor solutions to keep their clients in their mortgages and in their homes.

This crisis brings many challenges to this country. This country is well placed to meet those challenges. The single greatest challenge facing us now, particularly for the housing market, is unemployment. We need to ensure that there are commercially sustainable solutions available to people to keep them in their homes and to keep them in their mortgages. The banks, together with the government and community sectors, need to work together to do all that they can to keep people in their homes, because, as we know, if you lose your home, if you lose your job, you can also lose your marriage. The level of social dislocation and family breakdown that will result from that is something we are all far too familiar with in our own electorates. We see people come through our doors on a daily basis to tell their stories. Those stories usually start with one massive life-impacting event, which is either the loss of a job, the loss of the home or something of that nature.

We are going to face the social consequences of this in the next 12 months. We need to ensure that we have things in place to give people options to get themselves back on their feet so that we do not consign them to generations of dependence—on social housing, on social support and on all these other institutions.

Mr Melham interjecting—

Mr MORRISON—because I know, as the member for Banks knows, that there are people who will always need that support. I do not want that support to be overcrowded with people who have the opportunity to get back on their feet again. We need to give them that support
by ensuring that right now we take the funds that we have set aside for investing in the RMBS market and put some of those funds into shared equity mortgages. That will provide another option. We should consider these measures as well; it is not simply about a plan to provide first home owners with a $14,000 or $21,000 bonus. The latter measure, in particular, is one that I support, because it does provide a stimulus to the housing construction industry, although at present all we have noted happening is a clearing of stock, not a building of new stock. That measure on its own will not keep Australians in their homes. We need to look at those who are already in their homes and make sure we enable them to stay there. The best thing we can do for them is to ensure that they stay in their jobs for a start.

Debate (on motion by Mr Melham) adjourned.

COMMITTEES

Migration Committee

Report

Debate resumed from 1 December, on motion by Mr Danby:

That the House take note of the report.

Mrs VALE (Hughes) (6.44 pm)—It is a privilege to be able to speak on the release of the report of the Joint Standing Committee on Migration entitled Immigration detention in Australia: a new beginning: criteria for release from immigration detention. This report is the first of three reports under the inquiry’s terms of reference. This report addresses the criteria that should be applied in determining how long a person should be held in immigration detention, the criteria that should be applied in determining when a person should be released from immigration detention following health and security checks, review mechanisms for ongoing detention, removal practices and detention debts. The second and third reports will be tabled in 2009 and will address alternatives to detention, financial costs, service provision and the infrastructure required to support the immigration detention framework for the future. Currently there are about 280 people in detention in Australia; that is the figure as at 7 November this year.

While this report was largely a bipartisan effort and all members agreed to the 18 recommendations, three members filed a dissenting report expressing their concerns about the appropriate time frame when access to judicial review should be available for detainees, but I will leave those members to record their points of view on this issue. I see this report and its recommendations as part of a continuing process of evolution of Australia’s policy on the processing of unlawful arrivals to our shores.

Madam Deputy Speaker, you may recall that in 2005 the previous coalition government moved to improve the detention process and practice. The coalition provided that the Commonwealth Ombudsman have the obligation to review the circumstances of people held in detention for over two years and to report their advice to the minister. Further in 2005, with bipartisan support, the Howard coalition moved to prevent children and families being held in detention centres and, instead, ensured that children and their families were appropriately housed in residential housing within the community. In this regard I acknowledge the excellent contribution and hard work of the member for Pearce, Mrs Judi Moylan, the then member for Cook, Mr Bruce Baird, and the member for Kooyong, Mr Petro Georgiou, who is here in the chamber today and who is also a member of this joint standing committee. Further, it also
should be noted that the previous coalition government moved to close down detention centres. Woomera was closed in 2003, Port Hedland was closed and Baxter was closed in August 2007. I believe that the 18 recommendations in this report further refine this evolutionary progress and, in fairness and equity, seek to establish the important balance of acknowledging the duty of care that the government has to people in the wider Australian community as well as preserving the sovereignty of Australia in maintaining mandatory detention as an essential component of strong border control while at the same time—and I think this is important—acknowledging the basic human rights of unauthorised arrivals and the inherent human dignity of each and every one of them.

The report attempts to set out a process of dealing with unauthorised arrivals in a manner that is open and transparent, not only for the people of Australia but for the detainees as well. I think this report has succeeded, although I am aware that there are those who have already criticised the report for going too far, as well as those who have criticised the report for not going far enough. So it seems that we have probably got the balance just about right.

Before I briefly cover the recommendations, I would like to acknowledge the excellent support the committee has received from the inquiry secretariat headed by Dr Anna Dacre, inquiry secretary Ms Anna Engwerda-Smith, senior research officer Mr Steffan Tissa and office manager Ms Melita Caulfield. I wish to record my appreciation for their professional and enthusiastic support and for their active interest in the subject of this report. Most particularly, I wish to record my respect for the personal commitment and unrelenting focus by each member of the secretariat in their response to the many requests by members of the committee. I believe their conspicuous attention to detail ensured we produced a well-researched and intellectually rigorous report that will be of great interest to many Australian families.

This inquiry was undertaken against the immigration detention policy framework that was set out by the Minister for Immigration and Citizenship on 29 July 2008. I would like to cover those particular sets of values—there are seven—because they provide the basis on which we conducted the inquiry. First, mandatory detention is an essential component of strong border control. Second, to support the integrity of Australia’s immigration program three groups will be subject to mandatory detention: (1) all unauthorised arrivals, for the management of health, identity and security risks to the community; (2) unlawful noncitizens who present unacceptable risks to the community; and (3) unlawful noncitizens who have repeatedly refused to comply with their visa conditions. Third, children, including juvenile foreign fishers, and where possible their families, will not be detained in an immigration detention centre. Fourth, detention that is indefinite or otherwise arbitrary is not acceptable and the length and conditions of detention, including the appropriateness of both the accommodation and the services provided, will be subject to regular review. Fifth, detention in immigration detention centres is only to be used as a last resort and for the shortest practicable time. Sixth, people in detention will be treated fairly and reasonably within the law. Seventh, conditions of detention will ensure the inherent dignity of the human person.

I do believe that to a great extent this report has achieved the objectives that we set out against that particular policy framework, and I note that the conditions, of which there are 18 in the report, are there in the report to be read. I would like to concentrate on recommendation 18 with regard to detention costs. Before that, I would also like to record that while in Sydney the committee had the opportunity of speaking to people released on bridging visas who had
previously been for many years in detention centres. It was quite striking to me on a personal basis that these people were damaged by their experience of long-term, indefinite and interminable detention. The evidence that the committee received about the length of detention was highly indicative of the fact that people have to understand how long they are placed in detention for. It was the indefiniteness, the interminable period, the not knowing and the uncertainty that caused great distress and great mental anguish that led to depression and mental illness in the people who were detained. Many had been detained for years not knowing if or when they would be released or what the outcome of the process was.

This was another problem. It seemed almost impossible for detainees to actually find out exactly where their particular application was in the pipeline of procedure and process. This is one of the reasons that we wanted to ensure with the recommendations in this report that the process and the practice was open and transparent and there were appropriate time checks—a review by DIAC itself after three months if anyone still remained in detention; an ombudsman’s review that was going to be tabled in parliament; an advisory review to the minister from the ombudsman in a six-month time frame; and anyone who was maintained in detention would only be there because they were an unacceptable and significant ongoing risk to the Australian community. Those people, if they were still in detention, at the end of a 12-month period would have access to an independent tribunal review and, subsequently, if they were still unsatisfied with the result, they would then be able to proceed to judicial review. I think that really allows people who were held in detention to understand exactly the process that is going to happen to them and it will hopefully alleviate any concerns regarding depression and mental illness.

Of the people we did see on this particular occasion, all of them Asian, the middle-aged women who had been held in detention for many years—who would hardly be any assault on Australian security—were broken women. They particularly found it very hard. One gentleman, a man from Korea, was a highly qualified engineer and it seemed entirely inappropriate that a man such as that with a category of qualifications which this country actually needs right now with our skill shortages should be held in such a position. The government of course must have its mandatory checks and it must make sure of our wider duty of care to the Australian people, but it seems that there is a better way. We do not need to damage people to the extent that I saw these people damaged.

Another aspect of the process that we reported on, and it is recommendation 18, is detention debt and how that impacted on people. We actually recommended that this particular aspect of the detention process be reviewed. I understand that the minister is reviewing this. The recommendation was that it be completely abandoned. The policy for charging a detention debt began in 1992. The current charge for an individual being held in immigration detention is $125.40 a day. Spouses and dependent children are also liable for charges, with the parent or guardian being liable for the cost of a dependent child. In the last four financial years, a total of 17,355 detainees have been invoiced with a detention debt amounting to over $170 million. The committee received evidence that Australia is the only country in the world to charge people for immigration detention. Further, Australia does not charge people for other forms of detention, such as detention in prison or detention under mental health or quarantine acts. The practice of applying detention charges would not appear to provide any substantial revenue or contribute in any way to offsetting the costs of the detention policy. Further, it is

MAIN COMMITTEE
likely that the administrative costs outweigh or are approximately equal to the debts recovered. In 2004-05, less than 2.5 per cent of the detention debt invoiced had been recovered. This is because most debts are either left unpaid, waived or written off by the Department of Finance and Deregulation.

The committee received evidence—and this is what was important to us—about the negative impacts of this policy on the mental health, financial security and ability to leave and return to Australia of former detainees. Even where a debt was eventually written off or waived, former detainees still received an invoice for a large amount of money, causing considerable stress and anxiety. Where a debt was written off, detainees were aware that the government could choose to call in that debt at any time, which has detrimental effects to their ability to make financial commitments and to get on with life. The policy may also be functioning as a way of keeping former detainees out of Australia, since having a debt to the Commonwealth makes it difficult to get another visa into Australia. However, if there are people who we genuinely do not want to return to this country, we do not need to rely on debts, as there are other provisions in the Migration Act that would allow DIAC or the minister to achieve this end.

The evidence that the committee received on the detention debt policy was uniformly damming, asking that the policy be abolished. No evidence was received in support of the policy, and the committee was unanimous in its recommendation—at least, no objections at all were voiced in report consideration meetings. No evidence was received to suggest that the policy was a deterrent to people coming to Australia unlawfully. I understand also that the Minister for Immigration and Citizenship has said that this policy is currently under review and has admitted that he sees little logic in it. I commend recommendation 18 to the minister, as I do all the recommendations of the committee.

I want to again thank my co-members of the committee for their diligence, for their continued interest and for the genuine openness and honesty with which this issue was deliberated on at some length by the committee. I commend the report not only to the minister but also to the people of Australia.

Mrs D’ATH (Petrie) (6.58 pm)—I rise to speak in support of this report as a member of this parliament and a member of the Joint Standing Committee on Migration. This is a report on the inquiry into immigration detention in Australia by the committee. This report is the first of three reports on the inquiry into immigration detention in Australia. This report addresses the criteria that should be applied in determining for how long a person should be held in immigration detention, the criteria that should be applied in determining when a person should be released from immigration detention following health and security checks, and a review mechanism for ongoing detention, removal practices and detention costs. The second and third reports, which are to be tabled in 2009, will address alternatives to detention, financial costs, service provision and the infrastructure required to support the immigration detention framework for the future.

This inquiry was long overdue. The Australian community was tired of the way that unauthorised persons were treated in this country. There is no doubt that Australians expect a government to ensure strong border protections. However, Australians also expect that this will be done in a fair and balanced way and in a way that supports the Universal Declaration of Human Rights. The Prime Minister has just spoken on the Universal Declaration of Human Rights.
Rights in the chamber. The Prime Minister noted the focus of this Labor government on ensuring that the policies adopted by this government in dealing with unauthorised arrivals are applied in a humane way.

On 29 July 2008, the Minister for Immigration and Citizenship, Senator the Hon. Chris Evans, announced a series of values that would underpin Australia’s immigration detention policy. Those seven values are as follows. Mandatory detention is an essential component of strong border control. To support the integrity of Australia’s immigration program, three groups will be subject to mandatory detention: all unauthorised arrivals, for management of health, identity and security risks to the community; unlawful noncitizens who present unacceptable risks to the community; and unlawful noncitizens who have repeatedly refused to comply with their visa conditions. Children, including juvenile foreign fishers and, where possible, their families, will not be detained in an immigration detention centre. Detention that is indefinite or otherwise arbitrary is not acceptable, and the length and conditions of detention, including the appropriateness of both the accommodation and the services provided, would be subject to regular review. Detention in immigration detention centres is only to be used as a last resort and for the shortest practicable time. People in detention will be treated fairly and reasonably within the law. Conditions of detention will ensure the inherent dignity of the human person.

Since this inquiry commenced, the Minister for Immigration and Citizenship announced changes to detention that fundamentally reintroduce basic human rights into the way that this country deals with people that are unauthorised arrivals in this country. The premise of the new changes was that unlawful arrivals should be held in detention for the least amount of time possible and only for certain reasons.

There is no doubt that not only were the policies and processes surrounding detention and unauthorised arrivals flawed but they did in fact, in some cases, cause distress to the persons detained. A recurring concern about the current immigration detention system has been the indefinite nature of detention, with little scope for information about the reasons or rationale for detention. This report tackles those uncertainties and sets out clear and definitive guidelines for detaining individuals.

This standing committee heard much evidence from organisations and individuals that clearly identified that serious flaws exist in the current programs and policies in the way detention occurs. Even though there were reports that indicated that the treatment of detainees and the processes have improved in recent times, much more work needs to be done. Within the short time I have to speak on this report, I would like to take this opportunity to provide a brief summary of the recommendations.

Recommendations 1 through to 5 outline the committee’s criteria for release relating to health, identity and security checks. The key element of these recommendations is that the Department of Immigration and Citizenship, DIAC, develop and publish criteria for each of the areas considered in relation to release—that is, health, identity and security. Also the criteria should be made explicit and public.

In relation to health, the criteria should draw on the treatment standards and detention provision that otherwise would apply to all visa applicants and to Australian citizens and residents who pose a potential public health risk. It is also recommended that there be a time...
frame for health checks, such as five days, and that this time frame be established in consultation with relevant stakeholders.

The committee recommends that a risk based approach be applied where a person’s identity is not conclusively established within 90 days. In such circumstances, it is recommended that mechanisms be developed that would allow a person whose identity has not been established to be released and that the release can be subject to conditions. The release should occur unless a demonstrated and specific risk exists or where there is clear evidence of a lack of cooperation or refusal to comply with reasonable requests. The same criteria should apply in relation to the security check after 90 days where there is little indication of a risk to the community, as advised by the Australian Security Intelligence Organisation, and the person has been cooperative or compliant with reasonable requests.

Importantly, to ensure that people who continue to be detained beyond 90 days as a result of a risk assessment are provided with ongoing review through an open and accountable process, a further assessment will occur after six months. The committee recommends that the Australian government empower the Inspector-General of Intelligence and Security to review the substance and procedure of the security assessment and the evidence on which it is based. The inspector-general should provide advice to the Commonwealth Ombudsman as to whether there is a legitimate basis for the delays in security assessments.

Recommendations 6 and 7 are that DIAC develop and publish the criteria for assessing whether a person in immigration detention poses an unacceptable risk to the community and that the criteria be applied equally against persons detained following a section 501 visa cancellation. Further in relation to section 501 detainees, DIAC should take into account other assessments and reporting requirements already undertaken in relation to the detainee by other authorities. Recommendation 8 once again outlines the need for open and accountable criteria in determining whether there is a need for detention due to repeated visa noncompliance.

Importantly, recommendation 9 ensures that territories excised from the migration zone are subject to the same risk based approach and values announced on 29 July 2008. Recommendation 10 addresses the call by many inquiry participants for an increased level of formal review. That is why the committee recommended that DIAC develop and publish details of the scope of the three-month detention review and that the review be provided to the person in immigration detention and any other persons they authorise to receive it, such as their legal representative or advocate. It is surprising that in the year 2008 such a recommendation has to be made and that such processes had not been in place previously. This, of course, is a basic right for any individual who has had a decision made against them, to have access to the grounds and reasons for such decision and the mechanism applied in reaching such a conclusion.

That is why recommendation 11 is such a substantial shift in the practices that have come before it but will provide comfort to those who have fought for so long to see a government that is open with and accountable for its detention practices. The recommendation states that the House of Representatives and/or Senate resolve that the Commonwealth Ombudsman’s six-month detention reviews be tabled in parliament and that the Minister for Immigration and Citizenship be required to respond within 15 sitting days. The minister’s response should address each of the Ombudsman’s recommendations and provide reasons why that recommendation is accepted, rejected or no longer applicable.
Importantly, the committee recommends at point 12 that the reforms announced by the minister in July be enshrined in legislation and that the Migration Regulations and guidelines are also amended to reflect these reforms. The committee has taken the step of recommending a maximum time frame of 12 months for detention for all persons other than in the circumstances that a person is determined to be a significant and ongoing unacceptable risk to the community. Such release could be subject to conditions. Recommendation 14 states that where a person continues to be detained it is appropriate that rights exist for the person to seek external review, firstly through an independent tribunal and subsequently through a judicial review. Recommendations 15 to 17 outline a process for removal to ensure adequate notice and important considerations are given to health and other issues, before that person is removed from Australia.

Last but not least, recommendation 18 notes that as a priority the Australian government should introduce legislation to repeal the liability of immigration detention costs. The committee further recommends that the Minister for Finance and Deregulation make the determination to waive existing detention debts for all current and former detainees, effective immediately, and that all reasonable efforts be made to advise existing debtors of this decision. The previous speaker, and it was you, Madam Deputy Speaker Vale, noted that there are no other forms of detention around this world that charge a fee, nor are there other forms of detention in our own country that apply a charge in such circumstances. These charges cannot be retained or justified.

As may have been noticed in taking the chamber through these recommendations, there is a common theme. That is that there needs to be a fundamental shift from an internal focus and process with little or no accountability to one that involves open and accountable processes in decisions made by detention facility operators and by the Department of Immigration and Citizenship. Those criteria should be developed with key stakeholders and they should be published. I appreciate and respect that other members of the committee may have differing views on the method of ensuring procedural fairness and accountability. These recommendations, however, in my view are a step in the right direction and are a positive step forward for Australia and its reputation internationally in ensuring that universal human rights are applied to all persons in the context of our national security obligations.

To finish up, I would like to record my thanks for and acknowledgement of the extensive and thorough work done by the chair, Michael Danby, and I would like to make special mention of the secretariat for all their work. I would also like to mention the wonderful work of the deputy chair, Danna Vale—who is now in the chair in this chamber—and I also wish to acknowledge the willingness of all of the committee members to contribute to the discussions in the development of this report. I look forward to speaking in much more detail, upon the tabling of the remaining two reports, on the evidence heard and read in relation to this inquiry.

Mr GEORGIOU (Kooyong) (7.10 pm)—I am pleased to speak about the first report of the inquiry into immigration detention by the Joint Standing Committee on Migration. The Australian immigration detention regime has been the subject of considerable contention, both domestically and internationally, since the introduction of mandatory detention by the Keating government in 1992 and, with that introduction, the introduction of charges for being detained. It was more than a decade before a combination of external and internal factors saw a significant amelioration of some of the harshest elements of the policy. Externally, the key...
factor was a major decrease in the number of asylum seekers arriving by boat without visas. Domestically, public attitudes shifted both because there was decreased anxiety about the flow of unauthorised arrivals and because there was growing dismay about the consequences of mandatory detention: the considerable length of time people were deprived of their liberty; the mental and physical harm suffered by vulnerable men, women and children; and the unlawful detention of Australian residents and, indeed, Australian citizens. Significant changes in law and policy were adopted in 2005, and, in July, the Minister for Immigration and Citizenship announced further welcome changes to the immigration detention regime. This inquiry by the joint standing committee provides an opportunity to maintain the momentum of reform. I believe that in this first report we have partially made good use of this opportunity.

The report makes a number of very important recommendations to improve the fairness and transparency of Australia’s detention regime policy. One particularly worthy of mention—and it has been mentioned by others—is the recommendation to stop charging former detainees the cost of their detention. I rarely use the word ‘outrageous’ because it is much overused by politicians, but this was outrageous. Detention debts can be huge and well beyond the means of people to repay them, and the Commonwealth Ombudsman and others told the committee of the great stress and financial hardship that debts can cause. I do hope the government will move rapidly to implement this, and other recommendations, as soon as possible.

There is one critical subject upon which members of the committee do differ, and differ strongly. This is the length of time a person is detained before the merits of the decision to detain them are subject to scrutiny by a tribunal or a court. As the law stands, the executive, immigration department officials and their minister have the unfettered power to indefinitely detain certain people, even if they pose absolutely no risk to the community. This was held to be so in the Federal Court in 2003, in the Al-Kateb case. The Federal Court judge in that case was John von Doussa, who was until recently President of the Australian Human Rights Commission. He has recently said this about the case:

As a judge, I was not asked to understand the emotional trauma of the detainees that appeared before the court. I did not know the conditions in which asylum seekers were detained—nor did I ask. Although international law prohibits inhumane and arbitrary detention, Australian law does not.

The results are troubling. As a judge, I felt the decision at which I arrived was both legally correct and morally reprehensible.

The new arrangements introduced by the minister in July do not, unfortunately, change the framework of this regime, and I think that, to speak frankly, it is fatuous to talk about paradigm changes while we detain people for up to a year without any external review. The changes have improved the processes of departmental review and of review by the Ombudsman, but they impose no new constraints on the executive’s power to detain. The committee’s recommendations relating to reviews by the immigration department and the Ombudsman will improve the framework. However, the committee in its majority report does recognise that these changes are, in themselves, not enough to create a viable system of review and accountability. The report states:
The Committee noted the strong evidence received that the lack of merits and judicial review for the decision to detain has in the past meant that people have been held wrongfully, unlawfully and for a period of years on the basis of a contested departmental decision.

The evidence pointed compellingly to the critical need for the Migration Act to be amended so that a tribunal or court could examine whether decisions to detain were reasonable and necessary in accordance with the new policy. The majority believed that there was no need for such independent oversight until a person had been detained for 12 months. Senator Eggleston, Senator Hanson-Young and I differed very strongly. Twelve months is a grossly excessive period for public servants to be able to make unfettered decisions involving the deprivation of liberty, given the potential harm such decisions may cause. The changes introduced by the minister and the changes recommended by the committee will not ensure rigorous and timely assessment of whether immigration detention is necessary and reasonable. Neither the principles of justice nor concern for the welfare of detainees suggests that 12 months is an acceptable period. It is certainly far in excess of the powers that public servants have with respect to the detention of people arrested for alleged criminal misconduct or detained because their mental illness endangers them or others.

When the Minister for Immigration and Citizenship announced a new immigration detention policy on 29 July, he pointedly mentioned that the United Nations Human Rights Committee had on a number of occasions found that our immigration detention system violated the prohibition on arbitrary detention under the International Covenant on Civil and Political Rights. The new policy, he said, honoured our international human rights obligation. This message is one that we have heard from other members of the Rudd government, not least from the Prime Minister today and, a couple of weeks ago, from the Attorney-General, when he told a conference that the government is ‘committed to introducing into Australian law the rights that are recognised and protected in the international instruments to which Australia is a party’. I hope this is a serious commitment, because, if it is, the government will have to move quickly to amend the Migration Act to comply with the prohibition on arbitrary detention.

One change that has to be made to the law is that a person cannot be placed into immigration detention unless it is necessary and reasonable on specified grounds. The second essential change is stated in straightforward terms in article 9(4) of the International Covenant on Civil and Political Rights:

Anyone who is deprived of his liberty by arrest or detention shall be entitled to take proceedings before a court, in order that court may decide without delay on the lawfulness of his detention and order his release if the detention is not lawful.

I emphasise that the article states that the court must be able to decide without delay whether the detention is lawful. This surely cannot mean that a detained person would be denied the right to take legal proceedings for 12 months, which is what the committee recommends. I hope that, the next time the Attorney-General makes a speech on the Australian government’s plans to bring Australian law into conformity, he gives prominence to the reform of the immigration detention regime.

To achieve such reform, the dissenting report proposes that a person who is detained should be entitled to appeal immediately to a court for an order that he or she be released because there are no reasonable grounds to consider that their detention is justified under the criteria...
specified for detention. If honourable members think that this is too quick or that it is not necessary, let me just quote a couple of cases from a report of the Ombudsman—and there are dozens of them. I have chosen a couple that are simple and not too long. The report says:

Mr M had been in Australia lawfully for three years. He had lodged a request for the Minister to intervene in his case and grant him a visa. While the Minister was considering this request, Mr M was granted a second bridging visa but this was not recorded on ICSE (The department database). On December 24 2003—

the Christmas season—

while waiting at Melbourne Airport for a friend, Mr M was detained and transferred to a detention facility. Even though a review of Mr M’s records could have readily clarified his status, he remained in detention for seven calendar days until DIAC officers returned from their Christmas/New Year break and reviewed his case.

Take another case:

Ms K had given an oral account of her lawful immigration status to DIAC officers both before the decision to detain and on the following day when she was interviewed. This information was consistent with that held on DIAC’s system, yet no checks were conducted to verify the information that Ms K had provided. Ms K’s solicitor contacted DIAC on the second day of her detention and advised that he could provide DIAC with a certified copy of Ms K’s passport, which he did. DIAC advised the solicitor that a certified copy was insufficient and that DIAC would need to sight the original. The solicitor, based in a separate city to where Ms K was being detained, was also told by DIAC that it would not be acceptable for him to take the passport to the office in his city as that office would not know the case and could not make an identity assessment. Ms K’s passport was subsequently viewed by DIAC after she had been detained for eight calendar days.

These are not people who have no right to be in Australia, which is where the argument is sometimes misunderstood; these are people with a legitimate right who we are locking up with no right to appeal to a court. I do not regard that as acceptable and I do not think any of us should. Paradigm shifts are difficult to achieve but you have to keep on pushing.

The dissenting report also proposes:

A person may not be detained for a period exceeding 30 days unless on an application by the Department of Immigration and Citizenship a court makes an order that it is necessary to detain the person on a specified ground and there are no effective alternatives to detention. This is consistent with the Minister’s commitment that under the new system ‘the department will have to justify a decision to detain—not presume detention’.

I commend the Minister for Immigration and Citizenship for requesting this review; I commend the many people who have given us an unparalleled amount of information, evidence and experience; and I commend the secretariat and my colleagues for their capacity to work together under sometimes difficult circumstances. I look forward to working with my committee colleagues to prepare the next two reports in this inquiry.

Mr DREYFUS (Isaacs) (7.23 pm)—I rise to speak on the first report of the inquiry into immigration detention in Australia by the Joint Standing Committee on Migration. First, I would like to commend this report and the committee’s chair, the member for Melbourne Ports. It is a thorough, well-researched report that attracted support from both sides of politics and whose recommendations set the tone for a strong but fair approach to dealing with border protection and those who seek to come to Australia. The report draws attention to the Com-
monwealth Ombudsman’s investigations into the problems of past detention policies and makes a series of suggestions as to appropriate future policy.

It is interesting to see that the joint standing committee, which includes the opposition spokesperson for immigration and citizenship, the member for Murray, supported in this report the government announcement in July which outlined seven values that would form the new immigration policy. That included the determination that three groups will be held in mandatory detention: unauthorised arrivals to be checked for identity and health, those who pose an unacceptable risk to the community and those who have repeatedly broken visa or immigration conditions. Those outside these three groups will reside in the community until their case is resolved.

We heard the member for Murray just this morning on Sky News warmly endorsing the joint standing committee’s report. In light of the support that has been expressed by the member for Murray as the opposition spokesperson, it is interesting to see the coalition’s rhetoric on this important issue return to that of the Howard years—the time of ‘mean and tricky’. Yesterday in question time, the member for Murray accused the Rudd government of ‘giving the green light to people smugglers’. It has to be said that the member for Murray and her sidekick, Senator Fierravanti-Wells, simply cannot get their story straight—whether it is about detention centres, budgets, boat people or the intervention by the Minister for Immigration and Citizenship in individual cases.

The member for Murray has no credibility when it comes to her own policy let alone the government’s. In September, she said:

I am pleased to see the new Labor government choosing to continue the Howard policies …

Then in November the member for Murray said that the Minister for Immigration and Citizenship had to:

… loudly and clearly articulate what Labor’s border security policy is.

Then yesterday the member for Murray said that Australia is ‘still very strict and strong’ in regards to border protection.

As if that level of inconsistency from the opposition was not enough, Senator Fierravanti-Wells, who acts as the coalition’s shadow parliamentary secretary for immigration and citizenship, is saying something different again. When talking in the Senate about Labor’s immigration policy yesterday she said, ‘There’s been a decisive shift in the way you guys are doing business.’ So which is it?

The same question could and really should be asked in regards to the member for Murray’s thoughts on detention and processing centres. After the Rudd government closed down the Nauru and Manus Island detention centres, the member for Murray criticised us in October for having only one facility at Christmas Island. Yet yesterday—which was a very busy day of totally flipping on anything she had previously said about the Rudd government’s immigration and detention policy—the member for Murray said, ‘I don’t think we need to again have Nauru or Manus Island operating, because, of course, we’ve got Christmas Island.’

The member for Murray is not just lacking credibility when it comes to policy; she also seems to lack the ability to count. How many boats have illegally arrived in Australia this year? Good question. The member for Murray claimed at a doorstop interview yesterday that
it was seven. Then in question time she claimed it was eight. In fact, the number is four boats, carrying 48 passengers. For the record, five boats arrived last year and six in 2006.

While the success of the government’s border security policy cannot be judged purely on the number of boats that arrive on our shores, the least the member for Murray could do is get her facts right and not—as she did in question time yesterday—incorrectly claim there has been a ‘surge’ in attempted boat arrivals. We have seen this tendency towards inconsistency and being misleading in this policy area from the Liberal Party before not just on how many boats have arrived on our shores but also earlier this year. The member for Murray has also claimed that there has been $67.4 million cut—

Mr Irons—Is this all relevant to your report?

Mr DREYFUS—Border security is very relevant to the report because the issue raised in this report is directly concerned with border security issues. As I said, the claim made by the member for Murray and the shadow parliamentary secretary, Senator Fierravanti-Wells, was a false claim that $67.4 million had been:

… stripped out of the critical area of border security and immigration processing.

The facts are that the budget papers clearly show that the closure of the offshore processing centres in Nauru and Manus Island results in a $68.7 million saving over five years. The budget papers also show that the $68.7 million saving is offset by a $1.3 million cost for the abolition of temporary protection visas granted to refugees by the previous government. What we have had from the member for Murray and Senator Fierravanti-Wells is a false claim designed to mislead the public that $67.4 million has been cut from border security measures. The budget papers reveal directly that there has been a $116 million increase in total net resourcing for the Department of Immigration and Citizenship for 2008-09.

It should be made clear: the Rudd Government’s track record refutes the opposition’s claims that we are somehow weak on border security. We have maintained the excision around some of Australia’s territories, and we have maintained the Christmas Island detention and processing centre. Our immigration policy is tough, but also fair and humane. It gives me tremendous pleasure to say of the Rudd government that it has been able to put an end to what is fairly described as the ‘barbarity’ of the previous government’s immigration policies.

It is worth mentioning also that the member for Murray misled the public just a few weeks back in relation to another immigration matter on the issue of a Western Australian midwife whose daughter suffers from Down syndrome, who was seeking to stay in Australia. On 10 November this year, the member for Murray called for the exercise of ministerial discretion in this case and she called for it again in a media release on 26 November which has mysteriously fallen off her website. The former call led on 13 November in Senate question time to Senator Boyce asking the Minister for Immigration and Citizenship whether he would exercise his ministerial discretion in this case. Then the member for Murray on 19 November in a speech said:

Their case has been waiting for ministerial discretion, having reached the end of the whole business of ministerial tribunal reviews for a very long time now.

Then in the media release of 26 November, the one that has now gone missing, the member for Murray said:
... Minister Evans steadfastly refused to use his special powers, leaving the almost identical case of the Robinson family in Perth languishing. After nearly seven months sitting on Minister Evans desk, and with only weeks left on their visa, the Robinson family and their Down syndrome son David were finally granted a permanent visa after public outrage and embarrassing questions asked of the Minister in Parliament.

The facts of this matter are that the minister made the initial decision to approve the family's visas in August and, subject to normal security and health checks and following completion of those checks, the files were returned to the minister for the second round approval in November and approved on 12 November 2008.

You might note that the family's ministerial requests had been knocked back twice under the former government—so much for the level of consistency or any accuracy at all in the way in which the member for Murray has been dealing with these immigration issues. The protestations about this case by the coalition, indeed the recent statements by the member for Murray generally on border security, are alarming. However, I return to this report. Regardless of the member for Murray's indecision and inability to understand basic statistics, it was good to see her endorse the Joint Standing Committee on Migration's report. Therefore she is making a warm endorsement of the Rudd government's immigration policy. I am pleased to see that the member for Murray agrees with me that the Minister for Immigration and Citizenship has done a fine job in keeping our borders secure, and in massively improving our treatment of refugees in his first year in office. I commend the report to the House.

Mr ZAPPIA (Makin) (7.33 pm)—As a member of the Joint Standing Committee on Migration I take this opportunity to speak on the presentation of this report on immigration detention centres in Australia. It is appropriately titled Immigration detention in Australia: a new beginning, because I see both the work of the committee and the policy announced earlier this year by the Minister for Immigration and Citizenship, Senator Chris Evans, as a new beginning in policy with respect to detention centres in Australia and as a new beginning for those people who come to this country and are for one reason or another detained in those centres.

At the outset I thank the secretariat, who assisted the committee with the work that was carried out for the last 12 months. I was elected in 2007 and this is the first report that I have been associated with, albeit that I do sit on two other standing committees of parliament. I commend all of the members of the secretariat. I thank Dr Anna Dacre, Ms Anna Engwerda-Smith, Mr Steffan Tissa and Ms Melita Caulfield for the assistance they gave to the committee. I have worked with public servants over the years on many occasions and I have to say the work of all these people was absolutely professional in arranging the visits, researching information, organising public hearings and managing the workload, which they did above and beyond what I would have generally called the call of duty. Their absolute professionalism in everything they did is commendable. I believe that the final report is in no small part a measure of their contribution to the whole process.

I also take the opportunity to thank the chair of the committee, Mr Michael Danby, the member for Melbourne Ports, and you, Madam Deputy Speaker Vale, for your tolerance, your compromise, your experience and your wisdom as senior members of the committee. I valued very much the fact that along the way you were able to manage the process. And it was not an easy process; it was very difficult because of the types of issues we had to deal with, the
places we visited, the people we were talking to and the processes that we needed to go through. As I say, the experience and wisdom of both the chair and the deputy chair of the committee were gratefully received by me and I am sure by other members of the committee.

The committee visited detention centres in Sydney, Darwin, Christmas Island, Melbourne and Perth. There was one visit I was not able to attend. We also received 139 different submissions. We held public hearings, which were attended by many people, including some of those people who had made public submissions but also, and very importantly, former detainees of the detention centres that we had visited. I put those detainees broadly into four different categories. There are people who have arrived on our shores as what we generally refer to as illegal boat arrivals, although I question the term ‘illegal’. Others would say there is no such thing. There are illegal fishers, people who had breached section 501 visas and people who had for other reasons breached different visa categories and ultimately ended up in detention centres. In the course of our inquiry we also spoke to many of the people who worked with and visited these people and assisted them while they were in detention centres right around the country. I stress that it was right around the country because I found from my experience that at each detention centre we went to it was a different experience, and therefore it was important to hear from those people individually.

You made the point in your own comments on this report, Madam Deputy Speaker, that as at 7 November there were some 279 people held in detention. The breakdown of those was 189 in immigration detention centres, 44 in community detention, 25 in alternative temporary detention in the community, 16 in immigration residential housing, three in immigration transit accommodation and two restricted on board vessels in port. I cite those statistics simply to highlight the different forms under which people may be held in detention. It is not simply one particular type of place. So, when people try to envisage how people might be held, they can see there is a range of options available to governments and they have been used by governments over the years.

In quoting the recommendations from the report I note that there were some 18 recommendations that the committee ultimately adopted. I know that, in respect of some of those recommendations, some members of the committee prepared a dissenting report, but I should note that there were certainly consistency and agreement on the majority of the others. So it was clearly a case of one aspect, which I will come back to, where we might have had some disagreement but, overwhelmingly, the recommendations were agreed to unanimously by all members.

On page 9 of the introduction of the report the recommendations are summarised, and I will quickly go through them:

• 5 day time frames for health checks
• up to 90 days for the completion of security and identity checks, after which consideration must be given to release onto a bridging visa,
• a maximum time limit of 12 months’ detention for all except those who are demonstrated to be a significant and ongoing risk to the community, and
• the publication of clear guidelines regarding how the criteria of unacceptable risk and visa non-compliance are to be applied.
The report goes on to recommend:

- greater detail and scope of the three month review conducted by the Department of Immigration and Citizenship
- ensuring detainees and their legal representatives receive a copy of the review
- ensuring the six month Ombudsman’s review is tabled in parliament and that the ministerial response to recommendations is comprehensive
- providing increased oversight of national security assessments that may affect individuals
- enshrining the new values in legislation—
  that refers to the new values of the minister’s policy, announced on 29 July—
- establishing a maximum of 12 months in detention unless a person is determined to be a significant and ongoing risk to the Australian community, and
- opening the door to merits and judicial review of the grounds for detention after that person has been detained for more than 12 months.

I believe that those recommendations essentially summarise the general direction that the committee would like the government to go in when it comes to policy on detention centres.

Those members of the committee who dissented did so on the question of judicial review, and I simply want to make this point: it is my clear impression that their judgements were based on events, practices and processes which took place in the period prior to the Rudd government coming into office. Therefore, they made judgements about what should be done based on the experiences that were brought to them from the submissions made about how people were treated prior to the Rudd government coming to office and certainly prior to Minister Chris Evans’s announcement of the new policy.

Whilst I can understand the dissenting report, at this point in time it is not one that I would support. Nor do I believe it should be supported by the government. We have a new policy in place and it is only once that policy has been applied that we can make judgements about whether we ought to make further recommendations to the minister. I believe that the member for Kooyong said that there was no process after the Ombudsman’s report at the six-month period for any further action to take place. My recollection of the recommendations is that in addition to the six-month report by the Ombudsman we are requesting the minister to respond within 15 days to the Ombudsman’s report. So there is an opportunity for matters to be taken up by the minister.

I will just make some personal observations about the work that the committee did. Firstly, setting aside the submissions from the government departments that we received, which one would expect to be impartial and non-political, my recollection of all representations that were made to the committee were either critical or highly critical of the past policies in respect of detention centres. Secondly, all of the representations that I can recall that made comment about the new Rudd government policy commended that policy. That policy was well received by all of the people who made submissions to the committee, albeit that some might have wanted the government to have gone further.

Thirdly, in all the evidence that I can recall being put to the committee, there was none which supported any suggestion that terrorists were entering Australia as refugees or boat people. I saw no evidence at all to support that notion. Fourthly, there was substantial evidence that people held in detention centres for any period of time, and certainly those held in
detention centres for lengthy periods of time, ended up with mental health issues. And, fifthly, the majority of the people who were held in detention centres were ultimately released into the community.

It seems to me, given those observations, that what we need is a change in policy—and we have seen that in the welcome policy response by the Rudd government. We need a fundamental change in mindset, and I have to say that the introductory comments in the report talk about the need for a paradigm shift in the way we address the issue of people being held in detention centres in future. Again, I welcome that. I believe that we need to adopt what I would refer to as principles of natural justice when we deal with people who come into this country for whatever purpose. Those principles of natural justice would rely on us giving them the same provisions in law that we apply to anyone who, for one reason or another, comes before the law in this country, and that is that they are presumed to be innocent until they are found to be guilty. I am pleased to say the Rudd Labor government is going in that general direction with its policy.

That policy announced on 29 July by Minister Chris Evans has seven key values. The first is that mandatory detention is an essential component of strong border control. None of us dispute that. Second, to support the integrity of Australia’s immigration program three groups will be subject to mandatory detention: (a) all unauthorised arrivals, for management of health, identity and security risk to the community, (b) unlawful noncitizens who present unacceptable risks to the community and (c) unlawful noncitizens who have repeatedly refused to comply with their visa conditions. Third, children, including juvenile foreign fishers and, where possible, their families, will not be detained in an immigration detention centre. Fourth, detention that is indefinite or otherwise arbitrary is not acceptable and the length and conditions of detention, including the appropriateness of both the accommodation and the services provided, would be subject to regular review. Fifth, detention in immigration detention centres is only to be used as a last resort and for the shortest practicable time. Sixth, people in detention will be treated fairly and reasonably within the law. Seventh, conditions of detention will ensure the inherent dignity of the human person.

I finish with this comment. I share the comments made by the member for Isaacs and I too was concerned by the question raised by the member for Murray in the House yesterday. I say this to the member for Murray: whilst there was a dissenting report in respect of this matter, those of us who had the firsthand experience of visiting detention centres, speaking to people within them and speaking to people who assisted them all came away with a very strong view that our policy ought to be more humane—and even the dissenting report goes further than our committee did in terms of wanting to make it more humane. I therefore find it objectionable that that question was raised in the House. I say to anyone: before you make a judgement about detention centres and the people who come here, take the time to visit those detention centres, as the committee did.

Mr DANBY (Melbourne Ports) (7.48 pm)—Madam Deputy Speaker, as I opened this debate, I seek leave to speak again without closing the debate.

Leave granted.

Mr DANBY—Yesterday I presented to the House the report of the Joint Standing Committee on Migration on its inquiry into immigration detention in Australia entitled Immigration detention in Australia: a new beginning. This is a report of which the members for Hughes,
Makin, Isaacs and Petrie are all very proud. Madam Deputy Speaker Vale, I apologise for missing your contribution to this debate as the member for Hughes. I value your views and I have got to know them as our committee has gone through this inquiry. Your contribution, as the member for Makin said, has been extremely wise and very helpful in the deliberations of the committee. We have had a very hardworking core group of people on this committee, including a couple of senators—Senators McEwen and Bilyk. Certainly the members for Hughes, Makin and Petrie have helped form the core of this committee and, together with the member for Kooyong and I, have been at most of its hearings.

Tonight I want to briefly consider recent comments made by opposition members on the matters discussed in this report. I will begin my conclusion by referring to the matters the member for Makin and the member for Isaacs discussed, and that is the comments made by the member for Murray. The member for Murray alleged that changes made by the current government to the detention policy are encouraging people smugglers. She implied in her question in the House yesterday that there has been a so-called surge in unauthorised boat arrivals in Australian waters. Regrettably, there was a story on the front page of the Australian yesterday that reported this as a fact rather than a mere allegation. I rang Mr Steve Cook from the International Organisation for Migration in Jakarta yesterday and he told me that the claim that there was a surge in illegal boats coming to Australia was not made by him. If you are going to make such grave allegations, given the history of this debate in Australia, you ought to check with an important international public servant working for an important, fair minded organisation such as the International Organisation for Migration before you make such an allegations.

As the member for Isaacs pointed out, there is no such surge. There have been four unauthorised arrivals with 48 passengers so far this year. Since it is now December, that is probably the total for the year. Last year, which was the last year of the Howard government, there were five boats with 148 passengers and the year before, 2006, six boats with 60 passengers. In other words, the total of unauthorised boat arrivals in the first year of the Rudd government has been lower, not higher, than it was in either of the last two years of the Howard government. The trend in unauthorised boat arrivals has been downwards, not upwards.

The member for Isaacs exposed the allegations that the Rudd government has somehow weakened our surveillance of Australian waters and allowed this mythical surge of unauthorised arrivals to take place. In fact, no boat containing unauthorised persons has reached the Australian mainland since the Rudd government was elected. The last time a boat reached the Australian mainland was in November 2006, when a boatload of 83 Indonesians arrived at Cape York. That was when the Howard government was in office. It is of course true that people smugglers are active in our region. It is also true that, before the election of this government, Australia continued to work with its South-East Asian partners to deter people smugglers. A number of groups have been intercepted in the region recently.

As we all now know, rather than locking up thousands of people in remote parts of Australia in detention centres like Baxter and Woomera as some kind of deterrence, the effective way of managing Australia’s sovereignty and borders is to have good relations with our neighbours, particularly with neighbours like Indonesia. One thing that we learnt during this report was that the activities of the Navy, of Customs and of Immigration, integrated with the same organs of the Indonesian state, are the really effective way of making sure that people do
not endanger their lives by putting to sea in the types of boats that previously came to Australia. Moreover, seen from the perspective and context of Europe, the arrival of 4,000 people in these boats in the beginning of 2000 was not something to be hysterical about anyhow. I recently met with the deputy chair of the German Bundestag in parliament house, and he asked me to describe the nature of the problem. After hearing of those small numbers of arrivals in 2000, the deputy chair responded in a very surprised tone, saying, ‘Mr Danby, we received 350,000 from Yugoslavia in that one year.’ So you have to see this in context.

Australian law enforcement and immigration agencies continue to work with our counterparts in South-East Asia to respond to people smuggling. There has been no diminution of Australia’s efforts in this respect under this government. The government has maintained patrols of our borders by the border protection command and has maintained a system of mandatory detention and excisions. The fact that we have shut down the Howard government’s Pacific solution does not mean that we have abolished mandatory detention for unauthorised arrivals, as the member for Kooyong has vociferously pointed out.

It is deplorable that the opposition has again sought to drag the Royal Australian Navy into a political debate. They claimed falsely that the Royal Australian Navy supported their version of events during the ‘children overboard’ affair. We know now from the documentary that has recently been on television that the Navy did not. Now they are trying to do it again. The Chief of Navy has repeatedly assured the public that extending the traditional six-week leave period by a further two weeks will not have any impact on operations. The opposition has virtually accused the Chief of Navy of lying and dereliction of duty. The opposition should stop these insinuations and show some regard for our hardworking Navy.

I mentioned the assertion of Mr Stephen Cook of the International Organisation for Migration that there was no surge. I do think all this is really regrettable. You have to be very serious if you are going to make the kinds of allegations in parliament like those that led to such political trauma in Australia during the Hanson period. You ought to try and establish that these facts are true yourself, as I did with a simple phone call. That is what you have parliamentary staff and researchers for. This allegation was not fact; there is no surge, according to Mr Stephen Cook of the International Organisation for Migration.

The member for Makin made a very good point. All the committee members agreed with the majority of the recommendations. However, despite my best efforts and those of the deputy chair, there were a number of issues on which consensus could not be reached—particularly on the issue of judicial review. Regrettably, some of the media has focused almost exclusively on that minor issue to the exclusion of the benchmarks and guidelines set out by the committee. The committee majority believes that extensive reforms to existing immigration detention procedures and cultural change in the Department of Immigration and Citizenship will bring the best outcomes in terms of national security as well as just and humane treatment of immigration detainees.

The committee’s recommendations make a paradigm shift. We have done exactly what we said in the foreword. The paradigm shift, I am sorry to say to the member for Kooyong, happened in November 2007 at the election. A new government was elected with a completely different Weltanschauung, as the Germans say, or world view of these matters. In June, Senator Chris Evans outlined his criteria for immigration detention and spoke on behalf of the government’s different world view. That is the cultural change that led to the setting out of the
benchmarks which implement the more humane Evans criteria, which still address the issues of security for the wider Australian community.

The committee’s recommendations place the onus on releasing people from detention. The onus is on releasing people, not keeping them in. The committee sees the best way of doing this is to give clear deadlines by which further detention must be justified. Specific dates include after 90 days, when, if the identity of detainee is unable to be established, and in the absence of a demonstrated and specific risk to the community, the committee recommends a conditional release from detention. The committee has recognised that it is important to establish the identity of people coming to our country. However, the committee was concerned that, if people had to wait for the conclusion of the identification process before they could be eligible for release, these criteria could potentially discriminate against asylum seekers who may have come from countries without secure identity systems or who may have left their country without documents for reasons of persecution or whatever.

The committee also considers that this 90-day time frame should be reviewed after a period of time with a view to further reducing it if it is possible and practical to do so. Let us be clear about this: 87 per cent of people who come to Australia unauthorised are released within 30 days. We are talking about 13 per cent of those who are here illegally after that. After 90 days, if a security assessment of detainees is ongoing and it is identified that there is little risk to the community, as advised by the Australian Security Intelligence Organisation—who made a very professional presentation, as you would expect, to the committee—the committee recommends conditional release from detention.

The security and identity criteria are linked as it is difficult to know whether someone is a security risk when we do not know their identity. But the available evidence suggests that on balance of probability the security risk posed by unauthorised arrivals is very low. As we have repeatedly been told before in this committee, against the mythology of ‘those dreadful Afghan Hazaras on that boat’, of the tens of thousands of unauthorised arrivals in the last decade only two adverse security assessments have come to public attention—against Iraqi nationals on Nauru, and one of those had the adverse assessment later dropped. If al-Qaeda is coming to Australia they are going to do it in the same way that they did in September 11—in first class, in the front seats of a plane where you will not be able to recognise them. Persecuting poor Afghan Hazaras on boats for political purposes is not going to keep terrorists out of Australia.

I must say I was very impressed by the Director-General of ASIO’s explanation to the committee about the comprehensive way that they assess the small number of people that are kept in detention after 90 days. The committee further recommended that after six months, if a security assessment is ongoing, the Inspector-General of Intelligence and Security provide advice to the Commonwealth Ombudsman as to whether there is a legitimate basis for delays in security assessment. The committee also recommends that the Commonwealth Ombudsman’s six-monthly detention reviews be tabled in parliament and that the Minister the Immigration and Citizenship be required to respond within 15 sitting days. So, quite against what the member for Kooyong said, there is a whole series of new benchmarks and guidelines that would have to be accepted. The onus again is on releasing people, not keeping them in. The minister would have to respond to the Commonwealth Ombudsman’s report after six months and give an explanation to parliament as to why people were being kept in. It is not simply a matter, as in the old days of the Howard government, of keeping them in forever.
Then again, as a further failsafe, the committee recommends that after 12 months, provided a person is not determined to be a significant and ongoing and unacceptable risk to the community, the person should be released from detention onto a bridging visa. The committee noted that length of time spent in detention centres continues to be a concern for many detainees, oversight bodies and advocacy groups. In recent years, and especially since the new government came to office, the number of people in detention for such a long periods has been greatly reduced. The committee hopes that its recommendations are followed and that this number will be reduced further.

With these deadlines in place, the onus will shift from detaining people to releasing people from detention and will mean that the processing of the detainees will be greatly expedited. What some people, I think, cannot accept—and I listened to the member for Kooyong—is that the change in government, the crucial cultural change that happened, has brought about a change in this detention policy. It is all very well, as the member for Makin said, to look backwards to the past and to all of the injustices that happened then. You could have crossed the floor; you could have done a whole lot of things. What we did was elect a different government with a different world view. That is what has changed. There is an essential humanity and rationality in the way in which we have approached immigration detention in Australia—as we said, a new beginning.

The dissenters argue that judicial involvement in the detention process is the best way to expedite the processing of detainees. From the information that we were provided, the committee feels, as has been previously mentioned, that benchmarks, as well as other related recommendations, are the best way to move forward at this stage. Judicial involvement creates its own problems such as greater potential expense, the possibility of clogging up courts and the fact that court procedures take time to occur. (Time expired)

Debate (on motion by Mr Hawke) adjourned.

Corporations and Financial Services Committee

Report

Debate resumed from 1 December, on motion by Mr Ripoll:
That the House take note of the report.

Mr RIPOLL (Oxley) (8.04 pm)—I seek leave to continue the introductory remarks I made in the House.

Leave granted.

Mr RIPOLL—Firstly, I would like to again thank the secretariat of the Parliamentary Joint Committee on Corporations and Financial Services for their hard work, their diligence and the countless hours that they put into this report. This report was an extensive look at the franchising sector and all of the issues in that sector. I also want to make particular note by name of a number of people. I want to thank the committee members: the deputy chair, Senator the Hon. Brett Mason; Senator Mark Arbib; Senator Sue Boyce; Senator Gavin Marshall; Ms Sharon Grierson; Ms Julie Owens; the Hon. Christopher Pearce; and Mr Stuart Robert. I also thank the other members involved with this inquiry that are no longer with the committee: Senator Grant Chapman, Senator the Hon. Helen Coonan, Senator Linda Kirk, Senator Andrew Murray, Senator Ruth Webber and Mr Michael Keenan. I would also like to thank the secretariat for their hard work: Dr Shona Batge, Mr Andrew Bomm, Ms Veronica Gover, Ms
Emina Poskovic and Ms Laurie Cassidy. This was a very extensive inquiry done over a very short time frame and this is, I think, a very good report.

The franchising sector on the whole is a great sector. It is a sector that contributes greatly to employment and to the GDP. On the whole, it tends to operate well, but there are problems and issues within that sector. There are some rogues that would abuse the power imbalance that necessarily exists to ensure that franchising is a flexible, relational type contract arrangement. This report goes some way to dealing with those issues. Franchising has evolved over the past 30 years in Australia. It was once very much an agreement between two parties that was seen at the time to be an agreement for life. Franchisees would come on board and build the business on the franchisor’s behalf across the country. The contracts were merely reviewed after a period of maybe 10 or 20 years rather than there being end-of-contract arrangements. But, as the sector changed, we found ourselves in a situation where franchising contracts would have end dates—they would end after a 10-, 15- or 20-year period. In more recent years, as it has evolved further, we have seen shorter and shorter franchise agreements with very strong end dates, some of which are followed through with. That has certainly been one of the issues within the sector.

At the core of the sector has been the evolution also of the regulatory environment. The sector went from no regulation—there was no specific legislation that dealt with franchising, merely the Corporations Law or the Trade Practices Act or the ACCC as a regulator—to a voluntary code and now to a mandatory code. There have been a number of inquiries, including state and federal inquiries, and reviews over a number of years. Earlier this year, on 1 March, some regulatory changes were made to that code relating to disclosure requirements. This report follows on all of that work over the past 20 or 30 years and forges a very solid middle road of trying to build upon the great improvements that have been made in that sector. We must make sure that there is enough regulation to not only protect franchisees but also to encourage the growth of franchising without it becoming a burden upon franchisors. We must respect the freedom of a contract, the freedom of a bargain, and allow people to get on with the business of being in business while at the same time making sure that there is a good regulatory framework for people involved in the sector.

The reasoning behind that is quite simple. For a franchisee, they will often stake all of their life savings—everything they have—on entering into a franchise. For a franchisor, they often stake their reputation and their core business on the trust they have in their franchisee doing the right thing by them. The focus of the committee inquiry was very much about finding that good middle road to ensure that rights and responsibilities are met for both sides and that everybody plays their part in what is a quite unique contractual arrangement. It is unlike any other business arrangement. From the date you sign a franchise agreement, the exploratory and developmental nature of the relational contract really takes shape. There is so much good faith vested in the behaviour and conduct of the participants in these relational franchise contracts that, over the years, there has needed to be further regulation and codes, and we now have a mandatory code. What we propose in the report is to build upon the structure that currently exists.

I want briefly to run through the recommendations that were made by the committee and expand on a few. The first recommendation is:
... that the Franchising Code of Conduct be amended to require that disclosure documents include a clear statement by franchisors of the liabilities and consequences applying to franchisees in the event of franchisor failure.

We discovered through this process that a number of franchisors, for whatever reason, either fail, go out of business or decide to exit franchising as a sector but that it is often not clear to franchisees what their liabilities or responsibilities may be when that occurs. We felt it was very important that that be more clearly disclosed and not remain an area of silence, so that people in the pre-education environment better understand exactly what they are getting into.

It also came up during the inquiry that we really do not have any good statistics or data. There is no registration, of any nature, of franchising in itself. We were of the view that there needs to be some very simple form of registration—perhaps something as simple as an online form—that requires a franchise system to nominate itself, clearly state the nature of its business and, in doing so, assure franchisees that the franchise system is meeting the requirements of the mandatory code of conduct. We thought that that was important to deal with a range of issues around some sort of registration system. It would be very simple, online, cost effective and efficient.

The third recommendation was:
... that the government review the efficacy of the 1 March 2008 amendments to the disclosure provisions of the Franchising Code of Conduct within two years of them taking effect.

The provisions are only new, and I think it is only fair that after a two-year period we go back and review them. But we need to give it some time. Two years is a good time period after which to go back and review the provisions to see whether they are working and whether they have had some positive impact on the sector.

The fourth recommendation was:
... that the government explore avenues to better balance the rights and liabilities of franchisees and franchisors in the event of franchisor failure.

This relates to the first recommendation in terms of the balance between rights and responsibilities, the liabilities, and what issues are at stake when a franchisor fails. There are contractual arrangements for when a franchisee fails. That is easily dealt with. But there needs to be some clearer paths for how things work when a franchisor fails.

The fifth recommendation was that we amend the code of conduct to ensure that there is disclosure to franchisees before they enter into an agreement. The process will actually be at the end of a contract. We do not want to tell franchisors what it should be but we believe it should be clearly stipulated. The disclosure of end-of-term arrangements needs to be in writing in the contract. Again, it goes back to good faith and pre-education requirements. If people are to better understand what they are entering into, they need to understand what takes place at the end of the arrangement. This is something that many franchisors already do. We are not asking them to do anything different from current industry practice. This would go a long way to resolving many disputes that currently take place.

In the sixth recommendation, on the submission of the ACCC, we agreed with them that the name ‘the Office of the Mediation Adviser’ was not clear enough as to the office’s role and that it should be ‘the Office of Franchising Mediation Adviser’. We believe this is a sim-
people and clear way forward on giving the sector a better understanding of what the role of the office is.

The seventh recommendation was:

… that the government require the Australian Bureau of Statistics to develop mechanisms—

for collecting better data. It became absolutely clear during the inquiry that we do not have any really solid or credible statistics or data. A survey is done every two years but it is too narrow. We need something from the Australian Bureau of Statistics, and I would encourage the government to work with the ABS on mechanisms to provide it.

One of the really big issues, the one that takes up the vast majority of time in franchises and has done for many inquiries, is that of good faith. There are many different views and debates. People try to define it and they try to talk around this issue as much as possible but, at the end of the day, good faith is something that is understood by everyone in some form. There is already a clear indication within the Trade Practices Act as to what good faith is. It is in other bits of legislation to do with fair trading; it is something that is well understood and can be dealt with by courts through litigation.

We have recommended as a committee that the Franchising Code of Conduct be amended to insert a new standard of conduct clause which says:

Franchisors, franchisees and prospective franchisees shall act in good faith in relation to all aspects of the franchise agreement.

It should be the case and it is the case in the industry in most areas that there is a good faith clause in the agreements which actually says that both parties shall act in good faith towards each other and there should be no lesser standard or expectation. I think this is a good middle road in tying together all the issues around disputation back to some clarity in the form of good faith. It is a minimalist approach but one that does give clarity and takes it from just being implied in the Trade Practices Act to actually being codified in the Franchising Code of Conduct.

The ninth and 10th recommendations of the committee are both in the areas of pecuniary penalties in relation to breaches of either the Franchising Code of Conduct or sections 51AC, 52 and 51AD of the Trade Practices Act in relation to other codes and breaches for misleading and deceptive conduct. One of the clear issues that came out of this inquiry was that while there were a number of regulations, laws and codes, there was no stick that could be applied other than going to a court and seeking some remedy. There needs to be clearer pecuniary penalties for people who in particular deliberately breach their responsibilities in terms of the code or the Trade Practices Act. This was a recommendation also by the ACCC. The committee agreed with them and we think it is a good way forward.

The final recommendation of the committee was:

… that the ACCC be given the power to investigate when it receives credible information indicating that a party to a franchising agreement, or agreements, may be engaging in conduct contrary to their obligation under the franchising code of conduct.

While the ACCC does have powers currently to investigate, their view is that unless they have sufficient evidence that would give rise to a successful case in a court they do not pursue that particular information. We are of the view that we should support the ACCC and give them
that extra power to be able to do some investigative type work to look at the possibility of the systemic abuse of power in certain franchise systems.

Overall this report builds on the previous good work of other inquiries both at a federal and state level. It is about supporting the sector as a whole—franchisors and franchisees. It is about finding a good, solid middle ground. It is about ensuring the future growth and stability of a very important sector, a sector which this committee and all of its members were very supportive of. I believe this report deals with all of the big issues.

There are two particular issues which, while we have discussed them in the report, we do not have recommendations on. One in particular, and I know it was very popularly discussed through the inquiry, was that of goodwill. We felt as a committee that goodwill in itself was already contained within the aspects of end-of-term arrangements in terms of the market value of the business and the transferability of value. It is really part of recommendation 5 that in determining end-of-term arrangements the process should give due regard to the potential transferability of equity in the value of the business as a going concern. This is something that already exists without trying to define or put a formula to what good will is.

The final point I would like to make is that the committee received a number of bits of evidence that an ombudsman or a tribunal would perhaps help, but on further investigation and on reflection we believe that it would add an extra layer of bureaucracy and confusion and would not provide the sorts of outcomes that people were seeking. The best process to do this is to try to mediate at the franchise level then through the Office of the Mediation Adviser and, if it cannot be resolved, through the courts. I commend this report to the House and I wish the franchising sector all the best in the future.

Ms GRIERSON (Newcastle) (8.19 pm)—I also rise to speak as a member of the Parliamentary Joint Committee on Corporations and Financial Services on the committee’s report Opportunity not opportunism: improving conduct in Australian franchising, which was tabled in the House last night. I commend this report to the House. I also commend the work of the committee, particularly its chair, the member for Oxley, who has just spoken on this matter, and the secretariat, who very adequately supported our work.

The report follows a five-month inquiry that held four public hearings and received more than 150 submissions from franchisees, franchisors, representative organisations and academic and legal experts. The committee has made 11 recommendations, all of which are aimed at raising the standard of conduct in Australian franchising. They get the balance right between regulation and encouraging free enterprise.

The franchising relationship is based on a prescribed business model which is offered by the franchisor and carried out under their guidance and oversight by franchise owners. Many franchise agreements have, of course, resulted in highly successful and profitable ongoing business relationships. There is little doubt that the franchising model has become increasingly popular in Australia. At best, franchise agreements for businesses should offer an extra degree of protection for new entrants and particularly some stability and backup for those people going into small business for the first time. To know they are part of an established supply chain under an established brand—a well-marketed brand, in some cases—can offer a degree of comfort to new businesses.
A recent industry survey commissioned by the Franchise Council of Australia suggests that franchise systems enjoyed a 14.6 per cent growth rate between 2006 and mid-2008 and that franchises now represent 3.7 per cent of all small business in Australia, employing an estimated 413,500 people. So they are a significant contributor to our economy and the small business sector. Notwithstanding the rapid growth of franchises in Australia over the last decade, the lack of independent, reliable data has remained a significant issue for this sector, and I think everyone will welcome the committee’s recommendation that the ABS develop mechanisms for collecting and publishing relevant statistics on the franchising sector.

Despite the success of many franchise agreements, evidence presented to the committee also served to highlight the conflicts that currently exist between some franchisors and franchisees. The committee notes that issues arising during the term of the agreements can and do cause tensions and that these issues have the potential to escalate into major disputes. Disputes most frequently arise as a result of differing expectations and understandings about the obligations of each party to the agreement and asymmetric power dynamics within franchise agreements, with the potential to lead to an abuse of power.

Improved collection of franchising statistics, with a focus on disputes and dispute related unit franchise turnover, will help us to develop a better understanding of just how extensive disputation truly is. To have this data publicly available as a source of information for those contemplating entry into a franchise arrangement would allow them to identify any trends or patterns of conflict. A reduction in disputes is nonetheless the most desirable outcome for all, and the committee noted a number of suggestions to improve dispute resolution outcomes, including an increased focus on premediation strategies, the creation of a tribunal to make determinations and the introduction of a franchising ombudsman.

But it is the committee’s view that many of the issues which lead to disputes and the need for mediation or alternative dispute resolution mechanisms would be mitigated by the introduction of an explicit obligation into the code of conduct for all parties to a franchise agreement to act in good faith. Several of our recommendations also are about clarification of disclosure—the sort of information parties to a franchise agreement should be in possession of. That includes clear statements of liabilities and consequences applying to franchisees in the event of failure.

We recommended that government explore avenues to better balance the rights and liabilities of franchisees and franchisors in the event of franchisor failure. We also recommended that the Franchising Code of Conduct be amended to require franchisors to disclose to a franchisee, before a franchising agreement is entered into, what process will apply in determining end-of-term arrangements. That process should give due regard to the potential transferability of equity in the value of the business as a going concern. Our preferred course of action was to emphasise the good-faith angle of both negotiations and entering into any contractual arrangement. The committee believes that acting in good faith at all stages of the franchise relationship provides a deterrent against opportunistic conduct in the franchising sector.

There is no denying that the treatment of some franchisees when their contract ends has been truly appalling. The committee heard disturbing evidence of some franchisors who had exploited and abused their market power and position, had taken advantage of their dominance within the partnership and had shown little regard for the regulatory system or for the outcomes and potential loss to the franchisee. I know that as MPs we have all had cases in our
electorates brought to our attention. I have worked with one such case in my electorate for more than three years now; it is still not completely resolved. The trauma experienced by mum-and-dad franchisees who at the end of their contracts have walked away with nothing, and continue to live in fear of losing the roof over their heads, speaks volumes for the need for this inquiry and for the recommendations it has put forward.

In dealing with the cases that I have in my electorate, I want to thank the franchise sector representative groups. They have been very helpful. I also point out that, in these agreements, frequently the franchisor’s bank is the bank that enters into the agreement as financier for the franchisee. I think that is a less than desirable situation, but it is not something that came across sufficiently in our inquiry. But it does seem that, just as in purchasing a home one might use a different bank than the vendor; the franchisee should perhaps have a very separate bank arrangement. I also take this opportunity to point out that there is a high degree of ignorance of people’s rights in the banking sector. There are customer advocates at our major banks, and they are there to be advocates for the customer. In cases of major sums of money, there is also a banking ombudsman. Those sorts of facilities and avenues of redress should be made available, because often the situation is that a franchise business does not return enough to make payments owed to banks for that contract. I think there are issues that we could not deal with in this report but that still exist.

As this report makes clear, though, franchise agreements should clearly stipulate what the end-of-term arrangements and processes are. These arrangements should be fully and transparently disclosed to prospective franchisees. To reduce disputation around end-of-term arrangements, the committee recommended that those disclosure provisions in the code of conduct be amended to increase transparency, before the start of a franchise agreement, about what process will apply at the end. Unfortunately, people go in with a very optimistic viewpoint. They rarely contemplate the worst-case scenario or consider that there will be an element of failure or financial risk. The committee also recommends the introduction of pecuniary penalties and enhancement of the ACCC’s proactive investigative powers in relation to potential breaches of the code. I take this opportunity to congratulate Graeme Samuel. Under the new government, I have seen much greater interest in protecting small business and in representation for small business when they are in a dispute with a major business. I recommend that course of action and I am very pleased to see the ACCC taking up that challenge.

In conclusion, I commend this report to the House. I look forward to working with the government to ensure ongoing improvements in the standard of conduct in the Australian franchising sector. I hope that the relevant ministers will take up our recommendations, put them into effect and be very open to representation by the franchise sector for any further reforms. I think this report builds on a long period of action and responses, but they have not been completely effective. The adding of penalties, the strengthening of legislation and the role of the ACCC and, in particular, changing the code of conduct—basing it on good faith and adding clarity to it—will, if adopted, make sure that this sector is a vibrant and successful one and one where we would certainly like to see a reduction in disputes.

Debate (on motion by Mr Hawke) adjourned.

Main Committee adjourned at 8.31 pm
QUESTIONs IN WRITING

Code of Conduct for Internet Service Providers
(Question No. 345)

Dr Stone asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 22 September 2008:

(1) What is the timeframe for introducing the legislated Code of Conduct for Internet service providers (ISPs) which aims to curb the growing practice of online copyright infringement.

(2) What action has the Minister taken to implement a Graduated Response Program for all ISPs to help enforce piracy laws and prevent the practice of illegally downloading copyrighted material.

(3) What other steps is the Minister taking to address the growing practice of copyright theft via Internet download.

Mr Albanese—The Minister representing the Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member’s question:

(1) There has not been a decision at this stage to introduce a Code of Conduct for ISPs. The Government is actively considering a music industry proposal on this issue.

(2) Senator Conroy has met with various interests on this issue. An agency in the portfolio, the Australian Communications and Media Authority, facilitated an initial meeting between music and ISP interests on this issue on 9 July 2008. Further meeting(s) are planned.

(3) The Attorney-General is responsible for the Copyright Act 1968. The Department of Broadband, Communications and the Digital Economy is working with Attorney-General’s Department to address the challenges posed by new technology to copyright law.