TUESDAY, 15 FEBRUARY

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PROCLAMATIONS
Tuesday, 15 February 2000

The PRESIDENT (Senator the Hon. Margaret Reid) took the chair at 2.00 p.m., and read prayers.

REPRESENTATION OF QUEENSLAND

The PRESIDENT (2.00 p.m.)—I inform the Senate that I have received a facsimile letter from Senator Parer resigning his place as a senator for the state of Queensland. Pursuant to the provisions of section 21 of the Constitution, I have notified the Governor of Queensland of the vacancy in the representation of that state caused by the resignation. I table the facsimile letter and a copy of my letter to the Governor of Queensland.

QUESTIONS WITHOUT NOTICE

National Textiles

Senator COOK (2.01 p.m.)—My question is to the Minister representing the Minister for Finance and Administration, Senator Ellison. Can the minister inform the Senate that I have received a facsimile letter from Senator Parer resigning his place as a senator for the state of Queensland. Pursuant to the provisions of section 21 of the Constitution, I have notified the Governor of Queensland of the vacancy in the representation of that state caused by the resignation. I table the facsimile letter and a copy of my letter to the Governor of Queensland.

Senator COOK—Madam President, I ask a supplementary question. I am flabbergasted. I must say I am surprised the minister does not know the answer to this very topical question. I noticed that he has agreed to take it on notice. Can he provide an answer to the Senate before we rise today?

Senator ELLISON—As always, I will endeavour to get this information back to the Senate as soon as possible.

Tax Reform: Income Tax

Senator GIBSON (2.02 p.m.)—My question without notice is to the Leader of the Government in the Senate, Senator Hill. Does the Howard government remain on schedule to deliver $12 billion in personal income tax cuts to Australian workers and their families? How will these tax cuts further enhance the benefits of the new tax system for all Australians?

Senator HILL—I guess the only basis for the Labor Party laughing at the question is that when they promised tax cuts they never delivered. By contrast, this government is on track to deliver $12 billion in personal income tax to Australian workers and their families, an unprecedented huge sum of money being delivered back to Australian workers, more money in their pockets. This,
of course, is part of the new taxation system that we are delivering for Australia. There are so many other benefits of that new tax system: cheaper diesel fuel for our rural communities, badly needed out in the bush, never delivered by Labor; increased pensions; cheaper, more competitive exports—even Senator Cook should understand that; the abolition of provisional tax for small business, something that they have called for for years but Labor never delivered; halving the capital gains tax, to increase incentives and to ensure that reward is reinvested in business. And so the list goes on, a list of benefits to the Australian people as a whole from the new taxation system that this government is implementing, which will complement all the other economic reforms that have delivered such good economic outcomes over the last four years. Take, for example, the one I mentioned about the benefits to competitive exports. It is interesting that one Labor spokesman was prepared to acknowledge the benefit of that. It was recently the shadow minister for industry and technology, Bob McMullan, who said on Adelaide radio on 12 January:

Well, the GST overall should be good for exports. A touch of honesty from Labor. And they could also say, ‘Yes, it would be good for the bush with lower fuel prices. It will be good for pensioners. It will be good for getting rid of provisional tax, good for small business and good for the workers in respect of $12 billion of deficit.’ But all Labor can do is carp on particular items under the GST.

**Senator Sherry interjecting**—

**Senator HILL**—But we have always said some will go up and some will come down. What is interesting, which Labor will not acknowledge, is when the *Sun-Herald* produced a shopping trolley—in other words, brought the list of goods together—and looked at the bottom line, what did it find?

**Senator Sherry interjecting**—

**Senator HILL**—It actually found that the cost of a shopping trolley after the GST went down. It did not go up.

**The PRESIDENT**—Order! Senator Sherry, if you have a question you want to ask, you can seek the call at the appropriate time. Shouting during the answer is out of order.

**Senator HILL**—So the prices overall will go down. That is not surprising—

**Senator Cook interjecting**—

**The PRESIDENT**—The same applies to you, Senator Cook.

**Senator HILL**—because the coalition government is actually about a lower tax take, whereas the Labor Party is always about increased taxes, higher taxes.

Madam President, look at the consequences to a family of the package as a whole. The *Weekend Australian* in this instance helped us when it looked at a family, a dual income family, $60,000, three children. It said it will be $20 a week better off after the package is implemented. After the GST is implemented the family will be $20 a week better off. Also, it looked at a family, $35,000, one income. It said that family would be $75 a week better off—$75 a week more in the pocket after the GST has been implemented. That is, of course, the misrepresentation of Labor. It looks at part of the package; it does not even represent that accurately. But if you look at the total package, you find that the Australian people have more money in their pockets. Why do we want that? Because of the benefits that can flow.

*(Time expired)*
Senator VANSTONE—I thank Senator Schacht for the question. I did not need to order any particular inquiry whatsoever. Mr Woodward, who was I think appointed by yourself, the head of the Australian Customs Service, was already investigating the matter on Monday morning with the appearance of the article in the Financial Review. It took some time to investigate that matter because, as you may or may not be aware, Customs always had the implementation responsibility for that policy, but the policy responsibility was with Industry. With the shift of a major part of Customs to the Attorney-General’s portfolio following the 1998 election, both the policy and the substantive aspects of that program were shifted to Industry. So, files that may have related to that matter were shifted to Industry. Of course, personnel follow the policy, and personnel had shifted out of Customs into Industry.

Having nonetheless conducted an exhaustive search yesterday, the advice that I have is that National Textiles’ ICS activity—because, obviously, they would be involved in a range of activity that might include Customs—which was the subject of the report in the Financial Review yesterday has not been audited by Customs. That is the advice that I have. No report on National Textiles of the nature described in the Financial Review of 14 February has in fact been located.

Since the inception of that program in 1991 by the then Labor government, audits have been conducted on a number of companies involved in the ICS in accordance with standard Customs risk management practices. Compliance audits, as you know, are an important element in Customs’ procedures. So, contrary to reports in the Financial Review, my advice is that there is no ongoing concern with Customs on aspects of the implementation of the import credit scheme in relation to National Textiles. In fact, as the advice to me reads, there was not in the first instance a concern because they had not been audited. You referred to the report. I conclude my answer by saying that if you know there is a report, why don’t you put up or shut up?

Senator SCHACHT—Madam President, I ask a supplementary question. I ask the minister again what steps she has taken to locate any Customs report on National Textiles. In particular we ask: will the minister undertake to find out on how many occasions over the last four years Customs officers have visited National Textiles, and report this information back to the Senate? Obviously, Customs officers will be visiting companies such as National Textiles from time to time to ensure that the appropriate forms are being filled in and the claims made are being validated.

Senator VANSTONE—I answered your question. I indicated to you that Lionel Woodward, the head of Australian Customs, was already investigating the allegations in the Financial Review yesterday morning before I spoke to him and he had instructed for a thorough search to be done. I explained to you that files had shifted from Customs to DISR, but that Customs had in fact done a search. When Mr Woodward spoke to me, he advised that it would have been the Sydney office where such files would have been held. As for your question as to how many times have Customs officers visited, I left that for two reasons. I did not assume you meant that we would possibly keep a file of what day any Customs visit is made—

Senator Schacht—What?

Senator VANSTONE—If I may finish before you exasperate yourself with disbelief before you have even heard the answer.

The PRESIDENT—Order! The time for answering the question has terminated.

Senator VANSTONE—I will come back to you on that. (Time expired)

Economy: Government Policy

Senator KNOWLES (2.12 p.m.)—My question is to the Assistant Treasurer, Senator Kemp. Will the Assistant Treasurer inform the Senate of evidence of the continuing strength of the Australian economy under the responsible economic management of the Howard government?

Senator KEMP—I thank Senator Knowles, the distinguished senator from Western Australia, and I might say it is very nice to have you there, very nice indeed. It was a very good question, as we always expect from Senator Knowles. Clearly Australia is one of the world’s best performing econo-
mies. I say that for a number of reasons. There are a number of factors which clearly underline the current strength of the Australian economy. Last week saw the January employment figures, and the unemployment figures for the month fell by 0.2 per cent to 6.8 per cent. Another feature I can point to is that almost 600,000 jobs have been created since March 1996.

Senator Sherry—What about interest rates in general?

Senator Kemp—Clearly Senator Sherry does not like this very much, but let me point out that it is worth comparing the current unemployment rate of 6.8 per cent with the Labor high of 11.2 per cent in December 1992. It is to the undying shame of the Labor Party that their performance on that vitally significant front was so lamentable. Another factor that I would draw your attention to, Madam President, is the latest figures on consumer prices. This confirmed that Australia has continuing low inflation. The December quarter rise of just 0.6 per cent in the CPI meant that the result for the year to December was just 1.8 per cent.

This contrasts with the average figure over the long period of Labor government of five per cent per annum, which you would have to say sustains the point that the Labor Party is a high inflation party. Senator Sherry was worried about interest rates. I have some information for Senator Sherry. He is now talking to someone; he has lost interest. Despite the recent rise in interest rates, Australian families are still receiving benefits from dramatically lower levels of interest rates than they experienced under the former government. Currently, the variable home loan rate charged by the four major banks is in the order of 7.3 per cent. This compares with a peak of around 17 per cent under the Labor government in the period June 1989 to March 1990. That is an absolutely appalling figure, again to the undying shame of the Labor Party. Like families, people in business have also received benefits from these lower rates.

Another point which is worth drawing to the attention of the Senate is that those in work are also benefitting from rises in real wages. As Senator George Campbell so often reminds us, real wages often fell during the period of the former government. Again, it is a source of pride to this government that we have been able to deliver, through our reforms and through the higher productivity growth in the economy, rising real wages. The ongoing strength of the Australian economy is underlined by the government forecast that growth will remain at 3.5 per cent in the year 1999-2000, although some other economists are forecasting higher growth.

(Time expired)

National Textiles

Senator Mackay (2.16 p.m.)—My question is to Senator Minchin, Minister for Industry, Science and Resources. Can the minister confirm that, in April 1999, the Department of Industry, Science and Resources turned down a request for $30 million from National Textiles because the company was deemed a viable entity and therefore did not meet the eligibility criteria? Can he also confirm that, only eight months later, the industry department turned down a funding request from National Textiles and Bruck Textiles on the grounds that the merged venture would not be a viable entity and therefore did not meet the eligibility criteria? What does this debacle say about the Howard government’s administration of a program supposedly established to assist more marginal Australian industries to effectively deal with competition, import pressures and regional configuration?

Senator Minchin—This is a rather extraordinary line of questioning, given that it is said inaccurately that we have bailed out this company. That is, of course, incorrect. What we have done is assist the employees of this company, who were not paid their entitlements. We actually rejected a request to bail out this company when it was made to us in the course of 1999. What we are doing, as requested by the opposition, is assisting the employees of this company. There is no assistance to the companies themselves. A series of discussions with these companies began with my predecessor, Mr Moore, in late 1998 before the election where approaches were made—

Senator Schacht—Why did Howard ask them to sign a deed of agreement?
The PRESIDENT—Order! Senator Schacht, Senator Mackay has asked a question and obviously wants to hear the answer. You are sitting next to her shouting constantly, which is disorderly.

Senator MINCHIN—As I was saying, a series of approaches was made and a series of discussions held with the principals of both Bruck and National Textiles over the course of late 1998 and early 1999. There was only one formal proposal made by the companies for assistance with a merger that they proposed, and that request for assistance was rejected in the end because, as I think I have said publicly or officials have said publicly, there was insufficient information on which we could come to the conclusion that it met with the criteria of the proposed new TCF SIP scheme. On the information that was made available to the government, the independent advisers and the department were not satisfied that the new entity created by the merger would necessarily be viable, which is one of the criteria set down in the SIP scheme. In the initial discussions, it was agreed that the assistance could not be provided on the basis of information given to the government. When a formal proposal was made later in the year, it was rejected on the grounds that the proposed merged entity would, on the information made available to us, not necessarily be viable.

Senator MACKAY—Madam President, I have a supplementary question. Can the minister provide more information and advise how it is that National Textiles on its own could have been assessed as viable in April 1999, yet had become unviable in a joint venture in December of the same year? Is it any wonder that a bureaucratic catch-22 like this has ended up failing the workers in important industries like textiles, clothing and footwear?

Senator MINCHIN—The criteria that are set down in the SIP scheme for assistance for regional reconfiguration were developed in consultation with the industry. While a formal proposal was not put in the early part of the year, on the information made available to the government at that time, the independent advice through Ernst Young to the department and then to me was that the proposal should not be met with assistance on the grounds that, as advised to us at that stage, both companies were separately viable. There had to be, under the criteria, a situation where it was clear that one of the companies was not viable before we could even consider the merger. I think it is evident that, in the case of National Textiles, their status did decline somewhat markedly through the course of 1999.
Mandatory Sentencing

Senator LEES (2.21 p.m.)—My question is to Senator Vanstone in her capacity as the Minister representing the Attorney-General. Minister, I noted with interest in news reports today that the Northern Territory and the Western Australian governments are steadfastly refusing to address the devastating results of their mandatory sentencing laws, particularly as they impact on indigenous young people. As these laws have now literally become a matter of life and death, will the minister please outline to the Senate whether the government will now assume national leadership on this issue? In her answer, will the minister please indicate whether or not she considers human rights less important than states’ and territories’ rights?

Senator VANSTONE—I thank Senator Lees for her question. Senator Lees would be well aware that yesterday the Attorney indicated he was writing to the relevant state and territory in relation to this matter. The Commonwealth government considers the issue of mandatory sentencing is essentially a state or territory matter; the government is nonetheless concerned about the potential impact of mandatory sentencing laws, especially on young people. The Attorney advises that he is aware of the Human Rights (Mandatory Sentencing of Juvenile Offenders) Bill 1999 introduced by Senator Brown, Senator Bolkus and Senator Greig. As I understand it, that is now being looked at by a committee, and the government is clearly looking to consider the recommendations of that committee in relation to this matter.

I might add just two things, Senator Lees. While both West Australia and the Northern Territory have mandatory sentencing legislation, they are different, and some people might view them differently because of that. Some people might find one acceptable and the other not—or both unacceptable, as the case may be. Secondly, as is tragically so often the case in life, there is not always a choice between one or another principle. Sometimes you have to find a way to accommodate both.

I might also point out that the constitutional entitlement for something to be done at a federal level would be different for Western Australia than it would be for the Northern Territory. So this is not an easy issue. It is one that I notice you have not sought to make any cheap points out of because of the tragic death last week. It is one that the parliament is looking at, and the government will look at what the parliament recommends.

Senator LEES—Madam President, I ask a supplementary question. Minister, do you agree that your government has already set a precedent with its preparedness to let the Territory law be overturned where it concerned euthanasia? Therefore, the Democrats are asking: will the government now consider this such an important issue that yet again you will stand aside, at least—or, preferably, be actively involved in overturning—this legislation? Finally, can you confirm that mandatory sentencing is indeed contrary to the recommendations of the Royal Commission into Aboriginal Deaths in Custody? Can you indicate whether the government places any real importance on those recommendations?

Senator VANSTONE—I thank Senator Lees. Of course the government does place importance on those recommendations. I will ask the Attorney to take the part of your question in relation to that on notice. But the main point of your supplementary question is that you see this as being the same opportunity as euthanasia provided in the Territory. Many would have a different view. I have a different view. Euthanasia in relation to the Territory was dealt with as a conscience vote on this side, not as a government issue. Many people voted for very different reasons, but a number took into account that the Territory legislation would enable people who believe that they want to terminate their life to travel to the Territory and take advantage of that. I doubt that many people will travel to the Territory to commit an offence for the third time in order to have themselves placed in jail. So it is quite a different thing. One was available to all of Australia, and the other the rest of Australia may well not want. (Time expired)

National Textiles

Senator FAULKNER (2.25 p.m.)—My question is directed to the Minister for Industry, Science and Resources, Senator
Minchin. Can the minister inform the Senate on precisely how many occasions he has spoken to the Prime Minister, Mr John Howard, about National Textiles, the company chaired by the Prime Minister’s brother, Mr Stanley Howard? What was the date of each of those conversations and what was the nature of those conversations? On how many occasions has there been communication between the minister’s office and the Prime Minister’s office on this matter?

Senator MINCHIN—I am not one that keeps a comprehensive diary record of every phone conversation I have every day of my life. My recollection is that my conversations with the Prime Minister with regard to National Textiles are exactly in accord with his public statement on this matter—that is, that some time after his meeting with the principals, which is on the public record, he did speak to me in the terms exactly as he indicated in his press conference and on other occasions, and that is simply to inform me that he had the meeting, that he had stressed to the principals that the matter was entirely one for me and my department and that the matter would be dealt with entirely on its merits. As he said publicly and as he said to me, he expected that the matter would be dealt with on the basis of merit and on the basis that the company would be neither favoured nor prejudiced because Mr Stan Howard was the chairman of the company.

Senator FAULKNER—Madam President, I ask the minister again: on how many occasions has there been communication between the Prime Minister’s office and the Prime Minister’s office on this matter? If he cannot indicate that to the Senate now, I would ask him to take it on notice and provide the information as soon as possible. Further, I ask as a supplementary question: on how many occasions has the minister or his office had contact with the company National Textiles with any one of its board or officers? Again, what was the date of each of those contacts and what was the nature of those contacts? If the minister is not able to provide that information immediately, could he take it on notice and report to the Senate as soon as possible?

Senator MINCHIN—I have only a minute, but I will attempt to answer the question in a minute. My office kept the Prime Minister’s office informed of our dealings with this matter. The liaison was with the Prime Minister’s relevant industry adviser. So far as my meetings are concerned, I met with Mr Stan Howard, Philip Bart and John Harvey of Bruck Textiles on 17 March, and I again met with John Harvey and Joseph Brender in September last year.

Mandatory Sentencing

Senator BROWN (2.29 p.m.)—My question is also to the Minister representing the Attorney-General and is to do with mandatory sentencing. I note in the Attorney-General’s letter to the Northern Territory and Western Australia the Commonwealth government’s commitment to ensuring that children are protected in their dealings with the legal system and that the Commonwealth would not intrude, except in particularly compelling circumstances, on state laws. I ask: in view of the compelling circumstances which led to the letter and the absolute rebuff from Western Australia and the Northern Territory, is it not the case that the only option for the government is to legislate to uphold, for example, the International Covenant on the Rights of the Child? Under those circumstances, is a conscience vote by government members a real option?

Senator VANSTONE—The only thing I would say in addition to what I said to Senator Lees is that I just ask you to consider not prejudging the tragic circumstances last week and leaving the coroner to make an assessment in relation to that matter before you rush to judgment and attach what is obviously a very tragic matter to a bill that you want to get through parliament.

Senator BROWN—Madam President, I ask a supplementary question. My question had nothing in it alluding to that tragic circumstance last week. The minister might go beyond the prepared answer to answer whether there is an option now left to the government besides legislating and whether a conscience vote is an option which the government will entertain. These are very important matters that the Australian public will want to know about.
Senator VANSTONE—I indicated the difference in the euthanasia vote, which mer-
ited a conscience vote for a variety of reasons that were outlined to Senator Lees. I see this as being different. This is not a matter that has been considered, but I was asked for my view and I see it as being quite different.

Senator Brown interjecting—

Senator VANSTONE—You may not see it as being different. Thank heavens we live in a free country where we can all disagree. I would hate to live in a country where I had to agree with you all of the time, Senator. I have a different view of that matter.

National Textiles

Senator CONROY (2.31 p.m.)—My ques-
tion is to Senator Minchin, the Minister for Industry, Science and Resources. Can the minister confirm that National Textiles re-
cieved some $12 million in import credits over the last few years and another $250,000 from the industry best practice program? How could National Textiles have been as-
anced as viable as recently as April 1999 when, even with the benefit of some $12.25 million of taxpayer funded assistance, they had slid into insolvency by the end of 1999?

Senator MINCHIN—I do not have the figures to hand as to how much National Textiles itself received under Labor's import credit scheme or about the $250,000, but I am happy to get those figures and have them confirmed. I am not suggesting that your figures are inaccurate. That firm, like many in the textiles business, was assisted by the im-
port credit scheme and, of course, the firms that received assistance under that scheme are all viable, functioning, profitable busi-
nesses, by and large. That scheme, of course, is being replaced by the TCF SIP scheme.

In respect of the approaches that were made to me and were led fiercely and aggres-
sively by former Senator Loosely, who was acting on behalf of these companies and to whom I responded positively by having these meetings, I of course sought advice from my department. The department quite properly sought the views of independent experts in Ernst and Young as to whether or not the firms or the approach that was being made to us—the outline of what was being put to us—would fit within the criteria for the new scheme. They reported back to me and the advice of the independent experts, the ac-
countants and my department was that it would not be appropriate for the merger or for the proposal from National Textiles in Bruck to receive assistance from the new TCF SIP scheme for a variety of reasons—fundamentally because there simply was at no stage sufficient information provided by the companies on which a sensible decision could be made. It was not clear at the first stage, when the approach was made, that one of the firms was not viable. It is one of the criteria for assistance under the regional re-
configuration that it has to be clear that one of the firms is not viable. That was not the case when this approach was first raised with us.

Senator CONROY—Madam President, I ask a supplementary question. Can the min-
ister confirm that a quarter of a million dol-
I will have to take that question on notice.

Tax Reform: Local Government

Senator TIERNEY (2.34 p.m.)—My question is to the Minister for Regional Services, Territories and Local Government, Senator Macdonald. Will the minister outline the benefits of the new tax system for coun-
cils in rural and regional Australia? In par-
ticular, will the minister advise the Senate of recent endorsements of the new system?

Senator IAN MACDONALD—Local government—and that, of course, means the communities that it serves and the ratepayers around Australia—has done pretty well out of the Howard government. Principally, I guess you could say that has been through our good financial management that has led the interest rates that councils pay on their debts to fall from almost 15 per cent in the Labor years to about 6.24 per cent now—an eight per cent saving. On an average debt of around $10 million, that amounts to $800,000
each council, and that is what ratepayers have saved as a result of the Howard government.

Senator Tierney asked me about the benefits to local communities and local governments from the coalition’s tax reform agenda. Most local government services will be GST free. There will be no GST on water, sewerage rates, general rates, compulsory rubbish collection, regulatory and licensing services, and fines and penalties. In fact, the Municipal Association of Victoria, in a submission they made to a Senate committee, said that approximately 90 to 95 per cent of council income will be absolutely GST free or GST exempt. As I have often mentioned, councils themselves will not be burdened by the GST. They pay it, but they get it back in the same way as small business. So it is a pretty good message and a pretty good package for local government and the communities it serves. The Victorian government commissioned an assessment by Arthur Andersen, the accountants, on the impact of the GST on local government and Arthur Andersen’s study showed that there would be savings ranging from about $380,000 annually for a small rural council up to something like $1.9 million annually for a metropolitan council from the tax reform proposals of the government. Local government will need to be diligent to ensure that the cost savings are passed on to them, but overall it is a great package for local government.

I do not ask the opposition to accept my word for it. I mention a quote here—you might call it almost a third party endorsement. It says:

In addition to the above gains—and that was talking about the gains councils will get from the national competition policy proposals—local government also stands to be a major beneficiary in the funding arrangements following the introduction of the proposed goods and services tax.

Who said that? Was it a Liberal Party minister? Was it a coalition backbencher? Was it some business group that might normally be associated with the coalition? That endorsement came from none other than Mr Egan, the Treasurer of New South Wales, a member of the Labor Party. Not only is he Treasurer; he is Minister for State Development, Leader of the Government in the Legislative Council and Vice-President of the Executive Council. Mr Egan has endorsed our package and he is telling local government in New South Wales what we all know but what the people on the other side of this chamber do not seem to understand: that local government will do very well out of this package.

In addition to that, of course, there are any number of mayors around the country—such as Gerry Peacocke, the mayor of Dubbo, and the mayor of Wodonga—who have endorsed it. But go right across Australia and you will not get a better endorsement than that of the Labor Party Treasurer of New South Wales who said it is a good package. I hear nothing from the other side. I am sure that if you ask the Treasurer of Tasmania or any other Labor treasurer they would also say it is a great package. (Time expired)

Goods and Services Tax: Feminine Sanitary Products

Senator McLUCAS (2.39 p.m.)—My question is directed to Senator Herron, representing the minister for health. Does the minister agree with the Administrative Appeals Tribunal’s 1992 ruling that tampons are a therapeutic item? Can he explain why the government is insisting on taxing a therapeutic item?

Senator HERRON—I thank Senator McLucas for the question because it is important to take the whole package. In the whole package there is a wide range of health products that will be GST free, such as all professionally relevant medical services provided by a registered doctor; a wide range of commonly used other important health services—ambulance services, ambulance subscriptions and private health insurance premiums; first aid courses; and a range of widely used medicines and goods that are designed specifically for use by people with an illness or a disability.

In relation to Senator McLucas’s question, the point that should be made is that the majority of health goods will be GST free under the new tax system, and that includes a broad range of pharmaceutical goods, therapeutic goods such as heat packs and bandages that
are supplied during the course of a medical consultation and over 160 medical aids and appliances designed for people with an illness or a disability. Advice was received from the committee considering all the items. Professor Judith Whitworth, the Chief Commonwealth Medical Officer who was on that committee, advised that tampons should be included in the GST system. It was advice that was received by the committee that considered that. The tax consultative committee gave advice to the government on the scope of the GST-free status of goods and services throughout the health and aged care sector. The report recommended that GST-free status should be limited to health goods used in the treatment of an illness or a disability rather than those of a preventative health nature. This recommendation was made to keep the boundaries of GST-free status simple and clear and to preserve revenue.

Other health goods that have a GST-free status include sunscreen, folate pills, condoms, femidoms and personal lubricants for men and women. These items were identified during negotiations with the Australian Democrats as having a very important preventative health benefit and were subsequently singled out for inclusion within the legislation. Senator McLucas has suggested, as have various media reports and submissions to the Department of Health and Aged Care and the Treasury, that tampons should be included within this section of the legislation, the normal menstrual cycle would have to be recognised and classified as an illness or a disability, and it is not. (Time expired)

Senator McLUCAS—Madam President, I ask a supplementary question. Given the widespread concern being expressed by women and men across our community, what is preventing the minister for health from including tampons and sanitary pads on the list of GST-exempt health products?

Senator HERRON—There is evidence that these questions are prepared beforehand and that nobody listens to the answer given by a minister on this side. I have already answered that question. Senator McLucas was handed a question by somebody. I suggest the questions committee on the other side—

Senator Robert Ray—Tell us the answer.

Senator HERRON—Senator Ray is back. I would suggest that he gets the tactics committee together so that we can get back to the system of an adviser in the box handing a supplementary question to the senator so that there is somebody who has listened to the answer.

Eastern Europe: Cyanide Spill

Senator BARTLETT (2.45 p.m.)—My question is directed to the Minister for the Environment and Heritage, Senator Hill. I refer to the recent cyanide spill in Romania that has been blamed on a mine, the largest shareholder of which is an Australian mining company. Does the minister agree that the actions of Australian companies overseas have the potential to impact on the reputation
of Australian investors and companies and on Australia as a whole? Will the minister consider a process to bind Australian companies operating overseas to penalties applicable under Australian law, such as those increased penalties that will come into effect under the new Environment Protection and Biodiversity Conservation Act?

Senator HILL—I agree that the behaviour of Australian companies overseas does reflect on the reputation of Australian companies within a particular sector. Generally, that is a fair statement. Obviously, it would depend on all the circumstances. I am not sure whether the honourable senator asked whether I agree that Australian companies operating overseas should be fined in some circumstances. The government does not support some sort of extraterritorial effect of Australian law. Presumably the honourable senator is talking about mining standards. They are regulated by the state within which the mine has been constructed and is being operated. I think it is a mistake to rapidly draw conclusions that are adverse to this particular mining company unless and until all circumstances are known and have been properly and independently analysed.

Obviously, we are concerned by the reports of very serious contamination that has occurred to Hungarian waterways. We are informed that Esmeralda Exploration has been working closely with Romanian authorities to ascertain what happened, estimate the scale of the problem and do everything possible to alleviate the problem. We understand that Esmeralda Exploration has met strict Romanian environmental requirements. I understand that it has not yet been informed officially of river contamination readings. The process of obtaining the necessary approvals for this mine took five years. I understand that the European Bank for Reconstruction was involved. It requires quite exhaustive environmental assessment processes. As a matter of interest, I understand that the former Australian government assisted Esmeralda in trying to minimise delays in securing the necessary approvals etcetera. However, neither the former nor the current government got involved in the environmental impact assessment process itself.

The authorities should be allowed to complete their investigation. We should await full and independently verified facts before we draw conclusions in relation to the behaviour of this particular miner. The preliminary advice of my department, interestingly, is that the Romanian standards are just as high as the Australian standards. It would seem that the double liner—the clay liner and an artificial liner—in the tailings dam exceeds some Australian standards. It seems that the one-in-100-year rainfall test is commonly applied in Australia. It seems that under Romanian law the mine actually gets constantly monitored by a Romanian official, which is not the case under Australian law or practice. All this adds up to the danger of drawing premature conclusions. We should just wait a while longer.

Senator BARTLETT—Madam President, I ask a supplementary question. Given the potential serious harm to Australia’s reputation, and indeed the need for people to base their conclusions on full and complete evidence as the minister suggests, will the minister table a full report to the Australian parliament on the impacts and causes of the cyanide spill in Hungary on the basis that this has become a matter of national interest, including a copy of the report from his department that was mentioned in the West Australian newspaper today and referred to in his answer?

Senator HILL—Whatever report the Australian government ultimately gets should be made public. To complement that, I should reinforce what is known, which is that the best way to ensure good behaviour by Australian mining companies overseas is through the voluntary code of the Mining Council. We should encourage its adoption by mining companies and its application in practice. The government should continue to work with the mining industry in developing best practice modules and encouraging their usage overseas. We should assist overseas countries in implementing good laws and good administration in relation to mines. We should also translate these various modules and other information from our experiences, which we believe are up to world’s best standard, to
ensure that they are appropriately implemented overseas.

**DISTINGUISHED VISITORS**

The PRESIDENT—Order! I draw the attention of honourable senators to the presence in the gallery of former New South Wales senator, Karin Sowada. I welcome you back to the Senate.

**QUESTIONS WITHOUT NOTICE**

**National Textiles**

Senator FAULKNER (2.50 p.m.)—My question is directed to the Minister for Industry, Science and Resources, Senator Minchin. Given the minister’s answer to my question earlier in question time today, can the minister now inform the Senate how many other companies in a position similar to that of National Textiles are or have been the subject of reporting from the industry minister’s office to the industry adviser in the Prime Minister’s office?

Senator MINCHIN—My office keeps the Prime Minister’s relevant staffer informed of most significant things to do with government programs under the industry portfolio. There is regular liaison between my office and the Prime Minister’s office with regard to the textiles industry, the car industry, the shipping industry and the printing industry. In all the industries in which we have an active interest and have active government programs, there would be regular liaison and contact. So it is not unusual. I do not think it is possible for the Labor Party to make anything of the fact that we kept the Prime Minister’s office informed with respect to this particular approach that had been made to us. As I say, it was at the instigation of former Senator Loosley, who was acting on behalf of these companies, as much as anybody else. So there is absolutely nothing unusual in that contact.

Senator FAULKNER—Madam President, I ask a supplementary question. My question was a specific question about companies. I did not ask about government programs. I asked: how many other companies in a similar situation to National Textiles are or have been the subject of reporting from your office to the Prime Minister’s industry adviser? How many companies, not how many programs in your department. If you cannot name any, can you tell the Senate what is different about National Textiles? What is special about National Textiles that warrants reporting from your office to the Prime Minister’s office?

Senator MINCHIN—I am not sure whether you are talking about companies in the TCF sector or companies in other industry sectors. My office would talk to the Prime Minister’s office about companies in other industry sectors on a regular basis. There are some examples in relation to the petroleum refining industry and the car industry where that would be obvious. In relation to this industry, the only approach that I am aware of that has been made to the government for assistance under the new TCF SIP scheme for regional reconfiguration assistance is this particular proposal. So that is why this one, so far as I am aware, is the only one about which there has been contact with the Prime Minister’s office in this industry on this issue.

**Rural and Regional Australia: Youth**

Senator COONAN (2.54 p.m.)—My question is to the Minister representing the Minister for Education, Training and Youth Affairs. Will the minister inform the Senate of any recent developments for young Australians and the steps the Howard government is taking to help youth in rural and regional Australia? What other proposals is the minister aware of in this important policy area?

Senator ELLISON—that is a good question and one which is important for young Australians. This year for the first time we are seeing a National Youth Week, which will be run between 2 and 8 April. That will showcase the talents of Australian youth and give Australian youth a chance to show this country the future that it is looking to with its young people. There are initiatives in the Rural Youth Information Service, which I will touch on shortly, where we are helping young Australians in regional Australia. I might point out to the Senate other initiatives that are very important, including our Youth Roundtable that meets twice a year. That is a great forum for channelling the views of young Australians to this government.
Senator Lundy—But you don’t act on their recommendations.

Senator ELLISON—I hear Senator Lundy interjecting. She most probably does not care about what the Youth Roundtable says.

Senator Lundy—You ignored their recommendations.

The PRESIDENT—Order! Shouting in the chamber is disorderly.

Senator Ellison—Madam President, I can assure the Senate and those listening that the Youth Roundtable performs a valuable service in providing the minister for education with the views of young Australians in this country. We also have ‘The Source’, which is a youth web site that provides a number of points of information on careers, study, financial assistance and government programs. This can point those young Australians with inquiries about government in the right direction. As well as that we have the National Youth Media Awards, which I had the pleasure of being involved in when I was minister for schools, that is looking at enhancing the image of youth in Australia. It provides awards to journalists who write stories which encourage the wider community to appreciate the good work that is being done by young Australians to produce a positive image of young Australians. This is another initiative of the Howard government. But we also have the National Battle of the Bands encouraging the talents of young Australians at school who are song writers and performers.

Senator Stott Despoja interjecting—

Senator ELLISON—I know Senator Stott Despoja is interested in that. I hear her voicing her support for it. Then there is the Rock Eisteddfod Challenge, and a tobacco, alcohol and other drugs prevention strategy, which is another initiative of this government aimed at dealing with young Australians. We also have the Youth Expo in Melbourne, the Indigenous Youth Conference in Queensland and state based youth awards, which are very successful in recognising the work and talents of young Australians around this country. I mentioned the Rural Youth Information Service. We as a government are committed to servicing young people in regional Australia and we are providing $30,000 per annum to each of the eight new and 17 existing Rural Youth Information Service providers. This is a service for those young Australians living in regional Australia. These services provide assistance to young people aged from 15 to 25 who may be unemployed or facing ongoing difficulties in gaining employment or achieving employment goals.

Senator Lundy—Are they the same ones who lost the youth allowance?

Senator ELLISON—Again I hear Senator Lundy interrupting. I might just remind Senator Lundy of the teenage unemployment rate under Labor of 35 per cent, and under this government it is just under 22 per cent—just under 22 per cent compared with 35 per cent teenage unemployment when Labor was in power. What we are doing for young Australians is providing jobs and also training. We now have a record number of people in training and the vast majority of those people are young people. (Time expired)

Senator COONAN—Madam President, I ask a supplementary question. Minister, I was interested to hear about these initiatives. Will the minister advise the Senate of any other policy initiatives, particularly in the area of helping disadvantaged youth in rural and regional Australia?

Senator ELLISON—I was just touching on training, a point that Senator Carr should be interested in, and the record number of those people in training. We are targeting apprenticeships in regional Australia and that, in turn, will serve young Australians. I mentioned the Rural Youth Information Services which aim to improve the access of disadvantaged young people in rural Australia. This means that more young people living in rural Australia will be able to access Commonwealth assistance, with funding commencing from February this year. The Commonwealth will be providing 50 per cent of the funding, in partnership with community organisations and state governments, in relation to these initiatives. What the opposition might ask is: what did it do to help young people in the bush? Nothing.
Economy: Interest Rates

Senator ROBERT RAY (3.00 p.m.)—I direct my question to Senator Kemp, the Assistant Treasurer. Did the minister for regional services, Senator Macdonald, seek the advice of the Treasurer or the Assistant Treasurer before claiming that the increased interest rates were a result of the GST-inspired income tax cuts? Was the minister for regional services correct in this assertion, or does the Treasurer have it right when he described Minister Macdonald’s comments as “wrong”? Apart from dumping on Senator Macdonald on the Sunday program, has the Treasurer taken any further action to educate Minister Macdonald on the economic policies of the government?

Senator KEMP—I must say that I do not normally say this, but it occurs to me that it is a great pity that Senator Ray did not come to the Senate estimates hearings when these issues were raised and extensively canvassed. Senator, I think the Treasurer made his views well known on that program which you have referred to in your question. I do not think, Senator, that I have anything further to add to what Mr Costello said on that occasion.

Senator ROBERT RAY—Madam President, I ask a supplementary question. I would invite, by way of a question, the Assistant Treasurer’s comments as to whether Senator Macdonald was right, whether Mr Howard was right in ascribing it to overseas matters or whether the Governor of the Reserve Bank, who gave entirely different reasons, was right in respect of the recent interest rate rise.

Senator KEMP—Senator, I think if you really were to do the research, you would find that the comments of the Treasurer, the comments of the Prime Minister and the comments of the Governor of the Reserve Bank were entirely consistent.

Senator Hill—Madam President, I ask that further questions be placed on the Notice Paper.

ANSWERS TO QUESTIONS WITHOUT NOTICE

National Textiles

Senator ELLISON (Western Australia—Special Minister of State) (3.02 p.m.)—I was asked a question during question time by Senator Cook in relation to the form of payment to National Textiles. The form of payment to National Textiles is yet to be finalised. However, I can assure the Senate that the payment will recognise the needs of the employees of that company and the families who are dependent on those employees. This is an initiative which will service the employees of that company—something which Labor never did when it was in power.

The PRESIDENT—Senator Cook, are you seeking to take note of the answer that has just been given, or are you asking to debate the matter?

Senator Cook—Madam President, I raise a point of order. That is not an answer to my question. Minister, will you bring back an answer to my question?

Senator ELLISON—The answer is that it is yet to be finalised, and that is the answer to the question.

Senator Cook interjecting—

Senator ELLISON—That is it. It is yet to be finalised.

National Textiles

Senator MINCHIN (South Australia—Minister for Industry, Science and Resources) (3.03 p.m.)—I took on notice a question from Senator Conroy in regard to the Best Practice Program. I advise the Senate that I gather this matter was raised in Senate estimates, where my department did undertake to get back to the Senate estimates committee on the details of the TCF Best Practice Program. But I am advised that National Textiles did not receive funding under the TCF Best Practice Program.

Goods and Services Tax: Feminine Sanitary Products

Senator FAULKNER (3.04 p.m.)—I move:

That the Senate take note of the answer given by the Minister for Aboriginal and Torres Strait Islander Affairs (Senator Herron), to a question without notice asked by Senator McLucas today, relating to the proposed evil goods and services tax on tampons.

Madam Deputy President, for 50 years feminine sanitary products have been tax free in
this country. But last year, as you would be aware, the government and the Democrats decided for the first time to place a tax—a goods and services tax—of somewhere between eight and 10 per cent on these products. As we understand it, the government is hoping that it will raise somewhere between $15 million to $20 million from the imposition of that tax.

But what has outraged the community is the principle of taxing these necessities of life. Tampons are, of course, not only necessities of life but necessities for good health. Today in the Senate I will be tabling a petition containing 10,355 signatures in electronic form from homes and workplaces right around Australia—and, also, because it is an electronic petition, from many Australian women who are working overseas. I think we have a situation here where we have an overwhelming protest, and it is one that is a real salutary lesson for the Howard government with its being hell-bent on implementing a tax system which a majority of Australians find unfair. This electronic petition has gone to me as Leader of the Labor Party in the Senate, to Senator Lees as Leader of the Australian Democrats, to Senator Boswell as leader of the National Party and, of course, to Senator Alston as Deputy Leader of the Government because Senator Hill does not have an email address; those same petitioners have gone to the leaders of the political parties in this Senate. This is a time for the government to take note of the outrage in the community about its tax on feminine sanitary products.

We have had a situation where the health minister, Dr Wooldridge, has fanned the concerns of Australian women by comparing feminine hygiene products to shaving cream. The health minister’s comment shows just how out of touch both he and the Howard government are in relation to these issues that affect ordinary Australians.

I can report to the Senate, as I am sure the other party leaders in this chamber who received these electronic petitions could do, that the number of incoming petitions and letters almost doubled after Dr Wooldridge’s foolish statement.

Senator Sherry—It is insensitive.

Senator FAULKNER—It is an insensitve statement. I think you can only hope that the speed and the intensity of the reaction of women in the community to this situation really will have an effect and really will shock this government into the appropriate action to list sanitary products as health items. Obviously, it has certainly knocked some sense into the Australian Democrats, who have admitted they made a mistake on this issue. I think when a party does that, then at least we ought to acknowledge that they have seen the error of their ways on that issue. The GST should not be applied to feminine sanitary products of any kind as they provide both health and therapeutic benefits. It is time the government admitted that it got this one wrong.

Senator ABETZ (Tasmania—Parliamentary Secretary to the Minister for Defence) (3.08 p.m.)—The issue that Australian women are in fact interested in is: will their household or personal budget be in better shape as a result of tax reform? The unequivocal answer to that is absolutely yes. Senator Faulkner took the silly line in his contribution about taxing the necessities of life; that this was somehow outrageous. His government taxed toilet paper at 22 per cent. I know that is not a necessity of life for the Labor Party, but it is for the vast majority of Australians. How does he justify to the Australian people a 22 per cent tax on toilet paper? He can’t and he won’t, because he knows of the hypocrisy within the Labor Party in trying to say that you should not tax the necessities of life; that this was somehow outrageous. His government taxed toilet paper at 22 per cent.

We know that under the Labor tax regime, they had a 12 per cent tax on orange juice but no tax on caviar and fur coats. That was their sense of social justice with their tax system. We have said to the Australian people that some things will go up, other prices will go down and overall you will be better off. Indeed, I refer honourable senators to an article in the Sun-Herald of Sunday, 13 February 2000 where we are told, quite unequivocally, that groceries will become cheaper: about $1 cheaper per week. If you go through the very
extensive list at the Coles Broadway supermarket, a $185.63 grocery account at today's prices would come down to $184.70. In other words—savings. Those opposite might be interested to read that, within the groceries that were purchased, there was in fact a pack of 20 Carefree tampons.

The answer is unequivocal in this debate that the household and personal budget of women in this country will be in far better shape as a result of tax reform. When the Labor Party by stealth increased wholesale sales tax on such things as the household hygiene budget of toilet paper, shampoo, detergents, floor cleaning materials, et cetera, they ramped it up without any compensation to the workers or to the pensioners of this country. What are we doing with our tax reform? We have $12 billion worth of tax cuts for the benefit of the Australian workers, and those who are not fortunate enough to be in employment and are recipients of government support schemes will in fact receive a four per cent increase in government support on the very day that the new tax regime comes in. Unlike Labor, who used to ramp up the prices of these goods and then six months later would adjust the pension as a catch-up to the newly inflated and increased prices for six months, we are providing the compensation in their pockets before they actually hit the supermarkets. On 1 July, the Australian people are going to say to Senator Faulkner and his colleagues opposite, 'You have tried to scare us.' I think to a certain extent the Labor Party have succeeded but on 1 July, when people realise the truth, they will say that this was the biggest beat-up ever.

I remember what the Labor Party did in Tasmania when we were promoting the one-third sale of Telstra. The Labor member for Lyons, Dick Adams, put around a scurrilous sheet three days before the election—

Senator Sherry interjecting—

Senator ABETZ—And Senator Sherry brags there was a 10 per cent swing to Mr Adams. Why? Because he put out a scare sheet saying that if one-third of Telstra was sold, the telephone bills in Queenstown would go up by $1,280. The people of Queenstown now know that they were lied to and that that was wrong; STD prices have gone down. They now have online access centres and video conferencing health facilities; their facilities are now a lot better. The Labor Party is trying to run the same scare campaign in relation to the tax reform proposals that we have. When taken in full context, the family budget and the personal budget of women in this country will be a lot better off as a result of tax reform. (Time expired)

Senator McLUCAS (Queensland) (3.14 p.m.)—I also rise to take note of Senator Herron's response to my questions asked in question time today. First of all, I note that Senator Herron actually failed to answer my questions in any way at all. I am quite sure that he, as a doctor, understands the term 'therapeutic item', and he failed to tell the Senate whether he agreed at all with the Administrative Appeals Tribunal ruling in 1992. Further, I note that Senator Herron responded to my supplementary question not by answering it but simply by attacking me.

My supplementary question was: what is preventing the minister from including tampons and sanitary pads on the list of GST exempt health products? The answer I received from Senator Herron, I suggest, was: nothing—nothing is preventing this government responding to one of the largest community campaigns that I have seen and have witnessed in this nation. Senator Faulkner today is tabling a petition of over 10,000 petitioners, most of whom are women, most of whom are offended by this government's attack on their gender.

The net result of this measure is that women's tampons and pads for the first time in 50 years are going to be taxed. It is true that women have complained about the cost of sanitary products for many years, and it is recognised that women have actually paid more for these products than we should have. However, this is the first time that the government will tax sanitary items that all women have to use in our lives, not by choice, like shaving cream or a health spa holiday, as Senator Herron advised, but by biology.
I understand that incontinence pads will be exempted. They have been deemed a health item. I understand that the grounds for their exemption are: if they are not used then the sufferer would be disabled. In my view, that is fair, that is reasonable. It is an acceptable policy decision and I think is supported. However, I fail to see the logic that this argument cannot be extrapolated to include menstruating women.

This debate has shown to all across our country just how unfair this GST is. It will now discriminate against fertile women. I am sure the events of the last two months have reinforced to the Democrats that they erred in doing their deal with the government to support the GST in the way they did. Senator Lees, however, should have known that tampons and pads were going to be an issue. She was advised in a letter from the Women's Action Alliance in June 1999 that they were concerned about the inclusion of tampons in the GST net. Unfortunately for women, she did not act on this request. Even as late as January this year she was still not acknowledging that it was a huge issue that was galvanising women across the country. Tampons slipped through the Democrat net in the deal and now we know that breast feeding pumps did too. How many more items will come to light in the months to come that have slipped through the coalition net?

The government has an opportunity at this time to undo this discrimination, to listen to the thousands of emails that we have received over the last months, to acknowledge that sanitary products are a health necessity and that without them women will be disabled. The ball is now in the government's court and women are watching to see how they will deal with it.

As I said earlier, this GST is an unfair tax in principle and in its application. It is unfair to women in general, but for women in rural and regional Australia the unfairness is magnified. Today a packet of 20 regular Meds tampons in Manuka Woolworths costs $3.67. The post GST price will be something around $4.07. In Cloncurry, the cost today of 20 regular Meds tampons is $4.09. Post GST it will be something around $4.50. On Badu Island in the Torres Strait the price of those tampons today is $5.95. Post GST it will be something like $6.55. Badu women will be paying 60c tax for the pleasure of being a woman living on Badu Island—33c more than women living in Canberra.

Coalition senators will tell us that these prices will be compensated for, but I can tell you that people in the bush are doubting those promises. People are doubting those promises from the experience we had last week with petrol prices. We want to hear how it is going to work so that people do not pay more for the pleasure of living in the bush. Women are for the first time going to be taxed for their biology, for being fertile, and I can tell you that women are offended.

Senator PATTERSON (Victoria—Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs and Parliamentary Secretary to the Minister for Foreign Affairs) (3.19 p.m.)—Senator McLucas was saying how unfair the GST is. The Labor Party ought to put up or shut up. What do they believe in? Are they going to accept the GST or are they going to accept and promote the ramshackle wholesale sales tax system? The Labor Party's policy at the last election was to take 12 per cent wholesale sales tax off orange juice and put wholesale sales tax on caviar, and there was also some outrageous capital gains tax that was going to affect pre-1983 purchases and—

Senator Calvert—And a tax on Toorak tractors.

Senator PATTERSON—Yes, and a tax on Toorak tractors—that has gone. The capital gains tax has gone, and the only policy they seem to have left is to put a 12 per cent wholesale sales tax on caviar and take it off orange juice. That is not going to save Australia into the future. That is not going to pay pensions in the future and it is not going to pay for health in the future. This government has an overall tax package which is fair and equitable.

Senator McLucas was going on about individual items. The road to hell is paved with good intentions and good exemptions. A ramshackle tax system is paved with well-meaning exemptions. If tampons, breast-feeding pumps or children's clothes are con-
sidered in isolation, just as if other products are considered in isolation, it is easy to mount an argument that the GST should not apply. This is what I mean by well-meaning exemptions, although sometimes the motives for mounting a case are a little more craven, such as the ALP’s proposal at the last election, as I said, to take wholesale sales tax off orange juice and put it on caviar. Whatever the proposal was, it was not meaningful tax reform. They did not have a clue. They did not have any suggestion for a tax system that would take us into this century and provide pensions, provide health and provide education for the next generation.

Meaningful tax reform is about building a system which will be equitable and which will fund our social security system and health and education into the future. It is about improving the interaction between tax and social security. If Senator McLucas wants to talk about fairness, it is not fair when somebody on a low income takes a job with increased pay or overtime and forfeits huge amounts from the social security system. This tax package encourages people on low or middle incomes: if their income increases through either an improvement in their situation or overtime, they will not pay tax and also lose benefits at a rate which is totally unacceptable.

Meaningful tax reform is what this government is about and it is delivered in the new tax system, of which the GST is only a part. As the Prime Minister said, we will get a scare a day; the opposition will come out and scare us. As Senator Abetz was saying, toilet paper is an essential of life and the price of toilet paper will go down.

The Labor Party have failed to say that there is a wholesale sales tax built into every point of sanitary products. From the time the ingredients that go into sanitary products, whether it is cotton or some synthetic, leave the primary place and are shipped across to the producer and then go from the producer to the wholesaler, from the wholesaler to the distributor and from the distributor to the supermarket, the wholesale sales tax cascades all the way down. Even though there is not a wholesale sales tax at the end in the supermarket, there is a wholesale sales tax built into the printing on the box and there is a wholesale sales tax built into the petrol that transports it.

When the Labor Party put up the wholesale sales tax in 1993, there was not a penny of compensation. Indirectly, the necessities of life—toilet paper, toothpaste, detergents, disinfectants, pet food, all the things that are on supermarket shelves—went up in price and there was not a penny of compensation. Nothing. There was nothing to compensate those people.

To come in here and pick off one by one, one item after the other, because you have no overall tax policy demonstrates how hollow and how lacking in policy you are. We will have a scare a day, but let me say that we are going to stick to our guns. We are going to deliver to the Australian people a workable tax system that does not involve the sort of blackmail that I have outlined before in the chamber, when somebody was blackmailed because he refused to charge the wholesale sales tax on an item he believed should not have it. That is the sort of system you prevailed over—a system that was unfair, a system that was unworkable and a system that was unsustainable. (Time expired)

Senator CROWLEY (South Australia) (3.24 p.m.)—This is actually very interesting. What we are talking about today is the extraordinary response from the community, both men and women, some 70 per cent of them on today’s polls, who want to talk about why there is going to be a GST on tampons. I think Senator Patterson hardly mentioned the word at all; she spoke about anything except the issue.

This is not a scare a day promoted by the Labor Party; this is a groundswell outrage campaign by the community—not just the women in the community, either—who are very, very distressed to discover that for the first time ever tampons and sanitary pads are going to have a tax on them. They are going to have this unfair, unjust, unequal GST on them.

The people who are campaigning about this are not necessarily campaigning against the whole of tax reform or anything else; they are concerned that condoms are exempt but
tampons have a tax on them. Everyone sees the minister’s definition of a preventive, therapeutic good, like a condom, as reasonable, but why isn’t a tampon included under the same definition?

Senator Sherry—It’s a health product.

Senator CROWLEY—It is a health product. It has been defined as a therapeutic product. Any number of women will tell you how absolutely essential sanitary pads and tampons are for them to get on with reasonable living. Yet this government cannot understand what people in the community are saying to them. They are saying that it is not fair. They know, as the Labor Party knows, that the GST is not fair, but they now know of this specific example which is actually plain discrimination. Condoms are exempt; tampons and sanitary pads are not. And why? By any definition of preventive health and therapeutic goods, it is quite clear that women are being discriminated against.

Madam Deputy President, you exposed very well the other day the fact that breast pumps have slipped through the net, too. As far as I know, that is not a tool used by the men of this world. I have to say that the men of this world are supporting the women in Australia in opposing this very unfair exemption.

I want to also point out that the Democrats are not taking part in this debate today. That is because they mucked this up. Some of us would say—and I certainly would—that they have got it wrong about the whole of the GST. Given that that deal is done, it is very disappointing to find that they are the people who have overlooked the tax on tampons.

As Senator Faulkner said, the Democrats are now prepared to try to campaign to see an exemption extended to tampons and sanitary pads. I find it very disappointing that Senator Lees said she did not know about this issue when it is now very clear that her office did have this information from the Women’s Action Alliance as far back as June. I sincerely hope she is going to read the thousands of letters campaigning for her support to try to see this changed. It is easy to change. The minister for health has just got to recognise what everybody else knows—that is, that tampons and sanitary pads are a therapeutic good very akin to a health product and should be exempt.

(Time expired).

Senator CALVERT (Tasmania) (3.29 p.m.)—I was not down to speak on this issue but obviously there is nobody else on this side who can. What has happened today just reaffirms my opinion of what was going to happen this session. Here we are on the first day back in parliament since last December, and out there a lot of things are worrying people, a lot of important issues are running—unemployment, inflation, interest rates, drugs, illegal immigrants coming into the country—and what do we have here today? We have the proposed GST on tampons getting another run. It has been running around the media for a couple of weeks. They
had a demonstration outside Senator Abetz’s office the other day. I can understand some people getting upset about one small thing like this but, for goodness sake, let us get the big picture in perspective. The fact of the matter is that the decisions on tampons were made after the Tax Consultative Committee gave advice to the government on what would have a goods and services tax and what would not. And the more exemptions you have, the more complicated issues get. The opposition should know that, because they had all these different taxes and rates on the wholesale sales tax. They should know how unwieldy it becomes once you start exempting goods and putting different rates of tax on items.

So if the broad based GST is going to deliver benefits to all Australians, it has to be as broad based as possible. The minute you start exempting some items above others, you create problems. The Australian newspaper summed it up in their editorial—that is how seriously they took it. They said that this proposed tax may cost women something like $4 per annum. The fact that most working families will be $47 a week better off under the broad based tax system that the government is going to bring in on 1 July seems to be forgotten in this whole argument—as is the fact that the current wholesale sales taxes will be removed from all food items and food will be cheaper. You have to look at the overall picture of things rather than just pick out one minor thing.

I guess from now until July every day we are going to have more scares on this. There will be some nitpicking thing that the opposition will be picking on. The Leader of the Opposition, Kim Beazley, has already said on the record that he told his caucus at the end of last year that Labor would surf to victory on the back of the GST. They are going to keep nitpicking about this GST right through, and they expect to win an election on it. The fact that they have to provide some policies for the people of Australia seems to be forgotten. We have not seen one policy out of the opposition yet. As far as tax goes, I think Senator Sherry said last year:

I’m certainly not privy to advance copies of any tax policy, it does not exist at the present time.

There we have it. They do not have any tax policy. When Senator Peter Cook, one of the senior opposition members, was talking about tax he said:

We believe the tax system needs repair and updating. Routine maintenance and a bit of renovation are however what should occur to keep the Australian tax system to the principles of equity, simplicity, transparency, efficiency and progressivity.

So Senator Cook obviously reckons the tax system needs doing up. Of course, Premier Bob Carr in New South Wales said:

From my side of politics, the GST would only be acceptable with the most comprehensive guarantees and safety nets. Whether you’re talking about a GST or not, tax reform is on the agenda.

That was as far as back as 1997. I do not hear any Labor premiers around Australia complaining about the GST, because we all know that the broad based GST is going to the states; it is going to give them what they have wanted for years and years, that is, a growth tax. It will benefit the states, and it is going to benefit the people of Australia. Because it is a broad based tax, more people pay it and there will be tax cuts of $12 billion. What happened to the tax cuts that the Keating government promised us? They just dissipated into thin air. The 1-a-w $14 billion tax cuts that they promised us ended up as a $10 billion deficit that we picked up when we came into government. So there you have it: on the one hand, no policies from the Labor Party—(Time expired)

The DEPUTY PRESIDENT—Order! The time for the debate has expired.

Question resolved in the affirmative.

CONDOLENCES

Hansen, Mr Brendan

The DEPUTY PRESIDENT—It is with deep regret that I inform the Senate of the death on 19 December 1999 of Brendan Percival Hansen, a former member of the House of Representatives for the division of Wide Bay, Queensland, from 1961 to 1974.

PETITIONS

The Clerk—Petitions have been lodged for presentation as follows:
**Goods and Services Tax: Inquiry**

To the Honourable the President and members of the Senate in Parliament assembled:

A majority of electors in the 1988 federal election were not in favour of the GST.

Alternative taxation regimes were not properly considered.

Your petitioner humbly asks the Senate to repeal the GST legislation and to instigate an inquiry to thoroughly investigate alternative taxation regimes.

by The President (from one citizen)

**Enrolment Benchmark Adjustment**

The petition of the undersigned draws attention to the Senate the regressive nature of the Enrolment Benchmark Adjustment (EBA) which increases funding for private school places by taking money out of the public education.

Your petitioners call on the Australian Government to:

1. Immediately abolish the EBA
2. Introduce a fair funding system for public education
3. Increase funding for public education to reduce class sizes and avoid a national teacher shortage.

by Senator Allison (from 210 citizens)

**Television Industry: Code of Practice**

To the Honourable the President and Members of the Senate in Parliament assembled:

The petition of the undersigned shows: The need for amendments to the Commercial Television Industry Code of Practice to better reflect the community’s standards.

We the petitioners therefore ask that the Senate urgently address the following issues.

1. That commercials and promotions are the same as or of a lower classification as the program being shown, regardless of the time of day or night that the program is being televised. (Refer Codes of Practice, Section 3 on Program Promotions)
2. That the Australian Broadcasting Authority be given the power to enforce penalties i.e. ‘on the spot’ fines when the Codes of Practice are breached.
3. That a ‘HOTLINE’ be established as per Recommendation 3 made by the Senate Inquiry of February 1997, as stated: (a) a telephone/fax Hotline be re-introduced by the ABA for the public to register complaints about Television programs. The Hotline could work in a similar way to the one operated by the former Australian Broadcasting Tribunal. And (b) that the ABA report on the operation of the Hotline in its annual report.
4. General (G) Classification zones (refer Codes of Practice, Section 2.12) the times be changed to:
   - Weekdays 6.00 am—8.30 am and 3.00 pm—8.30 pm
   - Weekends 6.00 am—8.30 pm
   - Parental Guidance Recommended (PG) Section 2.14, to be changed to:
     - (Everyday) from 7.30 pm—8.30 pm to 8.30 pm—9.30 pm

by Senator Alston (from 27 citizens)

**Food Labelling**

To the Honourable President and Members of the Senate in the Parliament assembled.

The Petition of the undersigned call on the Federal Parliament to ensure that the current regulations relating to food content are retained by the Australian New Zealand Food Authority and that adequate food labelling is introduced which allows the Australian community to make a real choice when it comes to the purchase and consumption of food.

Your Petitioners ask that the Senate support legislation which will ensure that all processed food products sold in Australia be fully labelled. This labelling must include:

- all additives
- percentage of ingredients
- nutritional information
- country of origin
- food derived from genetically engineered organisms

by Senator Bartlett (from 46 citizens)

**World Heritage Area: Great Barrier Reef**

To the Honourable President and Members of the Senate in the Parliament assembled.

The Petition of the undersigned shows strong disappointment in the Australian Government’s inadequate protection of the Great Barrier Reef World Heritage Area from the destructive practices of prawn trawling. Prawn trawling destroys up to 10 tonnes of other reef life for every one tonne of prawns while clearfelling the sea floor. There are 11 million square kilometres of Australia’s ocean territory of which the reef represents just 350,000 square kilometres.

Your Petitioners ask that the Senate support the phasing out of all prawn trawling on the Great Barrier Reef.
Barrier Reef World Heritage Area by the year 2005.

by Senator Bartlett (from three citizens)

Goods and Services Tax: Female Sanitary Products

We, the undersigned Australians, request that the Senate reject the Government’s proposed plan to impose GST on tampons and sanitary pads.

We find it absurd that sunscreen, condoms, personal lubricants for men and women, and incontinence pads are all to be GST free, on the basis that if one didn’t use them, one would suffer a “disability”, yet menstruation products will not.

We think that women not using tampons or pads would cause more than a “disability” it would cause a furore!

Women already carry the burden of paying for menstruation products. We do not believe that women should carry an additional burden of a 10% GST on a product that women have no choice but to purchase, and for which men have no equivalent.

It is discriminatory and unfair.

by Senator Faulkner (from 10,355 citizens)

East Timor

To the honourable the President and members of the Senate in parliament assembled

This petition of the undersigned shows that the people of East Timor have overwhelmingly voted to become an independent and sovereign nation and the Indonesian Government has failed to fulfil its responsibility to maintain security in East Timor during the period of transmission to independence

Your petitioners request that the Senate should:

Withdraw Australia’s de jure recognition of Indonesia’s annexation of East Timor;

Accord high priority to the situation in West Irian, which threatens to become as serious as that recently reported in Dili;

Support calls for considerable diplomatic and financial pressure to be immediately bought against the Indonesian Government and Military in an effort to secure the safe return of the 240,000 East Timorese who are in West Timor and other parts of Indonesia;

Guarantee humanitarian safe access to the above mentioned East Timorese civilians currently held within, Indonesian territory.

by Senator McLucas (from 92 citizens)

Petitions received.

NOTICES

Withdrawal

Senator BARTLETT (Queensland) (3.35 p.m.)—On behalf of Senator Greig and pursuant to notice of motion, I withdraw business of the Senate notice of motion No. 1 today standing in his name.

Presentation

Senator McKiernan to move, on the next day of sitting:

That the Legal and Constitutional References Committee be authorised to hold a public meeting during the sitting of the Senate on 17 February 2000, from 5 p.m. till 9.30 p.m., to take evidence for the committee’s inquiry into matters arising from the introduction of the Human Rights (Mandatory Sentencing of Juvenile Offenders) Bill 1999.

Senator Cooney to move, on the next day of sitting:

That the time for the presentation of the report of the Standing Committee for the Scrutiny of Bills on search and entry provisions in Commonwealth legislation be extended to 16 March 2000.

Senator Lees to move, on the next day of sitting:

That the Senate—

(a) notes that:

(i) there is no evidence that the Private Health Insurance Rebate Scheme has reduced waiting lists or waiting times for elective surgery in public hospitals,

(ii) the scheme has failed to attract significant numbers of new members into private health insurance,

(iii) the vast majority of the funding for the scheme has gone to people who already have private health insurance,

(iv) the scheme is a costly and inefficient way of supporting the health system, and

(v) other incentives exist to encourage people on high incomes to take up and retain their private health insurance; and

(b) calls on the Government to:

(i) means test the scheme to direct the rebates at people on lower and middle incomes, and

undertake a review of the scheme to assess its performance against
objectives, including whether it has reduced the pressure on public hospitals.

**Senator Minchin** to move, on the next day of sitting:

That the Senate expresses its deep regret at the death, on 7 February 2000, of Dr Malcolm McIntosh, AC, Kt, Chief Executive of the Commonwealth Scientific and Industrial Research Organisation from 1996 to 2000, and tenders its profound sympathy to his family in their bereavement.

**Senator Woodley** to move, on the next day of sitting:

That the time for the presentation of the reports of the Rural and Regional Affairs and Transport References Committee on the development of the Brisbane Airport Corporation’s Master Plan for the future construction of a western parallel runway and on issues relating to air safety be extended to the last sitting day in April 2000.

**Senator Woodley** to move, on the next day of sitting:

That the Select Committee on Information Technologies be authorised to hold a public meeting during the sitting of the Senate on 16 February 2000, from 4.30 p.m. till 6.30 p.m., to take evidence for the committee’s inquiry into online gambling.

**Senator Ferris** to move, on the next day of sitting:

That the Select Committee on Information Technologies be authorised to hold a public meeting during the sitting of the Senate on 16 February 2000, from 4.30 p.m. till 6.30 p.m. to take evidence for the committee’s inquiry into online gambling.

**Senator Murphy** to move, on the next day of sitting:

That the time for the presentation of the report of the Economics References Committee on the provisions of the Fair Prices and Better Access for All (Petroleum) Bill 1999 and the practice of multi-site franchising by oil companies be extended to 12 April 2000.

**Senator Murphy** to move, on the next day of sitting:

That the time for the presentation of the report of the Economics References Committee on the operation of the Australian Taxation Office be extended to 9 March 2000.

**Senator Tierney** to move, on the next day of sitting:

That the Senate—

(a) notes that, on 20 January 2000, National Textiles in the Hunter Valley shut its doors, throwing almost 342 people out of work;

(b) condemns the role of the New South Wales State Government in this collapse, as it was triggered by the loss of a 20-year old police uniform contract;

(c) notes, with dismay, that the Carr Australian Labor Party Government shifted the contract to the Victorian Government at a saving of $7 000; and

(d) congratulates the Howard Government for moving so quickly to put in place measures to assist former workers to receive their entitlements.

**Senator Schacht** to move, on the next day of sitting:

That the Senate—

(a) notes that the so-called ‘Elgin Marbles’ were pillaged from the Parthenon in the early 19th century and are now held at the British Museum; and

(b) strongly urges the British Government to take all necessary action to ensure that the marbles are returned to their rightful place in Greece as a matter of urgency.

**Senator Brown** to move, on the next day of sitting:

That the Senate—

(a) notes that:

(i) the cyanide spill which has devastated tributaries of the Danube River, including the Zazar, Szamos and Tisza rivers in Romania and Hungary, is being described as the biggest environmental disaster since Chernobyl, and

(ii) Australian company, Esmeralda Exploration Ltd, is a joint owner of the Baia Mare Gold Mine in Romania from which the cyanide spilled; and

(b) calls on:

(i) the Minister for the Environment and Heritage (Senator Hill) to demonstrate Australia’s concern by:

(A) visiting the area as soon as possible and personally assessing the extent of the disaster,

(b) offering Australian expertise and assistance to help with remediation, and
(c) ensuring that Esmeralda Exploration Ltd and the Australian mining industry help pay appropriate compensation; and

(ii) the Minerals Council of Australia to put forward options, including legislation, to ensure that Australian mining companies operating overseas comply with Australian environmental standards and have funds available to pay for compensation and rehabilitation where required.

Senator Greig to move, contingent on the presentation of a report by the Legal and Constitutional References Committee on matters arising from the introduction of the Human Rights (Mandatory Sentencing of Juvenile Offenders) Bill 1999 and the conclusion of any debate immediately following the presentation of the report:

That so much of the standing orders be suspended as would prevent Senator Greig moving a motion to provide that the consideration of the Human Rights (Mandatory Sentencing of Juvenile Offenders) Bill 1999 take precedence over all government and other general business until proceedings on the bill are concluded.

COMMITTEES

Legal and Constitutional References Committee

Extension of Time

Motion (by Senator McKiernan)—by leave—agreed to:

That the time for the presentation of the report of the Legal and Constitutional References Committee on matters arising from the introduction of the Human Rights (Mandatory Sentencing of Juvenile Offenders) Bill 1999 be extended to 9 March 2000.

Economics References Committee

Meeting

Motion (by Senator Murphy)—by leave—agreed to:

That the Economics References Committee be authorised to hold a public hearing during the sitting of the Senate on Wednesday, 16 February 1999 from 3.30 p.m. until 6.30 p.m. to take evidence for the committee’s inquiry into the provisions of the Fair Prices and Better Access for All Petroleum Bill 1999 and the practice of multisite franchising by oil companies.

NOTICES

Postponement

Items of business were postponed as follows:

Business of the Senate notice of motion no. 1 standing in the name of the Leader of the Opposition for today, relating to the reference of matters to the Finance and Public Administration References Committee, postponed till 11 April 2000.

General business notice of motion no. 405 standing in the name of Senator Harris for today, relating to proportional representation in the Senate, postponed till 16 February 2000.

Business of the Senate notice of motion no. 2 standing in the name of Senator Conroy for 16 February 2000, relating to the disallowance of provisions 6.3 and 6.4 of Accounting Standard AASB1015, made under section 334 of the Corporations Law, postponed till 17 February 2000.

SUPERANNUATION (ENTITLEMENT OF SAME SEX COUPLES) BILL 2000

First Reading

Motion (by Senator Conroy) agreed to:

That the following bill be introduced: a bill for an act to remove discrimination against same sex couples in respect of superannuation benefits.

Motion (by Senator Conroy) agreed to:

That this bill may proceed without formalities and be now read a first time.

Bill read a first time.

Second Reading

Senator CONROY (Victoria) (3.40 p.m.)—I move:

That this bill be now read a second time.

I seek leave to have the second reading speech incorporated in Hansard.

Leave granted.

The speech read as follows—

This bill seeks to remove discrimination against people in same sex couples who are currently denied access to superannuation benefits.

Currently superannuation legislation denies the existence of same sex relationships.

This prevents partners from accessing death benefits or sharing retirement benefits.

We believe that same sex couples should have the same entitlements to share superannuation benefits as heterosexual couples.
Denying the existence of same sex relationships for the purposes of superannuation treats same sex couples as second class citizens.

But it also provides a disincentive for same sex couples to make personal contributions to superannuation, ultimately harming the nation’s capacity to save.

The government has consistently supported the continuation of this disincentive to contribute to superannuation.

The government’s message to people in same sex relationships is clear:

Minimise your investment in superannuation and get your money out as soon as you can.

The Labor Party has a proud record of promoting the equal rights of same sex couples to superannuation.

The Labor Party first raised the issue of equal rights to superannuation for same sex couples in an adjournment speech in the House of Representatives introduced by the Member for Grayndler on 10 December 1996.

Then on 22 June 1998 the Labor Party introduced a private member’s bill to give same sex couples the same rights to superannuation benefits as heterosexual couples.

Following the October 1998 election, the Labor Party again reintroduced the bill, the Superannuation (Entitlements of Same Sex Couples) Bill.

However the Government has refused to implement the reforms that we are proposing.

The Member for Grayndler wrote to the Prime Minister in April 1998 asking for his support to our bill. On 25 May 1998, a response came from the then Parliamentary Secretary to the Prime Minister stating:

The government is not inclined to amend the superannuation and taxation legislation at this time to recognise same sex partners as dependants and spouses for the purpose of superannuation death benefits.

We believe that the issue of equal rights for same sex couples should not be above party politics; it is a human rights issue.

This was made very clear by Human Rights Commissioner Sidoti when examining the effect of Commonwealth superannuation legislation on equality of opportunity in employment.


In denying to surviving same sex partners of superannuation fund members an entitlement to benefit, these acts contravene the prohibitions on sexual preference discrimination in the International Covenant on Civil and Political Rights and the International Labour Organisation Discrimination (Employment and Occupation) Convention (ILO III), both of which are scheduled to the Human Rights and Equal Opportunity Commission Act 1986.

The issue of equal rights for same sex couples is no longer just about fairness and equality; it is now clear that it is about our human rights obligations in the international arena.

The International Covenant on Civil and Political Rights is one of the major international human rights documents. With the Universal Declaration on Human Rights and the International Covenant on Economic, Social and Cultural Rights, it forms the International Bill of Rights.

Must we again be embarrassed on the international stage as when Nick Toonen was forced to go to the Human Rights Committee of the United Nations to highlight the fact that Tasmanian anti-sodomy laws breached the ICCPR?

When someone in a same sex relationship dies their partner faces the same hardships as any heterosexual couple.

But on top of grieving for a loved one, that person has to cope with the knowledge that the Government supports discriminatory policies which prevent them receiving superannuation benefits.

The federal Liberal and National parties are not only out of touch with community attitudes on this issue, they are also out of touch with their colleagues at a state level.

The New South Wales coalition did not oppose comprehensive changes to de facto relationships moved this year by the Carr Labor government.

These changes affected numerous areas of the law including inheritance, stamp duty, guardianship, property division, bail, and accident compensation.

But, far from opposing these very necessary reforms, a number of coalition members from both the Liberal and the National parties spoke in favour of the government’s bill.

Coalition governments had previously supported recognition of same sex relationships in relation to inheritance in Victoria and the ACT.

Yet the Federal Government continues to dig its heels in and fall further and further behind community values and international norms.

When will the Prime Minister realise that his 1950s attitudes are just no longer appropriate to
today's society? Maybe he needs a 'tour' of Australia to meet the thousands of people affected by his attitude to realise just how out of touch his Government is on this issue.

Debate (on motion by Senator Calvert) adjourned.

Referral to Committee

Motion (by Senator Conroy)—as amended by leave—agreed to:

That the provisions of the Superannuation (Entitlements of Same Sex Couples) Bill 2000 be referred to the Select Committee on Superannuation and Financial Services for inquiry and report by 7 March 2000.

DOCUMENTS

Return to Order

The DEPUTY PRESIDENT—Pursuant to the order of the Senate of 21 October 1999, I present two documents from the Minister representing the Minister for Health and Aged Care, Senator Herron, which were received by the President on 30 December 1999 and which she has treated as documents presented out of sittings under standing order No. 166.

Senator CHRIS EVANS (Western Australia) (3.42 p.m.)—by leave—I move:

That the Senate take note of the documents.

Senator CHRIS EVANS—This purports to be a response to the order of the Senate of 21 October ordering that the Minister for Health and Aged Care produce documents relating to the magnetic resonance imaging machines issue, or the scan scam as it is better known. The Senate on that date passed a resolution which required the minister for health, through the Minister for Aboriginal and Torres Strait Islander Affairs, Senator Herron, to produce by 22 November a series of documents relating to the issue of magnetic resonance imaging machines and their Medicare benefit access following the concern that had arisen in the community regarding the mishandling of that matter.

That Senate resolution was not complied with by the government, and it was only when the opposition raised the matter again on 23 November 1999 that the minister condescended to provide any response at all. Senator Herron gave a verbal answer that he was working on it on that date and then produced a letter on 29 November in which he set out the response of the government to the return to order. Basically, it indicated that they would not be complying with the order, which had three parts.

The first part related to a question about the dates when the machines were ordered, and the government’s response was that that was contained in the HIC report into the scan scam. Subsequently, that HIC report is included in the return to order documents provided to the Senate today. That at least satisfies that matter, and I want to put on the record that I have no criticism of the HIC in this matter or in the way they have investigated the MRI scam. They have done their job diligently. They indicated at the Senate estimates that they would provide that report in any event, and all the minister has done is forward on that report which they had already said they would make available.

But the minister has not complied with the other two parts of the Senate order at all. The second part of the order sought minutes of all meetings between the Department of Health and Aged Care, their officers and representatives and the Royal Australian and New Zealand College of Radiologists during the relevant period. The minister continues to claim that there were no minutes and no notes taken of any of those crucial meetings that led to a major budget decision. I find that, quite frankly, rather surprising. But that is the response the minister provides, that in fact no notes were taken of the crucial meetings that resulted in a major budget announcement and which later resulted in a major budget fiasco and a loss to the Commonwealth of millions of dollars by fraudulent activity as a result of that decision. Apparently, no minutes were kept of any of those key meetings. That is the advice we receive from the minister on that part of the return to order.

On the third part of the return to order, and this is the crucial point I wish to make today, the government have continued to try to prevent the information sought coming to light. The minister in his letter of 29 November provided this excuse for failing to provide the requested documents on the advice provided to the minister on the radiology agreement
and the extension of the Medicare rebate for magnetic resonance imaging services. Those were the documents we sought. The advice provided on 29 November was:

... the Minister has indicated that he needs more time to review the documents requested in order to ensure that matters of public interest have been taken into account before the materials are released.

He went to use the old ‘public interest’ defence, which he had been cultivating in recent months, but he found two new grounds for that public interest defence, which we have advice are not based on any precedent or any past practice in this regard. But in putting that issue of the relevance of that public interest offence that he thought he may claim—he did not claim it; he needed more time to decide whether or not he would try to claim it—he then indicated:

Following the review of these documents, the Minister expects to be in a position to release information related to part (iii) of the order by the end of the calendar year.

That was on 29 November. The calendar year has come and gone. We are now in mid-February, and we have nothing further from the Minister for Health and Aged Care. The Minister for Aboriginal and Torres Strait Islander Affairs, representing him, in the letter tabled today to the Senate President, Margaret Reid, says in relation to this third item—that is, the advice provided to the department and the minister:

The Minister has advised me that he has not yet had the opportunity to complete the review of the material in part (iii) of the Senate Order, to ensure that matters of public interest have been taken into account before the materials are released. The Minister expects to complete the review in the very near future when he will provide me with the appropriate response that will be forwarded to you as soon as possible.

This is the order we made on 21 October 1999. He sought more time in November. Then he wrote again to the President in December, when the pressure was building, to say he still needed more time. It is now the middle of February and still we have no answers from the minister on the question posed in the return to order, the order of this Senate, that copies of all advice provided by the department to the minister on the radiology agreement and the extension of the Medicare rebate for MRI services be provided—no answer all. He has had October, November, December, January and now half of February to respond to the Senate order, and has failed to do so. His last advice was that he might have a public interest defence but he was not sure and he needed more time. He has had more time. He has had months more time, and still he does not release those documents.

We want to know what the minister is hiding. We know the MRI scan scam is a disaster. We know that there was a terrible breach of confidence, that all sorts of fraud was completed on the Commonwealth. We know that the DPP has had a large number of cases referred to him for prosecution. We know there are a large number of other cases that are not able to be prosecuted because of the regulations concerning the gathering of information. But if the HIC had been able, more prosecutions would have followed from their investigation. We have a terribly damning report from the HIC about the whole budget process, which raises questions about the minister’s handling of the matter, including his failure to end the access to Medicare benefits until October 1999—18 months after the scam had erupted and 18 months after he had information that the budget decision was being breached and that there was a major fraud being perpetrated on the Commonwealth.

Those sorts of questions are raised by the HIC, but the minister still refuses to provide to the Senate, in compliance with the order made upon him, the very key information about what advice he received and what advice the department provided. We want to know what he is hiding. We want to know why he will not release that information to the Senate, why he will not come clean. We have the HIC investigators’ report on one aspect of the matter; we have the Auditor-General looking at one of the other aspects of the matter; what we want to know is what advice he received, what went on inside the minister’s and the department’s offices that allowed this terrible scam on the Australian public to occur.
We have sought this information through the proper channels. The Senate has made the appropriate orders. The minister has continued to fudge, to hide, to obfuscate, to try to prevent that information coming to light, and we want to know why. We now know that at least six members of the college’s negotiating committee purchased machines during the period in which they were involved in negotiations with the minister, that there were at least 15 machines purchased by those people in the negotiating group discussing this budget measure with the minister. We need to get to the bottom of what happened there, of why the process so badly failed, why such a scam, such a fraud, was perpetrated on the Commonwealth over this whole matter.

We know that Senator Herron has claimed in the past that he does not think there is anything in it, that there was not a problem. It is very clear now from the HIC report that there is a very major problem. It is very clear from the number of prosecutions referred to the DPP that the DPP thinks there is a major problem and that a whole number of radiologists in this country will face prosecution in the courts and that perhaps more would have been prosecuted if it was not for some of the legal technicalities involved. But what we want to know is what is Minister Wooldridge hiding. Why won’t he comply with the Senate order? Why won’t he come clean with the Australian public and release all of the information so that they can make up their minds about what really happened and what his involvement in this whole catastrophe was? We need that information, and the minister must comply with the Senate order.

Question resolved in the affirmative.

Table

The DEPUTY PRESIDENT (3.52 p.m.)—Pursuant to standing orders 38 and 166, I present the documents listed on today’s Order of Business, at item 13, which were presented to the President, the Deputy President and a temporary chair of committees since the Senate last sat. In accordance with the terms of the standing orders, publication of the documents was authorised.

The list read as follows—

RETURN TO ORDER PRESENTED TO THE PRESIDENT SINCE THE LAST SITTING OF THE SENATE

1. Health—Magnetic resonance imaging—Letter from the Minister representing the Minister for Health and Aged Care (Senator Herron) and report on the investigation by the Health Insurance Commission into the purchase and installation of magnetic resonance imaging scanners (presented to the President on 30 December 1999)

COMMITTEE REPORTS PRESENTED TO THE PRESIDENT SINCE THE LAST SITTING OF THE SENATE

1. Joint Standing Committee on Treaties—Report 29—Singapore’s use of Shoalwater Bay, Development cooperation with PNG and Protection of new varieties of plants (presented to the President on 16 December 1999)

2. Joint Standing Committee on Foreign Affairs, Defence and Trade—Report of a visit to East Timor, 2 December 1999 (presented to the President on 20 December 1999)

GOVERNMENT DOCUMENTS PRESENTED TO THE PRESIDENT SINCE THE LAST SITTING OF THE SENATE


3. Australian Industry Development Corporation—Annual report 1999 (presented to the President on 21 December 1999)

4. Civil Aviation Safety Authority Australia—1999/00-2001/02 Corporate plan—CASA, Safe skies for all (presented to the President on 21 December 1999)


8. Commissioner of Taxation-Data-matching Program—The Australian Taxation Office’s interaction with the program for the financial year...
9. IIF Investments Pty Limited-Report for the period 22 May 1998 to 30 June 1999 (presented to the President on 5 January 2000)


15. Industrial Relations Court of Australia-Annual Report for 1998-99 (presented to the President on 9 February 2000)

REPORTS OF THE AUDITOR-GENERAL PRESENTED TO THE PRESIDENT SINCE THE LAST SITTING OF THE SENATE


10. Auditor-General-Report no. 30 of 1999-2000-Erratum-Examination of the Federation Cultural and Heritage Projects Program (presented to Temporary Chairman of Committees, Senator McKiernan, on 4 February 2000)

COMMITTEES

Foreign Affairs, Defence and Trade Committee: Joint Report

Motion (by Senator Calvert) agreed to:
That the report of the Joint Standing Committee on Foreign Affairs, Defence and Trade be printed.

Treaties Committee

Report

Senator MASON (Queensland) (3.54 p.m.)—I seek leave to speak to report No. 29 of the Joint Standing Committee on Treaties. Leave granted.

Senator MASON—I move:
That the Senate take note of the report.
This report covers three international treaties, but today I wish to focus on the inquiry into the use of the Shoalwater Bay Army training area by the Singaporean armed forces. This inquiry provided an excellent example of the application of the reformed treaty making process and provided an opportunity for the Queensland community to have their say on a very significant international treaty which has the potential to provide significant employ-
ment opportunities to an important regional area in Queensland. The agreement was tabled in both houses of parliament on 12 October 1999.

The committee took evidence from a number of officials from the Department of Defence here in Canberra before travelling to Rockhampton to speak with members of the local business community, local and state government representatives, local environment groups and Defence officials based in Rockhampton. The committee also inspected the training area at Shoalwater Bay and met with visiting officers from the Singaporean armed forces. The committee was told of the many economic benefits the visiting forces brought to the region. The local community representatives also spoke very highly of the exemplary behaviour of the Singaporean soldiers and commented that they were a great credit to their country.

The committee’s final report supported the proposed agreement. It did so because of the economic and social benefits to the local community, the environmental protection measures in place to maintain the high conservation value of the training area and the benefits to Australia’s international relations. While the committee believes that this report provides a clear example of an agreement which is in our national interest, there was perhaps scope for some improvement.

There are other concerns principally raised by local environmental groups in relation to activities undertaken in this area of great biological diversity. Many of these concerns, however, reflected the fact that local environmental groups felt they did not know enough about the proposed activities or the protection measures imposed, rather than concerns with the way in which the area was in fact being used. The problem was a lack of consultation and communication. Many of the concerns raised related to the use of the area generally, rather than its specific use by the Singaporean armed forces. The Department of Defence in Rockhampton, however, provided us with considerable detail on the environmental protection measures and management strategies for the training area. Indeed, committee members were able to view first hand the benefits of the department’s managerial expertise in maintaining the high conservation value of this area. The treaties committee recommended that the Department of Defence hold additional meetings of the Environmental Advisory Committee prior to each major exercise to discuss potential issues and improve the dissemination of information right throughout the local area. That was vital. The committee believes that environmental groups could have greater confidence in the environmental management of the area if more information was more readily made available to them, and the committee urged the department to be more proactive in this respect.

The inquiry highlighted a number of opportunities for the Department of Defence, the local business community and environmental groups to be more proactive and more creative in maximising the potential benefits of an agreement such as this to regional areas of Australia. It also demonstrated that there are a number of opportunities for Australians from different walks of life to have their say on Australia’s proposed international treaties that will have a significant impact on their lives.

Question resolved in the affirmative.
Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (4.00 p.m.)—I seek leave to move a motion in relation to the Auditor-General’s report. 

The ACTING DEPUTY PRESIDENT (Senator Knowles)—Senator Faulkner, while you were talking, I was, having just taken over the chair, trying to find exactly where you were in relation to where the Senate was. I thought our next committee report was going to be that of the Joint Standing Committee on Foreign Affairs, Defence and Trade.

Senator FAULKNER—I have sought some previous advice, and I understand that these are being dealt with as a job lot, all on part 13 on the red. My understanding is that it is competent under those circumstances to seek leave to move a motion in relation to any of the documents. That is what I thought I had clarified, but I will seek your guidance on that if that is not the case.

The ACTING DEPUTY PRESIDENT—That is fine, Senator Faulkner. As I say, I had just taken over the chair and was unaware of the preceding method of presentation to the Senate.

Senator Ferguson—Madam Acting Deputy President, I raise a point of order. I have been following this from my room, and I understood from the order of business that the documents were going to be tabled in order of the dot points on the sheet. Otherwise, what is the point of having them in order?

The ACTING DEPUTY PRESIDENT—I have just sought advice on that. Senator Ferguson, and any honourable senator can seek leave to speak on a document in that group. Senator Faulkner has done so.

Leave granted.

Senator FAULKNER—I move:

That the Senate take note of the document.

Let me commence my contribution by congratulating the Auditor-General on this important report. It exposes the extent to which two ministers responsible for the Federation Cultural and Heritage Projects Program—that is, Senator Hill and Senator Alston—corrupted the administration of taxpayer funded programs for political purposes. Of course, some might consider that that is quite a significant claim to make, but I think it is worth while to look at the facts, as set out by the Auditor-General in this important report.

The ministers changed the timetable which departments had recommended for the program. They thumbed their noses at their departments’ advice that three months for preparation of submissions and two months for the departmental assessment process was the minimum time required to deliver supportive outcomes. They insisted on cutting this back dramatically to only one month for the preparation of submissions and six weeks for the department to assess them. They ensured that the program was ready to use as a pork barrel during the election campaign. Senator Alston’s office instructed the departmental task force to remove from the publicity material all reference to the timing of the decision making process to enable ministers to have maximum flexibility in the timing of the announcement of decisions—in other words, to exploit the program for all it was worth during the election campaign.

Unusually for a major grants program, departments did not recommend projects to ministers. Although the original guidelines provided that the departments would jointly prepare recommendations, departments simply presented ministers with a pool of highly ranked projects from which to select. The Auditor-General says:

It is not clear why there was a change in the approved arrangements ... What we do know is that this change gave ministers much greater flexibility in distributing program funds. But even this degree of flexibility was not enough for Senator Alston and Senator Hill. They wanted more. They had their own agenda. This is clear from the 16 projects that they selected from outside the pool of projects put to them by their departments. All 16 failed to meet the departmental cut-off of 15 points. Fourteen of the 16 were nominated by coalition MPs. Eleven were in coalition held electorates. One was in Canberra, where Senator Reid was fighting
for her Senate seat. Half of them were in the ministers’ home states of Victoria and South Australia, which got the lion’s share of the funding—$8.9 million of the total $14.5 million. The Auditor-General makes it clear that departments were very well aware of their ministers’ determination to use this program as a pork barrel. Why else would Senator Alston’s department have sent him, two weeks before the election was called, advice from PM&C and their own legal section that the announcement of successful projects during an election campaign would not be consistent with the caretaker convention, which states:

... it is desirable that, where the decisions concern significant initiatives, they be announced in advance of the caretaker period in order to avoid controversy ...

It is well known that ministers thumbed their noses at this advice as well. The report reveals that they met at the end of the first week of the election campaign to decide on the announcement process. They decided that announcements were to be made over the next fortnight, with most projects to be announced in the week beginning 14 September—that is, in the final three weeks of the election campaign. To hell with the departmental advice! They and their coalition colleagues went on to announce 32 projects during the campaign, 26 of which were in coalition electorates.

What are we to make of this extraordinary situation? Are we justified in taking these projects as evidence of gross political interference in the administration of this multimillion dollar program? Are we justified in concluding that ministers’ decisions were motivated more by political self-interest than by the public interest? In the absence of evidence to the contrary, we most certainly are. One would expect there would be plenty of evidence about the processes by which ministers came to decisions. The Auditor-General emphasises the importance of a proper audit trail for each stage of the selection process on several occasions in his report. The Auditor-General says:

Well-documented, soundly administered and transparent procedures are the key to being able to demonstrate the integrity of the selection process.

Surely, Senator Hill and Senator Alston would have also recalled their public condemnation of former Minister Ros Kelly for failing to document the processes by which she came to decisions about the Community Cultural, Recreational and Sporting Facilities Program. They would have been aware that one of the key outcomes of their attack on the administration of that program was the Auditor-General’s better practice guide Administration of grants. They would undoubtedly have had the Auditor-General’s succinct recommendations uppermost in their minds as they raked through the 648 applications. One of those recommendations was that the criteria and basis for recommendations and decisions at all stages of the grant process must be effectively documented.

No, this did not happen. Surprisingly and amazingly, the Auditor-General found no record of the processes by which ministers reached their decisions and no record of how they and their staff separately conducted their own independent assessments of 648 applications over a two-week period. The sole record of this critical stage of the process is a document entitled Federation Cultural and Heritage Projects Program: reasons for decisions. This record was put together two months after ministers had made their final selections. Interestingly, in preparing the document, ministers told the Auditor-General they drew on notes which had been taken during the process of final selection. But these notes, which are effectively the only record of the process by which ministers came to their conclusions are therefore a critical part of the audit trail in relation to this program, no longer exist. They have all been destroyed. We do not know why they have been destroyed, we do not know how they have been destroyed, we do not know on whose instruction they have been destroyed, but one thing we do know—they have been destroyed.

Most damning of all, we know from questions at estimates last week that Senator Hill’s office sought a copy of the better practice guide only six weeks after the ministers had made their final decisions. According to the Auditor-General, this delay in having the reasons for the ministers’ decisions docu-
mented and their reliance on memory and notes taken at the time—and which were not retained—is not conducive to good administrative practice or confidence in the process. Indeed, it is not.

The document itself, of course, is wholly inadequate. It is a joke. It tells us nothing about the process by which ministers came to their decisions. It gives spurious reasons for the selections, in many cases totally unrelated to the published criteria for the program. It shows every sign of haste, and it shows no sign of care. It is no wonder that Senator Alston and Senator Hill refused to release this document until the publication of the Auditor-General’s report left them with no alternative. It is a fig leaf—a lousy fig leaf at that—and it leaves these two ministers totally exposed.

Senator Alston and Senator Hill repeatedly claim that the report clears them of charges of political bias in the program. It does no such thing. The Auditor-General makes it very clear that any analysis of the distribution of grants to electorates or states cannot by itself clearly indicate one way or the other that there is or is not any political bias. At the estimates hearings last week the Deputy Auditor-General, Mr McPhee, stated, ‘We do not make any finding about political bias.’ This report dams both Minister Hill and Minister Alston. It is the intention of the opposition to keep pursuing the government on this issue, and we will, through all the avenues available to us.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (4.12 p.m.)—I will not hold up the Senate for too long, but some of the things said by the Leader of the Opposition in the Senate do need to be responded to. The last thing you would have heard him say was that the Auditor-General made no finding in relation to political bias. I strongly recommend anybody with an interest in this issue or with an interest in these matters at all to read Audit report No. 30 1999-2000: Examination of the Federation Cultural and Heritage Projects Program. On behalf of the coalition government, on behalf of Senator Alston, Deputy Leader of the Government in the Senate, and the Leader of the Government in the Senate, Senator Hill, I recommend the Auditor-General’s report to everybody in Australia who has an interest in the claims made by Senator Faulkner.

The claims made by Senator Faulkner—and he repeated them all in here today—were hit for six over the top of the pavilion. The Auditor-General took the ball bowled to him by Senator Faulkner and whacked it with the middle of the bat. It went straight over the pavilion and probably a couple of suburbs past the cricket ground. So I say to anyone who is following the debate about the Federation Fund grants process to read this report. What does the Auditor-General actually say? Totally contrary to what the Labor politician opposite has said, the Auditor-General says:

No significant statistical differences between the percentage allocated to projects in Coalition or Labor held electorates were detected...

It is absolutely clear as a bell, clear as daylight. The Auditor-General found that the allocation of funding was generally within a percentage point—63.5 per cent of the seats were held by the coalition, and 64 per cent of the funds went to coalition seats. In fact, when the Auditor-General focused on marginal seats, which those of us in politics tend to focus on, the Auditor-General found—and again I will quote from the Auditor-General’s report to save our constituents reading it in detail:

... marginal Labor held electorates had almost twice the success rate of marginal Coalition held electorates.

Labor would have had good experience of this matter, because when they had Ros Kelly as the minister they had virtually all of the funding going to marginal seats. I know in my home state of Western Australia 85 per cent of the funding went to marginal Labor seats. In fact, those who were around at estimates committees back in 1990 will remember that I was the first one to do an analysis of the sports grants and that I came up with that statistic back in 1990.

When you analyse what happened under the Federation Fund grants process, you will see that the Auditor-General found, factually, that marginal Labor held electorates did
twice as well as marginal coalition electorates. Senator Faulkner says that no political bias was found in the process or no determination was made about political bias. If you were to make an allegation about political bias under this process as it applied to marginal seats, which are of course crucial when it comes to elections—they are obviously the ones that make and break governments—any bias that occurred statistically favoured Labor. So two points that Senator Faulkner has made have been hit for six. I would like to see Senator Faulkner seek to make some sort of apology. It would be very hard for him to do that. In this place over the last couple of years, he has made allegations about members of the Baillieu family who have actually passed away. He has come in here and made no apology for that. He has made allegations about the Natural Heritage Trust and referred those to the Auditor-General. Those allegations came back with a totally clean slate. The Auditor-General has now brought down, to the absolute humiliation of the Leader of the Opposition, another report that gives Senator Alston’s and Senator Hill’s governance of this excellent program another clean bill of health. Again, Senator Faulkner cannot bring himself to apologise.

Every now and again, you take something to the Auditor-General because you think something is wrong, and you get it wrong. Madam Acting Deputy President Knowles, you will remember that I pursued the Centenary House matter year after year, and I continue to pursue it. Labor, to their credit, set up a royal commission and Justice Trevor Morris, who brought down that royal commission report, said that the process was fair. I had to cop that. The rent continues to go up every year, but I have to accept the royal commissioner’s finding. But Senator Faulkner cannot accept that. He cannot bring himself to apologise. It makes you understand why people like Michael Egan, the Treasurer in New South Wales—who said this at the New South Wales state conference this year—make it quite clear that they regard Senator Faulkner’s left faction as a bankrupt faction. People might hold Senator Faulkner in high regard. I guess you get told, ‘Never apologise’—what is it, Senator Ray? — ‘Never apologise, never give in’—

Senator Robert Ray—You aimed at joining the Democrats all those years ago.

Senator IAN CAMPBELL—I would apologise if I ever did join the Democrats or if I ever have, Senator Ray. I put that on the record: I would apologise. But Senator Faulkner should apologise. He has caused major hurt and damage to the descendants of the Baillieu family members; he has never apologised for that. Here is the pot calling the kettle black. This is the bloke who, in the governance of his own department in relation to the forestry processes, decided to do some ground truthing—you will remember that, Madam Acting Deputy President; you were here. This is the minister who, day after day, had to try to explain why, through his ground truthing process, there were all these people—Natalie is a name that springs to memory very quickly—on the ground trying to work out where these forest coupes were. He came in here justifying why he had forest coupes out in the middle of the Pacific Ocean and in the middle of Bass Strait. He has never apologised for that incredible behaviour before the Senate and he has never apologised to the Baillieu family.

There is also something else that he has never done—and this is a serious challenge to him. I would like to know of the 16 projects that he has termed as ‘shonks’—five of which were in Labor seats; he must have found out later, I guess, but he has not corrected the record on that yet and he should apologise for that—which ones he suggests should not have been funded. He will not do that because he does not want to go to those communities; he does not want the five Labor members embarrassed; and he does not want the proponents of the other projects, which were all worthwhile projects, to know that the Labor Party does not want the money to go there. If he wanted to raise the regard with which he is held around this place and in the community and if he wanted to be taken seriously by people like Michael Egan and others, he would come in here and make an apology or he would just put his cards on the table. Could he please name the projects that should be de-funded or that should not have been funded. Could he just come in here and
say that. But before he does that and until he does that, we cannot take him seriously.

Senator ROBERT RAY (Victoria) (4.20 p.m.)—Senator Campbell started his contribution—you can hardly call it a contribution today—with a sporting analogy. I think, to extend that a little further, he has once again proved that he is quite a good reserves player but is never going to be up to the first XVIII team. He has urged everyone to read the Auditor-General’s report. I do not think he has read it, frankly. The Auditor-General’s report in a number of ways is very damning of the government’s administration. Let me take the first point. The Auditor-General was very surprised that there was not a needs analysis done before this aspect of the federation grant was agreed to. He was quite surprised. Of course it was not done because it was always going to be a pork-barrelling exercise. Senator Campbell talks about bias. He said that a number of grants went to Labor electorates. Part of the reason why those electorates were going to be given grants was that that was going to be used by the coalition candidates in the election to say what a great government it was pouring money into this electorate so that they could take it off the Labor Party. That is something that not even the Auditor-General seems to grasp. I would not expect him to do so because he is not really into political analysis, and nor should he be.

For the Senator Campbells of the world, it is apparently of no surprise that, of the 32 grants announced during the federal election, 26 were in coalition seats—that is, 26 out of 32. But they did manage to announce one grant in a Labor electorate. Guess where that was? It was in the electorate of Fraser in the ACT, where they are battling to get a Senate quota. And who announced that? Senator Reid announced that particular project to bolster her election chances. So when you talk about bias, you cannot just look at where the grants went. You have to look at the process by which the grants were made, and these are the shonkiest processes that we have seen in this chamber for many years. Let us look, firstly, at the proper timetable. It was supposed to be three months and then it was two months. It was foreshortened to meet the election timetable. Then the ministers supposedly read through the 648 grants themselves. Their departments assessed these grants and put a numbering system—a merit system—on them from 0 to 24 points. But what do we have? Suddenly, 16 of the projects are approved—14 at the request of coalition members that fall below the 15-point cut-off mark.

One could hardly argue that that is a good process. Senator Campbell says that they will nominate these 16 projects and make comment on them. We might, if this government would release a full list of the unsuccessful applicants. We have nothing to compare it with at the moment. There were literally 70 more highly rated projects that hit the fence to let these 16 in. The government have fought every move by the opposition to get the truth of these matters. We put in a freedom of information request. It was refused. We have had to appeal to the AAT, and they are fighting it at that particular level. One set of the documents was released because the Auditor-General demanded they be released. These two ministers, absolutely bent on cover up, still have not released the other crucial documents.

As I said, they announced 26 of the 32 during the election campaign. It is best to reflect on the processes here once the ministers made their decision. They made their decision very close to the federal election. How did they get ultimate approval? No, they did not go to cabinet; they went to the Prime Minister’s office. What happened there? On the day the Prime Minister called the election, he went out to Yarralumla and called the election. What was the first thing the Prime Minister then did? He did not start making his preparations for his policy speech or go into discussions with Lightweight Lyn over at Menzies House. No, he went back to his office and he signed off all the federation grants, after he called the election. He knew that from the moment the writs were issued he would be in flagrant breach of the caretaker convention. He might have had a shnick of legality on his side but he had no morality whatsoever in authorising these particular projects after he called an election. And that was the whole idea. When you look
at the scale of this, you are talking about 2½ times more funding than the Ros Kelly scheme. Yet over a period of a year we had to listen to the coalition when in opposition, criticising Mrs Kelly. But these rules do not apply to them.

Senator Campbell said basically that the Auditor-General gave this government a clearance. I would be devastated to get a clearance such as this. The ministers and their staff picked out their 70-odd favourite projects. What did they then do? Did they record their reasons for support of these projects? No, they did not. In fact, they probably never would have until, as evidence before estimates shows, a public servant from the department of communications rang them to remind them that the reasons were due. They thought, ‘Heck, how in heaven’s name are we going to get these together?’ They collected their staff together, and the staff had notes. They went from memory—and anyone who has seen Senator Alston perform at estimates committees would know that his memory is a very dodgy commodity. He can never seem to remember anything he has done. They got together eight weeks after the decision was made and concocted the reasons.

It would be possible, of course, to say that these reasons were valid if we had some supporting evidence. But lo and behold, all the staff members in the process woke up one morning apparently and decided to destroy their notes. Were their notes on computers, on floppy disks? Were their notes in handwriting or on a whiteboard? Where were they? They will not even tell us how many staff members were involved in the project because the more staff members you admit to being involved in it, the more the coincidence of them all destroying their notes reflects back on these two ministers.

The fact is that these two ministers did not do a needs study. They brought the timetable forward, made their decisions without recording the reasons and forwarded them to the Prime Minister to sign after the election was called but before the writs were issued. Thirty-two were announced during the election campaign, 26 in marginal electorates. Of the 16 projects that did not make the cut-off point, half were in the minister’s home state and 11 were in coalition electorates, and of the five that were in Labor electorates, only one was announced—in the ACT where they were under electoral pressure. The fix is in and the rort is on. Isn’t it amazing? The one thing this government hate is scrutiny. They come along to the estimates committee and they refuse to answer questions on this.

A few years ago they were in love with transparency. They believed in it and they moved motion after motion on return to order. They agreed with FOI; they agreed with the free flow of information. The 10-yard walk from one side of the chamber has seen a road to Damascus conversion. Now it is block and block at all times. Get your public servants at estimates committees to try to limit the amount of damage done in terms of responses. Ministers become all vague. They cannot remember, or they stand on their digs and say, ‘You cannot ask me about the internal workings of my office.’ That is not good enough when $70 million worth of public funds were available and used, basically as a pork-barrelling exercise. You do not even have to look at the outcome to know that this is crook. You do not need to try to assess political bias from where these grants went. You just have to look at the process that was involved to get to that point. The Auditor-General clearly is unhappy with that process. Apparently Senator Campbell would like the Auditor-General to be enormously explicit in his criticism. That is not the genre adopted by Auditors-General. They always gently chide, and this report has a lot of that in it. It also has a lot of overt criticism in it that this government totally ignores.

I do not know why Senator Alston could read it and say it was totally clear. I do not know whether he wants a version in French so he can understand it a little better. This is a damning document and it is one that all ministers should read so that they understand in future that due process should be followed. I seek leave to continue my remarks if no-one else is making a contribution in this area.

Leave granted; debate adjourned.
COMMITTEES
Foreign Affairs, Defence and Trade Committee: Joint

Report
Senator FERGUSON (South Australia)
(4.30 p.m.)—by leave—I move:

That the Senate take note of the report.

It was my privilege as chair of the Joint Standing Committee on Foreign Affairs, Defence and Trade to lead a delegation of nine other members of parliament to East Timor on 2 December 1999. The joint standing committee has monitored events in East Timor with a very keen interest. In August 1999, three members of the committee joined an international group in East Timor to observe the voting stage of the consultative process. Included in it were Senator Marise Payne and Senator Vicki Bourne. It was with considerable apprehension that the committee watched the wave of violence that enveloped East Timor following the announcement of the result in favour of separation from Indonesia.

While the committee has been regularly briefed on the situation in East Timor, the visit by the committee on 2 December provided an unparalleled opportunity for members of the committee to gain a first-hand appreciation of the situation facing the East Timorese. I know that my colleague Senator Gibbs, who was a member of the committee, intends to speak on this. She went along with Senator Payne and Senator Bourne and they could not fail to be moved by what they saw in East Timor following the announcement of the result in favour of separation from Indonesia.

The report concludes with a short perspective on circumstances during the voting stage of the consultative process and during the committee’s visit. Senators Bourne and Payne, two members who participated as international observers, have provided that perspective. There is also a chronology of events in East Timor in the appendix, which shows the situation from 1975 through to the present.

The committee is most appreciative of the efforts of many people who contributed to the success of the visit. I would like to particularly thank our committee secretary, Margaret Swieringa, and, even more importantly, Lieutenant Colonel Michael Ward, who was responsible for many of the arrangements—he has since left—and for liaising with the defence forces. In addition to those people, I would particularly like to thank commander Major General Cosgrove from INTERFET and the members of his force who were involved in the briefing while we were there. They hosted and transported members of the committee during their time in East Timor. Of special note is Major Andrew Leith, who escorted the committee and effectively facilitated the successful visit. I also thank Colonel Duncan Lewis, who, as the Australian Defence Force escort officer, accompanied the party throughout the visit.

No matter what any person saw on TV or heard on radio, I do not think anything could prepare us for the devastation we saw when we landed in Dili. Other people had visited before us, including the Prime Minister, the Leader of the Opposition and others. We constantly heard how people were shocked by what they saw. We went with some idea of what to expect, but I do not think anybody could have been prepared for the devastation we saw once we landed in Dili. As I described it to one of my friends, it was as though Ash Wednesday had gone through a whole city. Buildings had been devastated by fire. No shelter was left. Many people were on the streets. This was some time after the devastation had taken place. We obviously did not see it at its worst, when much of the damage had already been cleaned up by our forces. As I say, no-one could have prepared us for that sort of devastation. It is impossible to describe the wanton destruction that has occurred there.

We could not help but be impressed when we were given the briefing by Major General Cosgrove. He gave us a very comprehensive briefing of events that had taken place since their arrival in mid-September. We were also
briefed by the US and Australian commanders at the Civil Military Operations Centre on humanitarian assistance. We were pleased to be able to get these very comprehensive briefings. As well as that, we visited a field service hospital, which had been erected. A temporary operating theatre had been constructed. Specialist surgeons from the Army Reserves, who serviced the hospital, were doing a fantastic job in very trying circumstances. If anyone chose to visit East Timor, they certainly would not go in December or January, when the weather is quite oppressive. The hospital was essentially set up for the treatment of sick and injured troops, who were suffering from malaria, dengue fever and gastrointestinal illnesses. Some East Timorese were also treated.

We then went by Black Hawk helicopter to Suai on the coast of south-western Timor. It was a 40-minute flight. The words of Mark Evans, the brigadier of 3rd Brigade, really stunned us all. We were told that the town of Suai had a population well in excess of 10,000 people prior to the referendum. When 3rd Brigade had moved in 10 weeks before we arrived, not a single person was left in the town. The army was in temporary shelter. There was no power or water. They were certainly doing it tough, but not nearly as tough as the East Timorese, who were straggling down out of the hills once they knew that the Australian troops had control of the town. I think approximately 5,000 people had returned to Suai in the 10 weeks they had been there. These people were starving. They were foraging for food. It was devastating to see what had happened in Suai. Upon returning to Dili by Black Hawk, we went to the refugee centre, where refugees were processed. We then met members of the United Nations Human Rights Committee, who were investigating alleged human rights abuses. We had a very good hour with them in which we were able to question them. They were able to ask us questions and to ask for assistance.

We concluded the visit having visited the personnel of the 5th/7th Battalion RAR, a mechanised unit, who are likely to be there for some nine months performing a peacekeeping and peace enforcement role with the civilian population. Some 600 personnel were based in Dili but were working throughout the western provinces. We had a final briefing from Major General Cosgrove when we returned to Dili airport on our way back to Darwin. We talked with him about our impressions and findings, and he stressed the importance of the support of Australians at home to the morale of the troops on the ground. He urged us as members of the Joint Standing Committee on Foreign Affairs, Defence and Trade to do all we could to relay information back to the Australian public. Our report was written quickly. We made sure that it was tabled prior to Christmas so that the things that we saw and reported on in our visit to East Timor were made public prior to Christmas. In speaking to this report, I can only commend Major General Cosgrove on the efforts of the Australian forces.

The visit was particularly interesting and worthwhile. The extent of the devastation was impossible to anticipate and difficult to describe. We were absolutely inspired by the courage of the East Timorese people who have been through a horrendous time not only from the referendum until now but also over the past number of years. They have enormous resilience. It was wonderful to see the way that the Australian troops and the defence forces were received by the Timorese people. People who had absolutely nothing were smiling in the street and giving the victory signal as troops went by. I am sure Senator Gibbs would agree with me when I say that it was inspiring to us to see the resilience of the East Timorese and the way they accepted the Australian forces and the great rapport that the Australian forces had with the East Timorese people.

I know my time has run out but I just want to refer to the last page of the report which contains a message to the Australian troops. I only want to read out the last sentence because it encapsulates how we feel about the efforts of our defence forces in East Timor. We conclude our report by saying:

We can be, and are, justifiably proud of our Defence Force and the people who comprise it. We wish you all continued success in your mission and a safe return [to Australia].
Senator GIBBS (Queensland) (4.37 p.m.)—Senator Ferguson has given quite a comprehensive report on our visit to East Timor. I for one was very grateful that I had the opportunity to go. It was certainly a packed day. We arrived very early in the morning at 7.30 and we were on the go the whole day. Senator Ferguson was right when he said that it was demoralising for us. These people have absolutely nothing—no running water, no electricity; they are starving and food is being supplied. Children were everywhere on the streets because their homes had been devastated. We flew from Dili to Suai in the Black Hawks and were taken on a tour of Suai. You looked down on square pieces of charred earth. The homes had one or two walls left standing—nothing else. You looked down and thought, ‘My God, that was somebody’s home once.’ This was everywhere. The devastation was a real eye-opener.

When we first arrived, we were met by Mr James Batley, the Australian Head of Mission, and by Colonel Mark Kelly, the Chief of Staff INTERFET. We were then taken in Bushmasters for a tour of the coast. That was rather exciting because we were allowed to stand up and put our heads out of the turrets of these armoured vehicles so we could get a really good view of what was going on. We met with Major General Cosgrove, who gave us an extremely comprehensive report of what was going on. As Senator Ferguson said, we had been given a lot of information from the military on what has been going on in East Timor, but General Cosgrove gave us a good briefing and filled us in. As Senator Ferguson said, we went to the military hospital and that was quite amazing. The military hospital consisted of tents. The operating theatre itself was air-conditioned tents. While we were there they were performing an operation on a young local child, which was extremely interesting. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

The ACTING DEPUTY PRESIDENT (Senator Knowles) (4.43 p.m.)—On behalf of Senator Cooney, I seek leave to revisit report No. 29 of the Joint Standing Committee on Treaties on Singapore’s use of Shoalwater Bay.

Leave granted.

Senator DENMAN—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

DOCUMENTS
Business of the Senate Questions on Notice

The ACTING DEPUTY PRESIDENT (Senator Knowles) (4.44 p.m.)—I present correspondence from the Electoral Reform Society of South Australia concerning the 50th anniversary of the first election of the Senate using proportional representation.

QUEENSLAND: LAND CLEARING

The ACTING DEPUTY PRESIDENT (Senator Knowles) (4.44 p.m.)—I present a response from the Chief of Staff, Office of the Premier of Queensland, to a resolution of the Senate of 7 December 1999 concerning Queensland land clearing.

Senator McGAUoran (Victoria) (4.45 p.m.)—I move:

That the Senate take note of the document.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

CHILD LABOUR AND THE WORLD TRADE ORGANISATION: RESPONSE

The ACTING DEPUTY PRESIDENT (Senator Knowles) (4.45 p.m.)—I present a response from the Minister for Employment, Workplace Relations and Small Business, the Hon. Peter Reith, to a resolution of the Sen-
COMMITTEES

Migration Committee

Government Response

Senator HEFFERNAN (New South Wales—Parliamentary Secretary to Cabinet) (4.46 p.m.)—I present the government's response to the report of the Joint Standing Committee on Migration on the review of migration regulation 4.31B and seek leave to have the response incorporated in Hansard.

Leave granted.

The response read as follows—

GOVERNMENT RESPONSE TO THE REVIEW OF MIGRATION REGULATION 4.31B BY THE JOINT STANDING COMMITTEE ON MIGRATION

Government Objectives

1.1 The Government remains strongly committed to meeting Australia's international obligations under the Refugees Convention.

1.2 The Government also remains committed to fulfilling its non-refoulement obligations to persons who are not found to be refugees under the Convention, but who are found to have humanitarian reasons to remain in Australia under the Convention Against Torture and Other Forms of Cruel, Inhuman or Degrading Treatment or Punishment (CAT), or the International Covenant on Civil and Political Rights (ICCPR).

1.3 The Government meets these international obligations through the grant of protection visas to those persons who are found to be refugees under the definition in the Refugees Convention, and through the exercise of the Minister's discretion to grant visas to persons who fall under the provisions of the CAT or ICCPR.

1.4 In 1996 the Government introduced a set of reforms to improve the system for assessing and reviewing onshore refugee claims, maintaining fairness whilst enhancing performance and reducing opportunities for abuse.

1.5 Several measures were proposed to minimise misuse of the protection visa system by persons who did not possess genuine refugee or humanitarian reasons for remaining in Australia. One of these measures was the introduction of a $1000 fee for protection visa applicants who sought review by the Refugee Review Tribunal (RRT).

1.6 The fee was structured as a post decision fee so as to ensure that genuine refugee applicants and humanitarian claimants were not deterred from seeking review at the RRT. Applicants who are successful at the RRT do not become liable to pay the fee. Applicants who are unsuccessful at the RRT but who then are granted visas through the exercise of the Minister's discretionary public interest powers become subject to a refund or waiver of the $1000 fee.

1.7 The regulations (Migration Regulation 4.31B) establishing the fee were subject to a sunset clause to take effect from 1 July 1999. The Joint Standing Committee on Migration was requested to review the impact of the fee and to report to the Parliament by 30 May 1999.

Report by the Committee

2.1 The majority of the Committee concluded in its report that:

. there is a significant amount of abuse from protection visa applicants;

. evidence suggests Regulation 4.31B may have been effective in reducing that abuse, but this is difficult to gauge given the short time the fee has been in place;

. no evidence suggests that Regulation 4.31B deters genuine refugees from applying for review;

. no evidence suggests that Regulation 4.31B breaches Australia's international obligations to refugees;

. the suggested alternatives are not appropriate; and therefore

. the fee should be retained, subject to a further sunset clause to allow for a thorough assessment to be made of its effectiveness.

2.2 The majority of the Committee consequently recommended that:

. Regulation 4.31B be retained; but

. to allow for a more thorough assessment of its effectiveness, it be subjected to a three year sunset clause commencing on 1 July 1999.

2.3 The Government has accepted the Committee's findings outlined in its majority report and has decided to implement its recommendations in full. Regulations extending the sunset clause for a further three year period were made on 29 June 1999, with effect from 1 July 1999.

2.4 As a result of negotiations with respect to a disallowance motion of the above regulations, the Government agreed to reduce the sunset clause to a period of two years ie until 30 June 2001. Regulations to effect this were made on 20 October 1999.
2.5 The Government intends that a further review of Regulation 4.31B be undertaken prior to the expiry of the sunset clause on 30 June 2001.

Senator McKiernan's Additional Comment

3.1 Senator McKiernan, the Deputy Chair of the Committee, endorsed the Committee's recommendations. However, he also made some additional comments, which were included in the Report.

3.2 Senator McKiernan expressed his view that none of the witnesses before the Committee had presented evidence that the fee had prevented any person who would have been granted a protection visa from applying for onshore protection.

3.3 He observed that case studies that had been presented to the Committee concerning persons who had been disadvantaged by the fee related to persons who would not have been granted protection visas, but who may have been eligible for migration or residence under other provisions.

3.4 Other persons, as the Senator indicated in his commentary, have either been successful in obtaining protection visas, or have been granted visas through Ministerial intervention. In either situation, no fee liability has been incurred.

3.5 Senator McKiernan expressed the opinion that it is too early to judge the effectiveness of the $1000 fee, given that at the time of the review, the fee had only been in operation for under two years. He therefore supported the extension of the sunset clause and future review of the fee.

3.6 The Government accepts Senator McKiernan's position in relation to the Committee's recommendations on the fee. As indicated above, the Committee's recommendations were implemented with the sunset clause, as a result of negotiations, being extended for two years to 30 June 2001. A further review will be conducted by the Committee before the expiry of that period.

Dissenting Report

4.1 A dissenting report was made by Dr Andrew Theophanous MP, Mr Bernie Ripoll MP, Mrs Julia Irwin MP, and Senator Andrew Bartlett.

4.2 The dissenting report recommended that Regulation 4.31B cease to operate after 1 July 1999.

4.3 This report commented that:

- several submissions had claimed, in case studies, that the existence of the fee placed unfair burdens on genuine applicants;
- several submissions had argued that the fee breached Australia's obligations in relation to its international obligations in that it impeded access to the refugee determination process;
- insufficient consideration had been given by the majority of the Committee to other alternatives that had been suggested.

4.4 The dissenting report also suggested that the creation of an onshore humanitarian visa stream should be considered.

4.5 The Government acknowledges the contribution of the authors of the dissenting report. The Government accepts that the intentions of the Committee minority are similar to those of the Government, in seeking to ensure that Australia continues to fulfil its international refugee and humanitarian obligations to a high standard, and to reduce the levels of abuse of the system. However, the Government considers that there is no evidence that the dissenting report's recommendation would ensure the best outcomes for the protection visa system.

4.6 The Government does not accept the assertion in the dissenting report that the fee has had no impact on reducing abuses of the protection visa system. Evidence has been submitted to the Committee that has indicated that there has been a reduction in the number of applications to the RRT from countries that normally do not produce high numbers of refugees. However, the Government accepts that this evidence has been gathered over a relatively short period. Extension of the sunset clause for a further two years until 30 June 2001 will permit a larger volume of evidence to be collected on the effectiveness of the fee when the issue is next reviewed by the Committee.

4.7 Whilst the dissenting report's authors have placed considerable weight on the claim raised in several of the submissions made to the Committee that the fee may discourage potential genuine applicants, the evidence provided points to the contrary. The flow-on rate of RRT applications by persons from countries that normally produce large numbers of refugees continues to increase. This does not suggest that genuine applicants are being discouraged by the existence of the fee.

4.8 In addition, the case studies provided as evidence to the Committee do not demonstrate in any single instance that any person who may have been granted a protection visa has been discouraged from seeking RRT review. One of the cases cited in support of the dissenting report in fact
related to a case where the applicant clearly did not meet the convention definition of refugee, and where there were no humanitarian obligations under ICCPR or CAT.

4.9 The Government does not accept that the fee is in contravention of Australia’s international obligations through impeding access to the refugee determination process. The fee is not imposed on persons who are found to be refugees, and the fee is waived or refunded for those who are granted visas on humanitarian grounds through Ministerial intervention.

4.10 Alternatives to the fee in its present form were canvassed. One of these was the imposition of the fee by the RRT on a discretionary basis. The Government does not consider that this proposal would be practicable.

4.11 Another proposal was the strengthening of the migration agents regulatory scheme. It is important to note that a large number of applicants do not have advisers and that changes affecting migration agent conduct may not necessarily impact significantly on RRT application trends.

4.12 The Government acknowledges the desire of the dissenting report’s authors to codify provisions for persons to remain in Australia on humanitarian grounds through the creation of an onshore humanitarian visa stream.

4.13 The Government notes that when an onshore humanitarian visa class existed several years ago, prior to its abolition by the previous government, its provisions were significantly broadened through judicial review. The Government is concerned that if such a category were to be reintroduced, this would recur, transferring or exacerbating the problem of abuse of the protection visa system to a new category, whilst doing nothing to improve provisions for genuine humanitarian claimants.

**Community Affairs References Committee**

Additional Information

Senator DENMAN (Tasmania) (4.46 p.m.)—On behalf of Senator Crowley, I present additional information received by Community Affairs References Committee relating to the committee’s inquiry into childbirth procedures.

Membership

The ACTING DEPUTY PRESIDENT (Senator Knowles)—The President has received a letter from a party leader seeking a variation to membership of a committee.

Motion (by Senator Heffernan)—by leave—agreed to:

That Senator Ridgeway replace Senator Greig on the Legal and Constitutional References Committee for the committee’s inquiry into the government’s response to the recommendations of the report *Bringing them home.*

**ASSENT TO LAWS**

Messages from His Excellency the Governor-General were reported informing the Senate that he had assented to the following laws:

- Indigenous Education (Supplementary Assistance) Amendment Bill 1999
- Higher Education Funding Amendment Bill 1999
- Health Legislation Amendment Bill (No. 3) 1999
- Border Protection Legislation Amendment Bill 1999
- Australian Security Intelligence Organisation Legislation Amendment Bill 1999
- Electronic Transactions Bill 1999
- National Residue Survey Levies Regulations (Validation and Commencement of Amendments) Bill 1999
- New Business Tax System (Capital Allowances) Bill 1999
- New Business Tax System (Capital Gains Tax) Bill 1999
- New Business Tax System (Former Subsidiary Tax Imposition) Bill 1999
- New Business Tax System (Income Tax Rates) Bill (No. 1) 1999
- New Business Tax System (Income Tax Rates) Bill (No. 2) 1999
- New Business Tax System (Integrity and Other Measures) Bill 1999
- Agriculture, Fisheries and Forestry Legislation Amendment Bill (No. 2) 1998
- Veterans’ Affairs Legislation Amendment Bill (No. 1) 1999
- Family and Community Services Legislation Amendment (1999 Budget and Other Measures) Bill 1999
- Social Security (International Agreements) Bill 1999
- War Crimes Amendment Bill 1999
- Migration Legislation Amendment (Migration Agents) Bill 1999
A New Tax System (Indirect Tax and Consequential Amendments) Bill 1999
A New Tax System (Indirect Tax and Consequential Amendments) Bill (No. 2) 1999
A New Tax System (Pay As You Go) Bill 1999
A New Tax System (Tax Administration) Bill 1999
Appropriation (East Timor) Bill 1999-2000
Taxation Laws Amendment Bill (No. 9) 1999
Textile, Clothing and Footwear Strategic Investment Program Bill 1999
Equal Opportunity for Women in the Workplace Amendment Bill 1999
Farm Household Support Amendment Bill 1999
Tradex Scheme Bill 1999
Tradex Duty Imposition (Customs) Bill 1999
Tradex Duty Imposition (Excise) Bill 1999
Tradex Duty Imposition (General) Bill 1999
Customs Tariff Amendment (Tradex) Bill 1999 [No. 2]
Customs Tariff Amendment Bill (No. 1) 1999
Social Security (Administration) Bill 1999
Social Security (Administration and International Agreements) (Consequential Amendments) Bill 1999
Federal Magistrates Bill 1999
Federal Magistrates (Consequential Amendments) Bill 1999
National Crime Authority Amendment Bill 1999
Quarantine Amendment Bill 1998
Broadcasting Services Amendment Bill (No. 1) 1999
Broadcasting Services Amendment Bill (No. 3) 1999
Superannuation Legislation Amendment Bill (No. 4) 1999
Australia New Zealand Food Authority Amendment Bill 1999 [No.2]
Diesel and Alternative Fuels Grants Scheme (Administration and Compliance) Bill 1999

BILLS RETURNED FROM THE HOUSE OF REPRESENTATIVES

Messages received from the House of Representatives agreeing to the amendments made by the Senate to the following bills:
Textile, Clothing and Footwear Strategic Investment Program Bill 1999

A New Tax System (Indirect Tax and Consequential Amendments) Bill (No. 2) 1999
Quarantine Amendment Bill 1998

HEALTH LEGISLATION AMENDMENT BILL (NO. 3) 1998

Second Reading

Debate resumed from 7 December 1998, on motion by Senator Ian Campbell:

That this bill be now read a second time.

Senator CHRIS EVANS (Western Australia) (4.47 p.m.)—I rise to speak on the Health Legislation Amendment Bill (No. 3) 1998 which was introduced in November 1998, the passage of which the opposition supported through the House of Representatives. Despite its alleged urgent nature, the bill has since sat on the Notice Paper in the Senate.

The original bill contained a range of minor amendments to the legislation for the National Health and Medical Research Council. These included changing the names of committees and the procedures to be followed in approval of grants. These changes were necessary because the NHMRC had been found by the Federal Court not to have followed procedural fairness rules in a passive smoking research case. The opposition supported this bill in the House and will do so again today.

I would like to remind the Senate that, whilst in government, Labor was very proactive in supporting and encouraging health research activity. In 1992 the then Minister for Health, Brian Howe, introduced the National Health and Medical Research Council Bill. The resulting legislation established the NHMRC as a statutory authority, giving it clear statutory independence ensuring that it could provide expert and impartial advice. Under the Labor government, the NHMRC continued to have support in that role.

To Australia’s credit, this country is a world leader in the field of health research. Our contribution to critical medical advances ranges from early pioneers such as Howard Florey and McFarlane Burnett to current greats such as Australian of the Year, Gus Nossal, and our newest Nobel Prize winner, Professor Peter Doherty. But perhaps our greatest resource is the accumulated knowl-
edge in the scores of laboratories around the country—laboratories participating at the cutting edge of research and firing the enthusiasm and creativity of the new generation of graduates. These are the people who keep Australian medicine at the forefront, and they are the people who depend on the NHMRC to set priorities and fairly distribute funds on merit.

There are many reasons to continue to support medical research within a strong national priority-setting framework. Firstly, and most importantly, we want to ensure that health policy and practice is safe and effective. Clearly, we want and expect the best health services and products to be available to the community. This can only be achieved by supporting research. Research should lead and reform practice. Secondly, we need to ensure that publicly funded research efforts are focused on health issues that are important to the Australian public. There are real opportunities to improve the quality of health services, as long as we set the agenda and ensure that research efforts reflect the needs of the public. It will be important to have a national public health research agenda which informs and improves the way services are delivered and evaluates the impact of both clinical and public health programs such as breast and cervical cancer screening, immunisation and programs that aim to decrease tobacco smoking.

Thirdly, Australia’s health research agenda must be beneficial to the country economically. There are real opportunities for research to benefit Australia in the international market. While medical research takes only a very small part of our total health budget, the savings that we could expect from successful medical research are enormous. The Wills report pointed out that the cost savings from measures such as the identification of direct avoidable costs in Australian hospitals could be as great as $870 million a year. In my home town of Perth, the discovery that a particular bacteria causes peptic ulcer has resulted in savings of $200 million a year in peptic ulcer treatments. There are also real opportunities for our basic medical and health research to be translated into products that will be of enormous benefit to our nation financially.

Australia can point to a number of successful commercial ventures arising from health and medical research such as Biota, but there have been a number of missed opportunities. The government is now moving substantive amendments in the Senate to establish the new position of CEO of the NHMRC and give the minister power to approve strategic plans prepared by the CEO, who is a departmental officer given the powers that would normally be enjoyed by a board. The opposition is supporting both these measures, although they do not go as far as we would wish. It is time that the NHMRC be given more independence from the minister and the department to take impartial decisions based on the best advice.

The council is currently an odd creature whose members are appointed by the minister. A small secretariat within the department, the Office of the NHMRC, performs the day-to-day administration of the organisation. The creation of this CEO position does little to ensure that the CEO will be able to act independently. The Wills review recommended not only the appointment of a full-time CEO but the restructuring of current organisational arrangements to create greater independence for the Office of the NHMRC. Wills argued that, in the absence of increased autonomy, separate identity and internal career paths, the council and its secretariat would not be credible amongst the states and territories—the providers of public health care services. The close linkage of the careers of the secretariat with the department potentially leads to conflicts of interest.

The Wills review envisaged a more autonomous, research-literate secretariat staff. It recommended the development of a memorandum of understanding between the NHMRC and the department to clarify roles, responsibilities, obligations and linkages. The government’s amendment ignores the suite of structural changes required to ensure that the CEO can act independently. The approval of grants is a protracted process which comes under the personal influence of the minister who is responsible for approving the final recommendations. It is unclear what value
this additional step has as we are told that, in the most recent round, the minister did not make any changes. Although the minister’s office received the recommendations for the NHMRC research grants on 29 October 1999, the grants were not announced until 23 November—a week later than the previous year.

Ideally the council should be reconstituted as an independent body, and political influence should be removed from the detailed grant making process. The best way for the minister to influence priorities is through the method being proposed in this amendment: by advising the council of additional priorities and commenting on its strategic plan. The minister is not in a position to pick and choose among the recommended projects. The changes proposed as government amendments are acceptable and will provide a step towards establishing the NHMRC as an independent statutory body.

Since the original bill was introduced, the government has announced an additional $614 million over six years for medical research. While there was understandable joy in the scientific community following this announcement in the last federal budget, many have come down to earth now that the details have been revealed. Table 2 of the science and technology statement, released two days after the budget, shows that next year expenditure on research across government will be $100 million less in constant prices than it was in Labor’s last year of government.

In relative terms, Australia remains a very poor investor in medical research. Figures in the Wills report highlight that we are now near the bottom of the scale in the OECD. Australia spends just $28 per head compared with an average of $66 per head for OECD countries and around $800 per capita in Japan and the US. The minister counts us among only eight countries capable of high-level medical research, but we spend the least. This injection of funds is welcome, but it will not close this gap to any great degree.

Not only has the government failed to act on the main policy recommendations in the review of medical research carried out by Mr Peter Wills, but the amount of money has to cover many areas dramatically affected by previous Howard government cuts. The university sector has been hit hard, and tax concessions that applied to research and development were cut in the Howard government’s horror budget of 1996.

Research in teaching hospitals is critical to understand how to better treat complex medical conditions. As funding through the NHMRC has increased over time, funds from state governments have dried up for research in public hospitals. When a hospital is privatised, its new owners have no interest in subsidising research, and any activity without a specific Commonwealth grant withers on the vine. Likewise in universities, when medical schools manage to get additional funds, they find the infrastructure funds that used to accompany the grants are redirected by the university to other priorities. Where NHMRC funding was once used as a top-up, it is now the principal source available to medical researchers as universities have adapted by reorganising their priorities. Traditionally, 46 per cent of university operating grants were spent on research, but this has plummeted as a result of a $840 million cut from university budgets. Again, the science and technology budget statement documents the decline. Under this government, the percentage of the nation’s wealth invested in research of all kinds has shrunk from 0.75 per cent of GDP to just 0.63 per cent.

On the policy front, the minister has failed to make any of the substantive changes that the Wills report has called for. Firstly, he has failed to tackle the serious problem of a lack of career structure for researchers. Pay scales remain well out of line with comparable overseas salaries and below Australian standards for high-class professionals. Little wonder that many of our best researchers are forced overseas and Australia loses the benefits of its most inventive scientists. Despite the announcement of the future funding increase, we are still seeing stories about the overseas brain drain of our scientists.

The opposition welcomes the government’s adoption of Labor’s 1998 election commitment to change the capital gains tax
regime to encourage investment in the Australian research industry by overseas pension funds and Australian superannuation funds. Labor did not need the Wills or the Ralph reports to tell us that we need to attract venture capital to Australian industry. We offer the government bipartisan support for initiatives to make the capital gains tax treatment of US pension fund investments in Australian high technology venture capital more competitive. We can only lament the researchers and research opportunities that were lost to this country while the government did nothing.

The Wills report has highlighted the need for structural and cultural changes to the administration and conduct of research in Australia. The very least we can offer our best and brightest medical minds and the young researchers whom they nurture is an environment of certainty. Labor will be supporting the bill and the government's amendments. We will be moving one amendment of our own to provide greater surety in the announcement of the grants by the NHMRC.

Senator LEES (South Australia—Leader of the Australian Democrats) (4.59 p.m.)—
The Democrats support the general purpose of the Health Legislation Amendment Bill (No. 3) 1998, which is to address administrative and procedural issues relating to the National Health and Medical Research Council. Since its formulation in 1936, the NHMRC has played an important role in leading health and medical research in this country. We believe the bill will assist the NHMRC in achieving its four principal goals. They effectively are: to raise the standard of individual and public health throughout Australia, to foster the development of consistent health standards between the various states and territories, to foster medical research and training and public health research and training throughout Australia, and to foster consideration of ethical issues relating to health.

The Democrats also support the membership of the council which includes nominees of Commonwealth, state and territory health authorities, the Aboriginal and Torres Strait Islander Commission, ATSIC, and people with a background in and knowledge of the medical and nursing professions, academia, trade unions, business, welfare and environment and consumer issues. We will be moving some amendments that relate to the make-up of the council during the committee stage. I will speak to those in a minute.

This bill addresses issues which have been identified as impediments to the NHMRC's duties—impediments to them exercising their duties in a timely and efficient manner. These administrative and procedural barriers include an overly cumbersome consultation process for the issuing of guidelines. In response to this, the council has recommended a more streamlined public consultation process. The new process outlined in the bill will streamline the council's procedures so that it can more effectively maintain its role as a national leader in the field of medical and public health research.

The Democrats support the move to a single stage public consultation process for developing these guidelines. This strikes an appropriate balance between the need for public scrutiny and input and the need for an efficient development process. It is important—and this bill makes it clear—that the council must take into account all the submissions before it actually finalises its guidelines. Therefore, there are not any concerns that interested parties will not have their views heard.

The Democrats also support the government’s amendments arising out of the health and medical research strategic review. We believe that the move to require the minister to approve the council's strategic plan will provide a greater degree of transparency and accountability.

I am not going to comment any further on the bill. I think there have been a number of comments from the opposition and we support those. I will just comment on the ALP's amendment that they are proposing. We do support this amendment as it sets a deadline for the announcement of grants. I am aware that there is some concern amongst researchers about the timeliness and the timing of
announcements, that they are getting later and later. If the announcement is near the end of the academic year, it makes it difficult for researchers to plan ahead for their programs and for their workloads. We will be supporting the setting up of deadlines to ensure that the NHMRC announces the grants in a timely manner.

As for our amendments, this is a package of amendments that my colleague Senator Murray has been working hard on over quite some time now. Indeed, I think it is about the fifteenth time that we have moved these amendments. They relate to a process by which people are elected to the NHMRC. We believe that the public must have trust in the appointment process. They must have confidence that the minister will not allow any irrelevant considerations, personal interests, et cetera, to influence public appointments. We have guaranteed within our amendments that the cross-section of people who are now on the board will still be chosen but that the appointments will be done in a very, very transparent process. Our amendments really relate to a published code of practice that we can step back with and look at appointments to see whether they have been made appropriately.

Also, I understand that Senator Harradine has been in some discussions relating to the guidelines being posted on the Internet. One would hope that government, with this new means, with the new technology available, will be sympathetic to Senator Harradine’s concerns. We certainly share them, and I presume that some agreement has been reached with government. I understand Senator Harradine may not be speaking and pursuing that amendment, but I will wait to hear from the minister to find out whether the government is prepared to look at using this new technology.

Senator HARRIS (Queensland) (5.04 p.m.)—I rise on behalf of One Nation to support the Health Legislation Amendment Bill (No. 3) 1998 that the government is proposing. In doing so, I also support the proposal that will encourage more research and development within Australia. We need to go beyond that one step further and ensure that within Australia there are sufficient finance facilities to develop the outcomes from that research and development.

As a nation we have long had extremely competent scientists, and even people off the street, who have developed proposals—some financed on research and development capital and some that have not been. But for too long a large proportion of these people have found that there is not sufficient capital within Australia to maximise the economic development of the outcomes of their research and development for the Australian economy. So I support Senator Evans’s comment about the proposal encouraging research and development but go further and challenge the government to create an economic environment under which those gains can continue to be developed and the benefits supported in Australia.

Senator Lees mentioned public scrutiny. That is one area in which I do have some concerns and will be seeking from the government clarifications on certain sections of the bill. They mainly centre around the proposal in 14B, which states:

If the Council is satisfied that a proposed regulatory recommendation, or proposed prescribed activity, referred to in section 12, or proposed guideline referred to in section 13 or 14A, raise issues that are of minor significance only, the Council may omit all or any of the steps set out in section 12, 13 or 14A, as the case may be.

I am seeking clarification from the government whether the government intends to put into the interpretation clarification of what will be an issue that is of minor significance only. Section 14B goes on to say:

If the Council proposes to omit all or any of the steps set out in section 12, 13 or 14A, the Council must publish a notice, in the manner and form, and within the period, specified in the regulations, stating its reasons for so proposing.

I will be again seeking clarification from the government as to whether the council will actually publish that notice; if there are any responses to that notice, how they will be accommodated by the council itself; and whether there is any redress at that point. In conclusion, One Nation does support the proposal that the government is putting for-
ward but will be seeking clarification on those issues.

Senator HARRADINE (Tasmania) (5.09 p.m.)—I will be very brief. I am proposing to support the Health Legislation Amendment Bill (No. 3) 1998, but I would like to use this opportunity and the opportunity during the committee debate to raise questions about the nature of the grants that are made and whether or not there is an examination of the outcomes of the research that is undertaken with taxpayers’ money. For example, an article in the *Sydney Morning Herald*—and I am not sure of the date—says:

But while some researchers and lobbyists try to redefine what constitutes ethical behaviour in the chase for their part of the health dollar, the truth is that no-one in Australia knows exactly how much money is being channelled into which type of cancer—

this is in respect of cancer research—

let alone whether any of it is delivering value for money.

Also, I have a question to ask in the committee stage as to whether there is any way of identifying how much money is going to research into each disease in Australia. For the life of me, I am trying to find that out but I cannot do so. There does not seem to be a publication that will give to anyone interested—and I think there are a lot of people interested—how much money goes to research into a specific disease. I know the debate on the second reading is not the time to ask specific questions, but I put the parliamentary secretary on notice that I will be asking these matters in the committee stage.

Senator TAMBLING (Northern Territory—Parliamentary Secretary to the Minister for Health and Aged Care) (5.11 p.m.)—

The Health Legislation Amendment Bill (No. 3) 1998 amends the National Health and Medical Research Council Act 1992 to streamline the council’s procedures so that it can more effectively maintain its role as a national leader in the field of medical and public health research and advice. These amendments introduce a streamlined, single stage, public consultation process that council will follow when seeking to issue guidelines. This process consists of advertisements notifying of the council’s intention, a summary or outline of the guideline and information on where interested parties can obtain a copy of the full draft guideline. The government intends that any notices and guidelines would be available on the Internet, and I know this issue has been raised by both Senator Lees and Senator Harradine in other discussions.

The bill makes it clear that council must take into account all submissions received before finalising and issuing a guideline. The bill also makes it possible for council to endorse and issue guidelines developed by other bodies. However, the bill ensures that council can demand of other bodies the very public consultation that it itself would have engaged in.

In addition, the amendments make some minor changes to a principal committee name—the Medical Research Committee to be renamed the Research Committee—and to some of the council’s committee operations. Provisions have been added which enable principal committees to appoint a deputy chairperson and extend the council’s power to appoint and delegate to a working committee and delegate to the chairperson of the council.

Additional amendments became necessary following the health and medical research strategic review, and cover two main issues. Firstly, the amendments make provision for the minister to approve the council’s strategic plan, providing a greater degree of transparency and accountability. Secondly, the amendments allow for the appointment of a chief executive officer to the council while repealing the existing position of the secretary to the council.

I am certainly aware that there have been issues raised by other speakers. I am pleased to note their support for the legislation but, at the same time, they have indicated areas where they would like to see some amendment or some refinement. Senator Evans raised a number of issues. I can assure him that there is no political influence on the grants and that the minister cannot vary the NHMRC’s research grant recommendations.

The recommendations of the Wills report have been accepted. It is very important to
note the doubling of research funding for the NHMRC and, of course, the appointment of a CEO, which is now reflected in the legislation before us and a change in the investment regime.

I understand there has been some discussion between officers about the amendment proposed by the Labor Party with regard to the notification of the process by which recipients of grants are to receive their notification and with regard to setting a target for that. The original amendment that was being looked at looked at a very specific date—I think it was intended to be 1 November. However, there has been some discussion on this issue and, hopefully, when we see the final amendment that will be put forward by the Labor Party, it will reflect a date to be set out in the strategic plan for the category of grants, because there are important targets and issues that arise with regard to that area. Whilst I saw an earlier proposed amendment, I am hoping that what Senator Evans will put forward will accommodate those particular changes. If they do so, then the government could accept them.

With regard to the amendments proposed by Senator Lees on behalf of the Democrats, I advise that the government does not support the Democrats’ amendments, as we consider that they are not appropriate to the council. The existing act already sets out the procedures to be followed before appointing members to council, and the act also specifies the expertise required by council members and lists organisations from which nominations must be sought. I am sure that any perusal of the list of names of people who participate in the various committees and council of the NHMRC would certainly indicate the impartiality, the professionalism and the very special skills that are brought to that particular task. I am certainly not aware that there have been any comments about criticisms in that particular area.

Senator Harris, on behalf of One Nation, raised issues relating specifically to clause 14B of the bill. I would like to advise him that it is the council which decides whether to dispense with any particular consultations in the process but that, importantly, the council must then publish its reasons for those decisions. As I have indicated to both Senator Lees and Senator Harradine, I think the use of the Internet as part of the sophisticated process of advice will become something on which the community can rely and on which there will be important issues. The particular issues to which he refers are of minor significance and often will be issues relating to editorial content or administrative change in particular aspects. I think those concerns will be addressed.

Senator Harradine also raised the issue with regard to the nature of grants and the measurement of outcomes. The NHMRC has been working for some time on the classification of grants and, in particular, creating better systems whereby the grant network and programs can be made available. We support the tenor of the comments made by Senator Harradine that this is an area that does require additional concentration, effort and work. I can certainly give him an assurance that that will be done.

Senator Harradine also asked a question particularly relating to outcomes—measuring the value for dollar that is an investment in this particular area. That has been done in the past in various ways. I believe the last summary of this was in 1997, where the impact and outcomes were measured in an analytical way that certainly has complemented the work of the NHMRC. By any international standards and comparisons, Australia can certainly stand proud of its record in this area. Certainly, over those sorts of periods we have been well recognised in the international arena as having some of the highest research outcomes and benefits in the world. We can have confidence in the NHMRC.

The government has circulated amendments and I propose to move them as a whole in the committee stage of this debate. I thank the Senate for the support that it has indicated for this legislation.

Question resolved in the affirmative.

Bill read a second time.

In Committee

The bill.

Senator TAMBLING (Northern Territory—Parliamentary Secretary to the Minister for Health and Aged Care) (5.20 p.m.)—
table a supplementary explanatory memorandum relating to the government amendments to be moved to the bill. The supplementary explanatory memorandum was circulated in the chamber on 15 February. I seek leave to move the government amendments together.

Leave granted.

Senator TAMBLING—I move:

(1) Schedule 1, page 3 (before line 6), before item 1, insert:

1A Section 4

Insert:

Chief Executive Officer means the Chief Executive Officer referred to in section 44A.

(2) Schedule 1, page 6 (after line 12), after item 6, insert:

6A Subsection 16(6)

Repeal the subsection.

6B At the end of subsection 18(3)

Add “This subsection has effect subject to subsection (6).”.

6C Subsection 18(5)

Repeal the subsection, substitute:

(5) After receiving a strategic plan, the Minister must either:

(a) approve the plan; or

(b) give the plan back to the Council with a request for the Council to give the Minister a different strategic plan for the same period.

(6) If the Minister requests the Council to give him or her a different strategic plan, the Council must do so as soon as reasonably practicable.

(7) A strategic plan comes into force:

(a) immediately after the end of the period covered by the immediately preceding strategic plan that was in force; or

(b) when it is approved by the Minister, if the Minister approves it after the end of that period.

(8) The Minister must cause to be laid before each House of the Parliament a copy of a strategic plan he or she has approved, within 15 sitting days of that House after he or she approves it.

Note: The heading to section 18 is replaced by the heading

“Approval, commencement and tabling of strategic plans”.

6D Before subsection 19(1)

Insert:

(1A) During the period for which a strategic plan is in force, the Minister may request the Council to give him or her a variation of the plan.

6E At the end of subsection 19(1)

Add “The Council may do so on its own initiative or as a result of the Minister requesting the Council to give him or her a variation of the plan.”.

6F After subsection 19(3)

Insert:

(3A) After receiving a variation of a strategic plan, the Minister must either:

(a) approve the variation; or

(b) refuse to approve the variation.

6G Subsection 19(4)

Omit “a variation of a strategic plan is given to the Minister”, substitute “the Minister approves the variation of the strategic plan”.

6H Paragraph 19(4)(b)

Omit “receipt”, substitute “approval”.

6J Application

The amendments of sections 16, 18 and 19 of the National Health and Medical Research Council Act 1992 made by this Schedule apply in relation to strategic plans for periods starting after 30 June 2000.

6K Paragraph 20(b)

Repeal the paragraph, substitute:

(b) the Chief Executive Officer;

6L Section 22

Repeal the section.

6M Subsection 23(1)

Omit “Secretary to the Council”, substitute “Chief Executive Officer”.

6N After subsection 25(2)

Insert:

(2A) Subsection (2) does not prevent remuneration of the Chief Executive Officer as described in section 44C.

(3) Schedule 1, page 6 (after line 17), after item 8, insert:

8A Paragraph 37(2)(c)

Repeal the paragraph, substitute:

(c) the Chief Executive Officer;

(4) Schedule 1, page 8 (after line 18), after item 16, insert:

16A After Part 5

Insert:
Part 5A—Chief Executive Officer

44A  Chief Executive Officer

(1) There is to be a Chief Executive Officer of the Council.

(2) The Chief Executive Officer is the executive officer of the Council having responsibility for its day-to-day activities.

(3) The Chief Executive Officer is to act in accordance with:
   (a) the policies (if any) determined in writing by the Council; and
   (b) the directions (if any) given in writing by the Council to the Chief Executive Officer.

44B  Appointment

(1) The Chief Executive Officer is to be appointed by the Minister by written instrument.

(2) The Chief Executive Officer holds office on a full-time basis.

(3) The Chief Executive Officer holds office for the period specified in the instrument of appointment. The period must not exceed 5 years.

44C  Remuneration

(1) The Chief Executive Officer is to be paid the remuneration that is determined by the Remuneration Tribunal. If no determination of that remuneration by the Tribunal is in operation, the Chief Executive Officer is to be paid the remuneration that is prescribed.

(2) The Chief Executive Officer is to be paid the allowances that are prescribed.

(3) This section has effect subject to the Remuneration Tribunal Act 1973.

44D  Resignation

The Chief Executive Officer may resign his or her appointment by giving the Minister a written resignation.

44E  Other terms and conditions

The Chief Executive Officer holds office on the terms and conditions (if any) in relation to matters not covered by this Act that are determined by the Minister. The terms and conditions that the Minister may determine include terms and conditions relating to termination of appointment.

44F  Acting appointment

(1) The Minister may appoint a person to act as the Chief Executive Officer:
   (a) during a vacancy in the office of Chief Executive Officer, whether or not an appointment has previously been made to the office; or
   (b) during any period, or during all periods, when the Chief Executive Officer is absent from duty or from Australia, or is, for any reason, unable to perform the duties of the office.

(2) Anything done by or in relation to a person purporting to act under an appointment is not invalid merely because:
   (a) the occasion for the appointment had not arisen; or
   (b) there was a defect or irregularity in connection with the appointment; or
   (c) the appointment had ceased to have effect; or
   (d) the occasion to act had not arisen or had ceased.

16B  At the end of section 45

Add:

(3) Each of the following persons must perform his or her functions or duties in accordance with the directions of the Chief Executive Officer:
   (a) a member of the staff of the Council;
   (b) an officer or employee of the Department performing services under arrangements made under subsection (2);
   (c) an officer or employee mentioned in paragraph 48(1)(d) performing services under arrangements with a person mentioned in paragraph 48(1)(a) or (b).

(5) Schedule 1, page 8 (after line 22), after item 18, insert:

18A  Paragraph 81(2)(e)

Repeal the paragraph, substitute:
   (e) the Chief Executive Officer;

(6) Schedule 1, page 8 (after line 28), at the end of the Schedule, add:

21  Paragraph 82(2)(c)

Repeal the paragraph, substitute:
   (c) the Chief Executive Officer.

Senator CHRIS EVANS (Western Australia) (5.21 p.m.)—I indicate on behalf of the opposition that we intend, as I indicated in my speech at the second reading stage, supporting the government amendments Nos 1 to 6. We will be voting for those amendments. While I am on my feet, I indicate that, consistent with past practice, we will be opposing those Democrat amendments for reasons stated in earlier debates.

I also indicate, rather than jumping up and down a number of times, that we are happy to work closely with the government to resolve the issue relating to our amendment. We
wanted to get some surety about the announcement of the timing of the grants to allow applicants to know where they stood at a fairly early stage—as these are often people who are having to make other arrangements for their work for the following year. We have had representations from researchers wanting to make sure there was an agreed timetable so that people would know when the grants would be announced and whether they would have to seek alternative work for the following year—so that they could make those arrangements. I appreciate that Senator Lees has indicated her support for that amendment. I understand that the government is prepared to accommodate that policy outcome by way of agreed amendment to make it part of the strategic approach to have a series of dates put in. I think that would give us the policy outcome that is acceptable around the chamber. I am not sure at this stage whether we have the words to do that.

The CHAIRMAN—They are coming, Senator Evans.

Senator CHRIS EVANS—If they are not available when we get to our amendments I suggest that we might adjourn the debate and finish that off on another day. To assist the committee I am just covering all the proposed amendments in the one contribution. As I say, if we are ready to go today, that will be fine. If we can get some sort of agreement about meeting that need for some certainty about the announcements and fitting that in with the strategic plan of the NHMRC, that would be a good thing—and I am pleased the government is prepared to consider that. Hopefully we can resolve that in a way that is acceptable to everyone around the chamber. But as I say we are supporting the government’s amendments Nos 1 to 6, and we will be opposing the Democrat amendments.

Amendments agreed to.

Senator LEES (South Australia—Leader of the Australian Democrats) (5.24 p.m.)—I move the Democrat amendment:

6A At the end of subsection 21(1)
Add “in accordance with a code of practice determined under section 21A”.

6B After section 21
Insert:

21A Procedures for appointment of Council members
(1) The Minister must by writing determine a code of practice for appointments to the Council that:
(a) sets out general principles on which appointments are to be made, including, but not limited to:
(i) merit; and
(ii) independent scrutiny of appointments; and
(iii) probity; and
(iv) openness and transparency; and
(b) sets out how these principles are to be applied to the selection of members.

(2) The code of practice must include a requirement for any person appointed to make a declaration if he or she is a member of a political party.

(3) After determining a code of practice under subsection (1), the Minister must publish the code in the Gazette.

(4) Not later than every third anniversary after a code of practice has been determined, the Minister must review the code.

(5) In reviewing a code of practice, the Minister must invite the public to comment on the code.

(6) A code of practice determined under subsection (1) is a disallowable instrument for the purposes of section 46A of the Acts Interpretation Act 1901.

Yes, we have moved this amendment before. I am disappointed that it seems we still do not have support for them. This is more than just a guideline for the minister; it is a code of practice, a code of conduct that will make sure that there is full accountability to the Australian people. It preserves the ability of the selection to be right across the board, across interest groups, across various states and other bodies. But I am disappointed, as I say, that the indication is that, yet again, these will not be supported. This is not the only area in which these amendments are necessary. It is the fifteenth time we have attempted to get them into legislation to set up a code of practice that will go across all acts, across all of the various boards that are selected by various ministers. I think it is really in the government’s own best interest to step back to make sure that the appointment proc-
Amendments not agreed to.

Senator TAMBLING (Northern Territory—Parliamentary Secretary to the Minister for Health and Aged Care) (5.25 p.m.)—I realise there is some negotiation with regard to the issue. Could we give Senator Harradine or Senator Harris the opportunity to speak at this point if they have other issues they wish to pursue in the committee stage? If the drafting of the amendment is then not concluded, I would propose that we seek leave to sit again at a later hour. I do not know whether I had sufficiently answered in the second reading summary the issues that were raised by either Senator Harris or Senator Harradine.

Senator HARRADINE (Tasmania) (5.26 p.m.)—I have not had an offer like that to speak for half an hour for a long time!

Senator Chris Evans—I did not second that, Brian.

Senator HARRADINE—I do not wish to take it up because in fact the Parliamentary Secretary to the Minister for Health and Aged Care responded most generously to the question that I posed in the second reading debate. Also, I am very grateful for the letter from the minister’s office in respect of the matters that I raised with the minister previously. So I am grateful to the minister and will not speak for any more than the minute of my half hour that I have taken.

Senator HARRIS (Queensland) (5.27 p.m.)—I would like to return to my original question to the government in an attempt to clarify the issue of ‘minor significance only’. The Parliamentary Secretary to the Minister for Health and Aged Care only partially answered another question—that is, how will that information be published? To publish the intention of the council to vary the requirements in sections 12, 13 and 14A is one thing, but the information that I believe the public require will not be provided in a notice that merely sets out that the council is varying the regulations. I believe it is an error on the part of the Senate to actually pass a bill that gives the council the ability to vary a section of the act with insufficient clarification as to the parameters in which it can vary those sections of the bill. Senator Tambling mentioned editorial issues and one other issue under which the minor significance may in actuality be the basis for that variation.

But if there is a report or a recommendation that has actually been produced that is of a minor health issue, I believe that under that section the council would have the ability to adopt that without there having been any public comment on that. That is the area where I believe the minister needs to clarify for the chamber whether under any circumstances whatsoever the council can accept a recommendation that would be anything other than an editorial or a typographical change.

Senator TAMBLING (Northern Territory—Parliamentary Secretary to the Minister for Health and Aged Care) (5.30 p.m.)—Can I set Senator Harris at rest with regard to any issue that involves regulation. If any matter did require a change to regulation, it would go through the full and proper parliamentary consideration and process and there would in no way be any shortcuts. What we are essentially talking about, of course, is the process by which the NHMRC handles its process of consultation with regard to the guidelines and the criteria that are used in the determination of its grants. As I indicated, we would generally only envisage that such changes would be in areas of minor or editorial significance and, hopefully, they could be by communication with the parties involved or specifically on issues that would be available through the reporting that is now available on the Internet. However, I am advised that, if the issue did require additional information to be published in a more appropriate area, it could be done in the government Gazette, or if any issue had perhaps a wider issue of significance, then that could also be handled in the media. I do not envisage it being given the process of what we are talking about in the processing of grants for the research itself and the activities undertaken by the NHMRC. I believe that the legislation and government amendments cover these issues.

Progress reported.
MIGRATION LEGISLATION AMENDMENT BILL (No. 2) 1999

Second Reading

Debate resumed from 31 March 1999, on motion by Senator Ian Campbell:

That this bill be now read a second time.

Senator SCHACHT (South Australia) (5.33 p.m.)—I rise on behalf of the opposition to indicate that the opposition supports the Migration Legislation Amendment Bill (No. 2) 1999. This bill has no central theme but is designed to implement a number of initiatives and amendments to the main legislative instrument, the Migration Act 1958. The proposed amendments cover a broad policy area, from amendments to temporary entry business sponsorship to transitional arrangements which reflect the creation of the new Migration Review Tribunal.

The bill is divided into nine separate schedules of, as far as the opposition is concerned, a non-controversial nature. Those areas are as follows. Schedule 1 proposes the implementation of procedures for the monitoring and cancellation of temporary entry business sponsorships. Schedule 2 proposes to amend the Migration Act to prevent potential visa applicants from making applications for visas that would be refused under current migration policy. Schedule 3 seeks to introduce the implementation of a more flexible method of authorising persons and classes of persons to be officers for the purposes of the Migration Act. Schedule 4 seeks to empower state and territory corrective services authorities to detain for the purposes of deportation non-citizens who are liable for deportation at the end of their prison sentence. Schedule 5 provides for a merits review of decisions to refused applications for permanent migrant’s spouse or interdependency visas. Schedule 6 provides under certain circumstances for the granting of visas to applicants who would otherwise be adversely affected by the visa capping provisions. Schedule 7 seeks to extend to two years the period in which a points tested visa applicant who meets the pool mark for the granting of a visa may have their visa application held in reserve. And schedules 8 and 9 relate to transitional arrangements reflecting the creation of the newly established Migration Review Tribunal.

In conclusion, as I say, the opposition believe this bill is non-controversial. We support the proposal and expect it to be passed forthwith.

Senator COONEY (Victoria) (5.35 p.m.)—I have some remarks I want to make about the Migration Legislation Amendment Bill (No. 2) 1999. As Senator Schacht has said, an amalgam of measures is brought forward in this bill. There are some aspects that it raises which I would like to comment on. I notice schedule 3—Authorisation of Officers—deals with those people who can carry out functions under the Migration Act. One of the problems with the Migration Act, which need to be looked at, is this: an officer who has to carry out arrests or any of what would be called ‘policing functions’ that are required by the Migration Act can even be a person in a relatively low position, if I can use that expression, in the Department of Immigration and Multicultural Affairs.

Given that position, there is some cause for concern. The duties that have to be carried out under the Migration Act can be very difficult duties indeed and there has been in recent times a heightened awareness of the problems that we have in keeping our borders safe from those who would come here without permission. In many cases those people who come here are refugees. Australia has never been a country which would refuse entrance to refugees, no matter how they come. Under the Geneva Convention we have performed acts, I think, of great charity and of great generosity over the years. Of course we have benefited from the people who have come, but the fact of the matter is that we do have these people coming from across the seas. If we are to accept what has been said, these people are brought in some instances by criminals, by people who have organised people smuggling to these shores.

So the whole area of migration has become a very serious one. We have an act of parliament—namely, the Migration Act—which requires officers of the department to
carry out the policing functions, including policing functions which may impact upon these sorts of people. I think this is a very difficult position for these people to be placed in. It may well have reached the stage where the administration of the borders should be carried out by some department other than the migration department—perhaps by the Federal Police or bodies like that.

When you look at schedule 3 and look at the amendments that have been proposed there in terms of the authorisation of officers, these questions are raised in quite a stark way. I think the time has come when we should be looking at exactly what it is that we require people employed in the migration department to do. This is particularly so when those people can obtain warrants from people within the department. They do not have to go outside to magistrates or judges to get warrants to enter people's homes where there might be a transgression of the Migration Act, where the rules of the Migration Act might have been broken. These people who are going to execute their duty do not have to get a warrant like a policeman or someone from the National Crime Authority; they can simply get a warrant, not from an outside source, but from within the department itself. That I think is a matter of some concern.

So there are two things. The first is requiring people who can be quite junior in the department to carry out policing actions. The second is the department can send its officers out without having to go through some monitoring of that process. That is a matter of some concern. The opposition supports the actual terms of schedule 5, nevertheless it does present an occasion where the matter of what the duties are of the department could be looked at.

The other issue I want to touch upon is mentioned in schedule 9—the judicial review provisions. The great debate on judicial review is yet to take place. People thinking about judicial review have to remember exactly what judicial review is all about. Judicial review is all about keeping quality in terms of the decisions made under the act. In other words, the purpose of judicial review is to make sure the decisions made under the Migration Act are decisions which are made in accordance with the law and made in accordance with the evidence. That oftentimes is difficult to do. Given the consequences of the decisions that are made by the department, it would be very bad if those decisions were made contrary to the law and contrary to the evidence. The idea of having a judicial review is to ensure that the process by which those decisions are made is correct.

The immigration department makes some very vital decisions. Perhaps the most vital one is whether or not a person is a refugee. But there are other decisions which have great consequence such as whether a person will be able to come to Australia as a migrant, as a long-term visitor or simply for a holiday. They are all decisions that affect people's lives and affect them quite significantly.

As Senator Schacht said, the opposition supports this bill, but, as with all migration legislation, it raises great issues. Migration is a very crucial issue for Australia. I think per head of population Australia has taken more migrants over the years than any other. So it is a very central point to the sort of place we have. We have to look in a proper way at legislation that affects this area, and that is what I am hoping I am doing at the moment.

Those are the two issues I would like to raise: firstly, the issue of the people who carry out the provisions of the act; and, secondly, the need for judicial review of migration decisions.

Senator BARTLETT (Queensland) (5.45 p.m.)—The Democrats will not be opposing this piece of legislation. I think a number of the measures in it are positive ones. While some are basically administrative changes, there are some positive changes in here. There are one or two areas where we could quibble, but, given that the opposition is supporting the bill in any case, I do not see much point in pressing those issues too significantly through this particular piece of legislation.

As Senator Cooney said, the Migration Act, including migration issues more broadly, is a very important and very significant piece of legislation and quite central in many ways to the future and the present functioning of this nation. Senator Cooney mentioned
briefly schedule 9 of the bill, which relates to judicial review, and it is worth commenting on. The issue of the appropriateness of people’s ability to seek judicial review—or inability, in some circumstances—is of concern and I believe needs further examination. But, in the context of this particular piece of legislation, that schedule basically seeks to maintain consistency between the requirements for judicial review under the new Migration Review Tribunal and those applied under the old Immigration Review Tribunal. In that context, that was a legislative decision that had been made by this parliament in the past. I think it is appropriate to apply consistency in that regard, despite some broader issues surrounding judicial review.

There are a couple of positive measures in here that are worth noting. Oftentimes in this place, we focus on the negative. In particular, in some areas to do with migration policy and this government, I have focused on the negative. But there are a couple in here that I think are worth highlighting. Whilst they are not monumental changes, they are nonetheless positive ones. The extension of merits review of decisions to refuse applications for permanent migrant spouse or interdependency visas which are made offshore is a positive one, bringing the offshore migrant visas into line with the merits review available for onshore spouse and interdependency visa classes. That area of consistency is a positive, as is the extension of the ability for merits review of refusal decisions.

The other areas that are worth pointing to include the ability to provide for the granting of visas to applicants who would be otherwise adversely affected by visa capping provisions which have been in place in the past. Perhaps the area that is most worth highlighting is the extension to two years of the period in which a points tested visa applicant who meets the pool mark for the grant of a visa may have their visa application held in reserve. That is for those who have not necessarily met the prevailing pass mark but did meet the lower pool mark. Currently, they would stay in that pool for 12 months. They will now be able to stay in that pool for two years. That is potentially beneficial in itself, but the particular benefit arising from that that is worth highlighting is that it does provide more opportunity for people interested in settling in regional Australia to be able to be contacted by employers in regional Australia. It increases the pool and the range of skills available within that pool for employers in regional areas.

That is an issue that the Democrats have strongly supported for a long time. The movement of people into regional areas is encouraging, not just migrants from overseas but people from our capital cities. The flow of people out of many regional centres to the capital cities or the larger towns is a widely acknowledged problem in Australia. The component of the Migration Act that does provide for incentives for people to migrate and work in regional areas is one that the Democrats support. It is currently being considered in some detail by the Joint Parliamentary Committee on Migration. The committee is looking at some of those schemes and the operation of them. It is not a particularly large scheme at this stage. I hope that the committee can explore opportunities for expanding that scheme. This particular measure in this legislation is one small way of going down that path. I would like to note that, support that particular measure specifically and encourage the government and all senators to examine other ways that we can encourage people to move into regional areas, particularly areas where there is a need for people with particular skills.

It is quite clear from the parliamentary committee inquiry I mentioned previously, even from our initial hearings and submissions, that there is a need in various parts of regional Australia. The migration system is one way, amongst others, of meeting those needs. Indeed, we have seen in recent times some tentative statements by people such as the Deputy Prime Minister, Mr Anderson, noting the possible need for regional areas to increase their migrant intake. It is seen as a potentially sensitive area because of perceived antagonism towards migrants from particular parts of the world in some parts of regional Australia. I am not convinced that that antagonism is as extreme as people may fear, particularly if people have the opportunity to be made aware of the positives that
can be provided to that community if they take advantage of the skills, enthusiasm, ideas and fresh approach available to them from people from other places. The parliamentary committee has already received evidence about some of the values and benefits that people have brought to particular parts of regional Australia under the program, which provides incentives for migrants to work in regional areas. The Democrats particularly support measures in that direction. We support the government for this particular small, but nonetheless positive, measure and encourage any further measures that may go down that path in the

Senator HARRIS (Queensland)  (5.52 p.m.)—On behalf of One Nation, I rise to support the government on the Migration Legislation Amendment Bill (No. 2) 1999. In doing so, I would like to raise my main concern with the process as it is at the moment and to seek some clarification from the minister about how the government intends to close the following loophole. A temporary business visa can be attainable with the requirement that the person has to provide evidence of having sufficient economic backing to be able to initiate a business in Australia. There are cases where it is perceived that these temporary business visas are being misused by people coming in, showing the amount of money that is required to achieve the temporary entry visa—by either borrowing the money or having the finances made available to them—and then remitting it back to their country of origin and not setting up a bona fide business within Australia. I seek clarification as to how the government intends to close that loophole.

In the Joint Standing Committee on Migration, some questions were raised about fees. The questions that I would put again to the Parliamentary Secretary are: what amount of fees have been collected since these fees have been introduced? How many refugees are seeking intervention by the minister to have those fees stood aside? How often has that occurred? The government itself recognises that the fee has been in place for only a relatively short period, and it is seeking an extension of the sunset clause for a further two years, until June 2001. Could the minis-ter comment on whether, in the gathering of the data in relation to those fees, the government intends to include information that would show a breakdown of the countries of origin of the people who have been seeking relief from the fees?

Again, in supporting the government, I believe the government have taken positive steps to address the anomalies in the migration legislation. We commend them for introducing sections to the bills that will, to some degree, address the issues I have raised about what I would refer to as the ‘loans scam’. We also seek clarification from the minister as to the government’s purpose for introducing the skills matching database and how it will be used in the new process.

Senator PATTERSON (Victoria—Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs and Parliamentary Secretary to the Minister for Foreign Affairs) (5.57 p.m.)—I thank honourable senators for their contribution and for their indication of support. The Migration Legislation Amendment Bill (No. 2) 1999 is evidence of the will of the government to enhance the efficiency of the administration of the migration legislation while preserving its integrity and the rights of persons affected by it. Some measures in these areas have been outlined by honourable senators, and they include implementing recommendations made by a committee of inquiry in relation to temporary entry business sponsorships; saving clients of the immigration department from wasting time and money in making applications that could not succeed; protecting our community from convicted criminals who are subject to deportation; providing certain visa applicants with merits review rights in respect of decisions previously not merits reviewable; allowing the grant of visas to applicants otherwise affected by successive caps on visa grants; doubling the period points tested migration applicants can remain in the pool; and maintaining the integrity of the scheme of judicial review of immigration decision making by treating decisions of the Migration Review Tribunal, which commenced operation on 1 June last year, in the same way as those made by the IRT, the Immigration Review Tribunal. This bill contains
measures which are beneficial to clients and/or the community at large while still ensuring that the government’s migration program is not compromised.

Senator Cooney raised an issue that was raised by the Scrutiny of Bills Committee, and I want to put on the public record a response to the comments of Senator Cooney’s. The minister said that, in his opinion, specifying in the legislation the requisite qualifications or attributes which appointees should possess before they can be appointed as officers under the act is inappropriate for the following reasons—and he gave two reasons. Firstly, in an environment of changing approaches to workplace practices and to the delivery of government services, it would be very difficult to foresee in each case what attributes or characteristics future officers might have or might be required to have before they could be considered for appointment. The provisions as drafted retain flexibility for this government and future governments to continue to ensure better outcomes in the delivery of government services.

Secondly, while he agreed that officers should possess special attributes and qualifications, he is of the view that the act is not the appropriate place to specify these attributes and qualifications. In the current environment, the qualities of the persons employed by a service provider are more appropriately detailed in contractual arrangements between the service provider and the department. In the case of other Public Service officials who may be made officers under the act, their qualities or characteristics are set out in the relevant legislation that deals with their employment status. That was the minister’s response to the issues that were raised by Senator Cooney.

With regard to the issues that Senator Harris raised, some of these are tangential to but not actually in this omnibus bill. Legislation has been put in place to regulate more carefully the Business Migration Program. Offshore, consideration is now given to what a business’s assets were for several years before the application—they look back at the business making the application before the visa is granted. Onshore, when the person comes here, the department looks at the business activity for several years before the granting of residence. In both these cases, the activities are monitored and the visa can be cancelled. That is in place already.

With regard to the question that you asked about relief of fees, the departmental officers advised me that they were not quite sure of the point that you were making and, again, it is not absolutely pertinent to this bill. I thought it might be appropriate to offer you a briefing from the departmental officers on the whole Business Migration Program—that is, where the changes have occurred and what safeguards are in place. You could then raise that issue about the fees. Maybe, in that sort of environment, we could work out exactly what you are talking about and whether it is possible to get information about that on the basis of where the people are applying from. We just did not know which fees you were referring to. Across the board, there are a large number of different issues within the different visa classes. If you would be happy with that, we could have a briefing where you could ask quite detailed questions about the whole program and then, if you have some issue that you wish to raise publicly in the parliament, that would be appropriate. I think it would be easier—because it is not actually relevant to the bill under discussion—if you were prepared to accept that. I commend the bill to honourable senators and thank all senators again for their contribution.

Bill read a second time, and passed through its remaining stages without amendment or debate.

HEALTH LEGISLATION AMENDMENT BILL (NO. 3) 1998

In Committee

Consideration resumed.

The CHAIRMAN—The question is that the bill, as amended, be agreed to.

Senator CHRIS EVANS (Western Australia) (6.04 p.m.)—Revised amendments to be moved by me on behalf of the opposition have been circulated in the chamber. They go to the debate that we had earlier about a timetable for the notification of grant assistance. We have worked with the government in the last hour or so to find a form of words
acceptable to the government that meets the policy intent of our original amendment, which was to make sure that there was some certainty about the timing of notification of grants and provide assistance to people seeking grants to have notification in time to make other arrangements if they were unsuccessful but to properly arrange to take up the grant if they were successful. I think the amendments reflect the agreement and give intent to the policy position that I think we were all trying to get to. I seek leave to move opposition amendments (1) and (2) together.

Leave granted.

Senator CHRIS EVANS—I move:

(1) Schedule 1, page 3 (after line 11), after item 2, insert:

2A  After section 11

Insert:

11A  Publication of timetable

A timetable and procedures to assist the Council to make recommendations to the Commonwealth on the application of the Reserve under paragraph 7(1)(c) must be published each year, in the manner and form specified in the regulations.

(2) Schedule 1, page 8 (after line 18), after item 16, insert:

16A  Subsection 51(2)

Omit “Assistance”, substitute “Subject to subsection (2A), assistance”.

16B  After subsection 51(2)

Insert:

(2A) The Chief Executive Officer must notify the recipients of grants of assistance by the date set out in the timetable published under section 11A for that category of grants.

Senator TAMBLING (Northern Territory—Parliamentary Secretary to the Minister for Health and Aged Care) (6.05 p.m.)—I am pleased to indicate that the government would be prepared to accept these amendments. I appreciate the cooperation between the parties on this issue in making amendments that are agreeable, particularly on this issue of the publication of a timetable, and I accept that there are important issues in ensuring that recipients of grants receive appropriate recognition. The fact that the NHMRC will have a strategic plan that sets out categories of grants will enable there to be a greater degree of certainty. The government certainly supports the amendments.

Amendments agreed to.

Bill, as amended, agreed to.

Bill reported with amendment; report adopted.

Third Reading

Bill (on motion by Senator Tambling) read a third time.

(Quorum formed).

AUSTRALIAN FEDERAL POLICE LEGISLATION AMENDMENT BILL 1999

Second Reading

Debate resumed from 21 October 1999, on motion by Senator Boswell:

That this bill be now read a second time.

Senator COONEY (Victoria) (6.10 p.m.)—The Australian Federal Police Legislation Amendment Bill 1999 makes quite vast changes to the way that the Australian Federal Police is to be run. In effect, it will take the basis upon which the Federal Police are engaged on behalf of the community away from being bedded down in the legislation of the parliament and put it into an enterprise agreement. From now on, the agents, as they are now called, will be engaged on behalf of the community pursuant to an enterprise agreement made between the commissioner and those who are to serve under him. In my view, some issues arise because of that. One is that it is not simply a matter for the government, the chief commissioner and the agents but for the community as well. As I understand it, this bill is to be agreed upon by the chamber. Nevertheless, the issues raised in discussing this bill need to be raised again. That is the first of them.

What part does the community itself play with the agents—or the police, as the public would probably better know them at the moment? The community obviously has a vital interest to see that the people who act on its behalf in ensuring that the law is obeyed and that violence and dishonesty are put down do that in the best possible way. The police, or the agents, are in effect part of the community. They are chosen by the community to do very vital work on its behalf.
In recent years, there has been considerable concern about the integrity of some police forces. On my understanding, the Federal Police have never been in the category of those forces which have attracted suspicion over the years. The proverbial statement is always true—I make it again—that there will always be some people, no matter what profession, trade or group, who do not act to the degree that they should. That will always happen. The issue is always how many of them there are and how far their influence goes. It is only when their influence goes beyond what is to be expected that you get to the point where you say that the whole system is in trouble. That has never been the situation with the Federal Police and it is not the situation now, although there is a little of that thinking behind this piece of legislation. This piece of legislation gives the commissioner a considerable say in who will work for the Australian Federal Police force.

Everybody knows that Mr Palmer is a man of quite outstanding integrity and ability. There has never been a suggestion for one minute that he has been anything but the most honourable and capable of policemen and the most honest and capable of commissioners. He is a person for whom I have the highest regard. Nevertheless, the power he has under this act is quite awesome insofar as it enables him to dismiss agents as well as hire them. It is always a great issue whether too much power is given to one person or group in terms of employment. A balance always has to be struck. As I understand it, it is a problem that has faced police forces everywhere. You have to try to get a balance between the need to keep the force full of integrity, ability and energy and the need to ensure that people are fairly dealt with in their work, that they are not in any way discriminated against except for the most solid of reasons, that they are able to go about their task full of confidence, that their position will be treated fairly, that their job will be as secure as it should be and that they will not be subject to any caprice at any stage.

That balance must be struck. It is always an issue at times like this. All that can happen is that we try to see what eventuates when changes are made and to either stick with those changes or go in for further reform. In this area, people, and legislators in particular, should not be shy about reversing a position if it turns out not to be as happy as it should.

I notice that the second reading speech—and it is true—states that crime is becoming more international, that there is more sophistication in the way that people go around their dishonesty and that police forces have to change to meet that demand. It is true that there is an international flavour to some crime. The Federal Police have moved to counter that by appointing—I am subject to correction here—29 officers overseas to see whether they can better tie together the investigative forces around the world so that we know where the crime is committed and we can try to interdict it at that point.

For example, we now have problems with people smuggling. One problem we have with people smuggling is that we tend to catch those who are in some way a victim of the crime. Criminals overseas organise boats that come to Australia carrying, as it turns out in many cases, people who are truly refugees and should therefore not be exploited. But they are exploited because they are vulnerable. They need to get away from the place they are in to a safe place like Australia, where they can go ahead and make their claim to become refugees. In many cases, particularly with those from Iraq and Afghanistan, they are found to be refugees. The people who ought to be punished are those who exploit the situation and make money out of it. A lot of that is conducted overseas, so it is proper and right that the Australian Federal Police have a greater and greater presence overseas.

In that context, the Australian Federal Police is the body most suited to carrying out all tasks directed at suppressing crime committed at the federal level; in other words, those crimes committed against the legislation of the Commonwealth. It is the body with a tradition of investigation which knows how to question people and which provides the public with an understanding of their rights. There is a tendency in modern times to spread investigative powers over a wider and wider plane, and that is not a good thing.
I was talking before, for example, about the immigration department, which has lots of powers, as do other departments. It is always a concern that the citizen can be investigated and examined by a wide range of people whereas investigation would be better located in one area, and that area would primarily be the Australian Federal Police. I do not wish to denigrate in any way bodies such as the National Crime Authority with which, as I understand it, the Australian Federal Police cooperate very closely, as they do with other police forces. But I think policing should be carried out as far as possible by people who are police.

Any legislation that deals with a police force, whether it be the Federal Police, the state police or any other body, is quite vital. It is proper that the people that carry out these duties on behalf of the community are properly treated, properly paid, have proper conditions and have an ability to state what their position is if that position should ever be challenged. It is in that context that I express, as I have on other occasions, considerable admiration for the Australian Federal Police Association. The association gives serving agents the ability to stand up for their rights and ensures that they are given the proper opportunities that they should be given. People may think that if you are an agent, a policeman, then you will be able to withstand no matter what is put against you. But that is not right. In the end we are all vulnerable, depending upon the position we are in. If we are in a position of power then we feel secure; if we are not—if we are, as it were, the person that is vulnerable—it is difficult. It is oftentimes hard for a person who has got power to understand the vulnerability of those who have not. The Australian Federal Police Association enables the agent—the policeman, the serving member of the community—to be able to stand up more than he might otherwise have done.

This bill, as I have said and as was said in the second reading speech, makes major changes in the way policemen and policewomen as agents are engaged on behalf of the community by the commissioner. It has now got the blessing of the chamber, but I did not want the legislation to go through without raising the issues contained in it. As I understand it, this legislation has been much discussed by the government, by the command of the force and by the members themselves. It is not as if it has just been put on the table. Nevertheless, the issues that I have raised are issues that remain in the bill. I hope that, as time goes by, what is intended by the bill is realised. It certainly would be under the present command of Commissioner Palmer. How it goes on after that depends on who is appointed, what sort of morale there is in the force and what sort of relationship there is between command and the members. Morale is absolutely vital and proper relationships between command and members are also essential.

I think I would lack grace if I did not close by remarking again on the outstanding service—I am glad to see the Minister for Justice and Customs, Senator Vanstone, coming into the chamber just as I say this as I am sure she would agree—given on behalf of Australia by the Australian Federal Police in East Timor. They were there when things were very dangerous and very volatile carrying out a task on behalf of this country and on behalf of the world generally, and they did so without arms. There is always a question as to whether or not you are safer with or without arms. But all I can say to that is this: if I were in East Timor without arms trying to carry out duties and trying to see that people were properly treated, I would feel very frightened. I do not know whether the members of the Australian Federal Police felt frightened or not. Even if they did, they had the courage to overcome that and to stick there. It is appropriate that we as a nation acknowledge the great service they did there.

Senator QUIRKE (South Australia) (6.29 p.m.)—There are a number of issues with the Australian Federal Police Legislation Amendment Bill. In the first instance it is an attempt, in a sense, to bring the Australian Federal Police into more modern and recent times and, as Senator Cooney said, to fight the types of crime which we now find ourselves facing.

Historically, the Federal Police has gone through many different generations. I remember that some 30 years ago what we now
know as the Federal Police was called the Commonwealth Police. The Commonwealth Police had a number of duties, one of which was to provide general policing in the Northern Territory and the Australian Capital Territory. The rest of its functions and role around the countryside were primarily to deal with breaches of the Crimes Act, at that time the Commonwealth Act, and to act as a protective force for a number of government buildings, for government enterprise—to act for what today is known DSTO and its facilities in the various states and principally in my state of South Australia. The Commonwealth Police used to be on guard duty in a number of places, including overseas embassies, and it had a range of functions like that.

Since that time there has been the creation of the Protective Services. Much of the work that Protective Services has done has been market tested, as I understand, and handed over to private organisations. There still is a vibrant Protective Services, as I understand, where that market testing, for whatever reason, has not been done or where the government has taken the view that government employees covered under the relevant acts are more appropriate to conduct that level of work.

What has happened since the creation of the Federal Police is that these days we have a crime situation to which our attention is drawn almost every night on television. I congratulate the Federal Police, Customs and the other relevant agencies on some of the huge drug busts that have taken place in the last couple of months. There is no doubt that these days, any time you put the television set on, you see increasing evidence of the drug penetration into this country and indeed the size of the hauls which the Federal Police, Customs and the state police agencies are party to capturing. I think it needs to be said that this work is very important for our well-being. It is an essential service, but you wonder how complete the service is.

One of the things that we have seen in the last couple of months, particularly since we last sat in this place a few months ago, is the success of various sting operations which have been carried out. My memory goes to a recent bust where something like 500 kilograms of cocaine was intercepted coming into this country by boat. This was an intelligence operation—leastwise the news report of it was that it was an intelligence operation—where the people concerned had travelled through several countries and over a number of months before arriving at the ultimate destination with this amount of cocaine. I seem to remember that there were a few other busts of sizeable proportions. I do not know whether they were quite as large as this particular one but, in fact, there were busts of several hundred kilograms of cocaine, heroin and other types of drugs, including amphetamines and the various materials and ingredients for making amphetamines.

One of the issues that comes up here is that we hear about the stuff that is intercepted—and that is good, and I think the agencies are doing a very good job. What we do not hear about is the material that gets onto the street. In fact, I remember last year, in South Australia in particular, that there was a rough equivalence between a start-up kit for heroin and a packet of cigarettes. A start-up kit for heroin was available at one time last year in South Australia for about $10, according to media sources. That indicates to me that, whilst our police agencies are doing a good job of intercepting the large shipments, there must be an awful lot of stuff getting through; there must be an awful lot that is getting into this country through various means—presumably a lot of it through the virtually unprotected north—including being flown in, and then being disseminated throughout the major capital cities. There is no doubt that we have a much more dramatic drug problem in almost every area than we have ever had before.

The interesting thing is the large amounts of cocaine that are being intercepted. Indeed, I had not perceived of cocaine being—maybe this is my own naivety—a designer drug in this country or a drug of mass usage that would warrant the amounts of material that are coming in and being seized. It may well be the case that my assessment of that is wrong; it probably is because, as I understand it, it too is freely available out there on the street. Certainly the drop in the price of heroin in almost every major city in this country
and, in fact, even in regional and country areas now indicates that there is an oversupply of heroin, despite the success of agencies that have managed to take literally tonnes of this stuff off the streets. The other drugs that are coming in, the very large amounts of amphetamine and some of the other more exotic drugs—which, again, these agencies have been very successful in intercepting—also indicate that there is a large amount that is still getting through.

I think where this bill comes in is that it is setting up the parameters for a truly national police force in this country which will fight particularly the drug trade—I will have more to say about people smuggling in a moment—and indeed will give us better results. I think there is no doubt in recent times that there has been a much better level of interception of drugs coming into this country. My fear of course is that we are really only just touching the tip of the iceberg. With a country as vast as this and particularly with the unprotected frontiers, drug penetration is relatively easy. It may well be the case that a lot of it is coming through airports or container terminals. Certainly it would appear that an amount of material has been confiscated and felons arrested at airports and sea terminals. It may well be the case that some are evading this particular net, that stuff is flown into Australia at critical times in the north and north-west of this country and that in fact only a small amount of this is intercepted before it is sold on the streets.

I think this bill attempts to sort out which way the Federal Police should go forward. I think it is interesting in a sense that the bill makes a number of points and, in reading the second reading speech of the minister, it is pretty clear that the road that the government is going down is the road of setting up virtually a department of state which will be very different from the traditional state police forces in this country. I note in the bill a couple of things. One of them, for instance, is that the rank structure, which presumably the old Commonwealth police adopted from the various state polices—I do not know, but that is my assessment of that—is now going to be, according to this bill, changed, and changed quite significantly.

Throughout the minister's second reading speech, the point is made that this is about bringing in a flexibility in the agency. I have some doubts about what those words could mean when I look more precisely at the exact terms in the bill. It looks to me as if this is something which we want to be pretty careful about. In essence, we find that police forces, without fear and favour, operate in the various states on a seniority basis and also on the basis of ability and that there is some surety to a career path through the police forces. If a person joins a police force, whether it be the Federal Police or one of the state police forces—not always, but generally—they spend their entire working career in that particular area.

There are a number of police men and women who decide for various reasons to get out within the first five to 10 years. I understand that the rate, for all sorts of reasons, for policewomen leaving the service during that time is three times greater—at least that is what I was told when I was the shadow minister for police in South Australia—than it is for policemen. Not much was put in the way of incentives to try to bring these people back into the police force. Once they had families, they went off and did other things. In fact, the men who join the police force—I guess it is like being an accountant, a plumber or whatever else—usually stay within that occupation all the way through their lives.

One of the things that worries me a little bit in the wording of the minister's second reading speech is whether or not that career path in essence will be guaranteed into the future. One of the problems here is that it may well be the case that we contract out a number of services. We also may see Federal Police men and women fulfilling those contract services but not fulfilling the lifelong occupation that they did before. I think a streamlining of the agency is very good; I think it is useful. But I think we need to understand that the Federal Police is in a sense following a military structure, because we have found that, with the various police agencies around this country, that is one of the appropriate role models that it should be patterned on.
As I understand it—and I could be wrong about this—a lot of the extraneous work that was done by the old Commonwealth police was hived off deliberately to Protective Services so that the Commonwealth police, when it became the Federal Police, could actually get on with the job of pursuing drug importers and various distribution agencies and to coordinate with the other appropriate agencies, such as, in particular, Customs and the various state police forces. In looking at this, there are a number of words in the minister’s second reading speech which make me think that the road the government is going down on this is to set up an agency that does not necessarily have the same lifelong career structure and the same rank order that is present still in the police forces around this country.

We all know that in New South Wales Commissioner Ryan went down the path of demanding extra powers because of the particular problems that were faced in New South Wales. I must say that I still have some ambivalence about giving a commissioner the sort of power that Mr Ryan has in New South Wales. When we faced this problem in my home state, we as a political party refused to give the same level of power that Mr Ryan was given in New South Wales. I also accept that the problems in New South Wales were such that something had to happen, and probably that model where Mr Ryan has quite considerable powers—much more than any of the other states—to clean up the corruption that we all knew existed in New South Wales was probably appropriate. I would like to think that this bill is not going to give Mr Palmer this sort of power in the Federal Police without a number of checks and balances, because I see no evidence for any suggestion that this police force needs to have the sort of overhaul that the New South Wales police had.

The most recent problem that the government has faced has been that of people smuggling. Indeed, I think a lot of progress has been made in this area—a person now found guilty of smuggling people into this country will pay a much greater price for that particular activity than was I think the case six or eight months ago. The minister may correct me but, as I understand it, I think the new act in respect of that came in around the middle of last year. I think it is appropriate that we have legislative framework for dealing with these sorts of problems. There is no doubt that the Federal Police, through its intelligence gathering and its other roles, will play a crucial role in deterring these sorts of problems that are facing Australia.

I make no bones about the fact that I dedicated a fair part of this speech earlier to the anti-drug measures. I see them as being absolutely the most important and the most fundamental role of all these agencies because I think the amount of illegal drugs on the street in this country is something that no governments can tolerate. In fact, it is something that, in the last two to three years in particular, has made me re-evaluate my own views in respect of how you deal with these sorts of problems.

I have a different view from the Prime Minister, and I have a different view from many other people out there in the community. I think, quite frankly, prohibition has made a number of drug pushers very rich and unfortunately the anti-drug strategies that we have pursued for many years have failed. That is not to say that I believe we ought to lift these sorts of provisions because I suspect that if we did we would be faced with a whole array of other drugs coming in which I think we would need to take measures to deal with.

I think the Federal Police have done a great job. I hope this bill is well received by them by the time it is amended in this place. As I understand it, that process is now taking place and there are serious suggestions that what will come out of here will be a much better legislative framework for the Federal Police to operate under and that the Federal Police will go forward into this century and have even more success than that which has been trumpeted recently in the last few months.

I hope that here in Australia we will be able to get increasing hauls of illegal drugs that come into this country and also of those people who are behind the people smuggling operations because I suspect that, at least in the drug instance, there is a large amount that
comes in that is completely undetected. I suspect that we are probably getting only a percentage, and a relatively small percentage, of the total amount of illegal drugs that come into this country.

It may well be that the minister and others who have access to the intelligence on this particular issue can quantify what the figures are. It may well be that it would not be much use or it may be counterproductive for the minister and others to speculate on that. My suspicion is that, whilst we are getting more and more drugs than we have ever got before—we are getting bigger and bigger busts and we are getting larger and larger amounts in total—and the aggregate amount that is seized over a year has grown dramatically, the amount that is getting through is probably also going down the same path; that is, there is more and more of it. That seems to be the case, particularly with the price of drugs which I understand are available out there on the street.

Senator VANSTONE (South Australia—Minister for Justice and Customs) (6.48 p.m.)—I thank all senators for their contributions, in particular those senators such as Senator Quirke and Senator Cooney who have chosen to recognise the excellent work done by the Australian Federal Police. I think Senator Cooney acknowledged not only their work in Timor but also their other work and, on behalf of the Federal Police, I thank Senator Quirke for his remarks in that respect.

Question resolved in the affirmative.

Bill read a second time.

DOCUMENTS

Commonwealth Grants Commission

Senator TAMBLING (Northern Territory—Parliamentary Secretary to the Minister for Health and Aged Care) (6.50 p.m.)—I move:

That the Senate take note of the document.

The report by the Commonwealth Grants Commission of 16 December 1999 is, as I said, an important document because, if you look at the terms of reference for the commission, you will see that it looks at a number of issues, particularly with regard to the comparability for services and infrastructure—what level of expenditure would be required in the year 2000-01 to provide the Indian Ocean territories with services, grants and infrastructure comparable with those elsewhere, how this amount could be updated annually in a way that does not require annual consideration by government and the capacity of the Commonwealth and other governments to raise revenues in each territory.

The report itself is a very lengthy, detailed and comprehensive study. From my interests, I have received representations as the elected representative of this area. I have also been acquainted with the issues that have arisen from time to time.

I note in the report there is a very wide acceptance that there are a good level of standards on both Christmas and Cocos islands. This in no small part is due to the Minister for Regional Services, Territories and Local Government, Senator Ian Macdonald, and the department he administers and the efforts of the coalition government in the commitment it has made to the Indian Ocean territories over the past few years. Senator Macdonald has taken a very keen and special interest in this. I am certainly well aware that he has been championing a number of areas of economic activity in looking to the future, particularly in trying to get the Christmas Island casino back into action after its commercial failure. He is also looking at the future prospects relating to the space base zone that is being developed in that area.

As I said, this is a very comprehensive report and I am very pleased to note that the Commonwealth Grants Commission have concluded that the level of services is of a standard comparable with the mainland, and similarly with the state type services. One important comment in the report is that there are areas of Commonwealth expenditure where naturally things could be done in a different way, but these relate to other departments, not necessarily Senator Mac-
It is important that we look at those evaluations and the reports carefully.

I would also like to comment on the important issues of transport, because air services and shipping services to Christmas and Cocos islands are important and essential services. It is very important to note that the Commonwealth Grants Commission noted not only the increases in recent expenditure but the commitments and the efforts of Senator Macdonald in bringing about the public tendering system with regard to the air services in particular to ensure there will be a sound and satisfactory service in that area. On shipping services, the government has a commitment to capital works, which is important, and also recognises the need to improve the long-term viability of shipping services and options.

If we look at other departmental efforts, it is very interesting to note the support by Centrelink and the department headed by Ministers Newman and Anthony. It is important that these services are well funded. It is very interesting to note the level of income support that is provided to each of these islands, which is outlined on page 64 of the report. There are 385 recipients of different payments on the Cocos (Keeling) Islands and 574 recipients on Christmas Island, with very substantial involvements.

Similarly, with regard to telecommunications, the services have been found to be at a comparable standard to Australia, although we can always argue for additional and special consideration. I note the concerns of the residents with regard to the mobile services later in the year.

I commend this report to the residents of the islands for further detailed understanding. I also commend the staff of the department and the minister because of the fact that there are no fundamental criticisms reflected in the report by the Commonwealth Grants Commission. (Time expired)

Senator CROSSIN (Northern Territory) (6.56 p.m.)—I rise this evening to make some comments on the Commonwealth Grants Commission report on the Indian Ocean territories. It is a timely report which was commissioned in May last year with reporting by 16 December, and the Grants Commission met that time line.

It would be fair to say that the Indian Ocean territories of Christmas Island and the Cocos (Keeling) Islands, which are within the federal electorate of the Northern Territory, are undergoing change in the way in which they want to be treated by the Commonwealth government. In recent months, they have had discussions with Norfolk Island and they are also undertaking some serious consultations within their own communities on which direction they want the Commonwealth government to assist them to go in the coming years. This research and this report will assist that debate. One of the things worth putting on the record tonight is that this report recommends that nearly $89 million in capital works expenditure is necessary in the Indian Ocean territories over the next five years. In particular, it makes detailed comments about where these works need to be funded and where they need to occur.

It is interesting that perhaps the final details of this report may have been concluded at about the time the first boat load of illegal immigrants arrived on Christmas Island. I would put it to the Senate that, had this report been produced some months later, there may well have been a section in it relation to the inadequacies of the hall used by these illegal immigrants at Christmas Island. In fact, at this point in time they have nowhere else to be housed. I am aware that the Christmas Island community are looking at making proposals to the Commonwealth for a separate facility to be built to accommodate these people when they arrive in this country illegally so that that community can continue to use their hall for recreation purposes and for community purposes, as it was originally designed for. I have not had a chance to read the report in detail but I suspect that, because of the timing of this report, that scenario may not have been included.

There are a number of interesting statements in this report about the communications at Christmas and Cocos islands. We are yet to receive a response from the Commonwealth government to the report that was commissioned by the National Capital and External Territories called Island to Islands.
which was tabled last year. The Commonwealth government have not yet responded to that report but this report from the Grants Commission makes a number of interesting statements. In fact they make a comparison between a number of communities in the Northern Territory in relation to the Indian Ocean territories. They draw a comparison with the Tiwi Islands, north of Darwin, that have around 300 phone lines, two public telephones, and eight Internet accesses for a population of about 2,000 people. In making that comparison they say that the telecommunications services on the Indian Ocean territories are of similar standard to those on the Tiwi Islands. Of course, the one big difference is that the Tiwi Islands are only 15 minutes flying time out of Darwin, whereas the Indian Ocean territories are many thousands of kilometres away from anyone on the mainland. They go on to talk about the very poor telecommunications infrastructure and the lack of reliable services in remote Aboriginal communities; and they draw the link to the Indian Ocean territories.

So this report is welcomed. It is timely. It does talk about the background and history of these communities. It does talk about what the Commonwealth needs to do in future years in terms of the spending, maintenance and responsibility that they have for these territories. I put to the Senate that it would be fair to say that the telecommunications services on the Indian Ocean territories are of similar standard to those on the Tiwi Islands. Of course, the one big difference is that the Tiwi Islands are only 15 minutes flying time out of Darwin, whereas the Indian Ocean territories are many thousands of kilometres away from anyone on the mainland. They go on to talk about the very poor telecommunications infrastructure and the lack of reliable services in remote Aboriginal communities; and they draw the link to the Indian Ocean territories.

So this report is welcomed. It is timely. It does talk about the background and history of these communities. It does talk about what the Commonwealth needs to do in future years in terms of the spending, maintenance and responsibility that they have for these territories. I put to the Senate that it would be fair to say that it has been found that these people have been somewhat neglected since 1996 when we saw this government come into office. So the people on Christmas and Cocos islands will welcome this report. No doubt, we will be interested in their response and the Commonwealth government’s response. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Sherry)—Order! I propose the question:

That the Senate do now adjourn.

McIntosh, Dr Malcolm Kenneth AC Kt

Senator MINCHIN (South Australia—Minister for Industry, Science and Resources) (7.02 p.m.)—Tonight it is with a profound sense of loss that I speak of the death on 7 February of Dr Malcolm McIntosh, the Chief Executive of the CSIRO from 1996 to the year 2000. As all members know and understand, Dr Malcolm McIntosh was a great Australian whose loss will be felt by everyone. His commitment to Australia’s pursuit of scientific and research excellence was unequalled, and his achievements, both professional and personal, are outstanding. It was a privilege for me personally to work closely with Dr McIntosh over the last 16 months in his role as Chief Executive of the CSIRO. I was personally extremely sad to learn of his death. Malcolm was a man of enormous vision, principle and great commitment to Australia and Australian science. Everything that Malcolm did he really did with purpose and with principle. He strongly believed that Australia offered much to the world in terms of our ability and our willingness to take the initiative in research and development.

Malcolm was born in Melbourne. He obtained a PhD in physics here at the Australian National University, and he had a very prominent career both in Australia and overseas. He was secretary to my department, the Department of Industry Technology and Commerce, from 1990 to 1991, and then served as Britain’s chief of defence procurement until returning to Canberra in 1996. He then took up the position of Chief Executive of the CSIRO with the great enthusiasm that we all remembered him for and that he embraced the whole of life with. He did that at a time when many of us with the health problems that he had would have probably taken leave, but he threw himself into his work with incredible spirit and passion.

During a very distinguished public service career, Dr McIntosh drew attention to the role that science and technology play as major driving forces in our modern economy. He was very strongly committed to building Australia’s capability for knowledge winning scientific research. He consistently and proudly promoted our achievements in science and research. In one of his last public presentations, he spoke of the future of science. He reaffirmed his vision that Australia’s future lies in capitalising on its scientific
knowledge base. As always, he strove to promote the significance of science to the future of our nation. He genuinely felt that it was important for Australians to see the benefits of their investment in research and development and for Australians to understand better the value which science contributes to our economy, society and environment.

As the head of the CSIRO, Malcolm presided over a major organisational restructure, reshaping that agency’s scientific effort for the 21st century and building closer ties between science and industry. He not only enabled the CSIRO to become more effective and ready to take on the challenges of the 21st century; he also set CSIRO on the path to be at world’s best practice. During his time at the agency he won enormous respect and affection from his staff and from those with whom he worked. One of Dr McIntosh’s greatest attributes was his ability to bring others on board, to get them to see the merit in his vision and to gain their support—and the Prime Minister spoke eloquently of that capacity at the innovation summit dinner last week. It was that skill that enabled Dr McIntosh to launch joint ventures with business and to form very close relationships between his agency and universities and with the government.

In a remarkable example of courage and tenacity, Dr McIntosh served in the post of Chief Executive for four years, having had a cancer diagnosis in 1995. Last year, in recognition of his commitment and contribution to Australian science, he was made a Companion in the Order of Australia. That Australian honour crowned a career in public service which was also recognised in the award of a British knighthood and of the US Department of Defence Medal for Distinguished Public Service.

Dr McIntosh was a valued member of the Prime Minister’s Science, Engineering and Innovation Council as well as a Fellow of the Australian Academy of Technological Sciences and Engineering. Malcolm was proud of Australia’s improving record in putting our research to commercial use. In one of his last public engagements he argued passionately that Australian science and technology could be genuinely competitive in the world marketplace. He also knew that the future of science lies very much with young Australians. To that end, he actively encouraged talented young Australians to seek careers in science and careers that add to our knowledge and understanding of the world we live in.

To show his personal commitment to fostering young talent, he chose three of CSIRO’s best young scientists to work alongside him to learn more about the CSIRO and about managing science. In honour of Dr McIntosh’s contribution to the future of science and research in Australia, I announced last week that the Annual Youth Prize for Physical Science that will be inaugurated this year will be called the Malcolm McIntosh Prize.

Malcolm will be remembered as one of the significant architects of Australian science policy. His contribution will have a profound and long lasting effect—not just on the CSIRO but on innovation generally in this country. He was a man with the highest sense of public duty, and we all feel the loss of a great man. On behalf of government senators I extend to Margaret McIntosh and her children, Stuart, James, Lucy and Charles, our most sincere sympathy in their bereavement. Tomorrow I shall formally move the following motion:

That the Senate expresses its deep regret at the death on Monday, 7 February 2000 of Dr Malcolm McIntosh and tenders its profound sympathy to his family in their bereavement.

McIntosh, Dr Malcolm Kenneth AC Kt

Senator SCHACHT (South Australia) (7.08 p.m.)—I also rise in the adjournment debate to make some remarks about the passing of Malcolm McIntosh. I endorse the remarks made by the minister, Senator Minchin, and welcome the fact that there will be a motion tomorrow in the Senate, which I am sure will be carried unanimously. I also note in the press—and the minister has told me privately—that there will probably be a memorial service in the Great Hall of the parliament in the near future. I think that would be an event which would be well attended not only by members of the Australian parliament but also by a broad cross-section of the Australian community—not just the
science community but the general community—in recognition of Malcolm McIntosh’s distinguished public service.

I remember when I first came to this place in 1987 going to our own parliamentary Labor Party caucus meeting to discuss industry policy in the defence area where Malcolm McIntosh was the deputy secretary. Like all others, I was immediately impressed by his breadth of knowledge on how you can connect the demands of defence to our industry capacity in Australia and how you can enhance the industrial capacity of this country by ensuring that, through best practice, you can actually make it in Australia to the benefit of Australian industry. He was passionate about that. He educated a lot of caucus members, and I think he had a profound influence.

When in 1990 he was appointed by John Button to be head of the Department of Industry, Technology and Commerce, we all cheered loudly that we had a strong advocate, a dedicated Australian, who would be willing to intervene in industry to give industry the development it needed in Australia. It was with some shock only a year later that we were told that he had been pinched by the British, in recognition of his qualifications and of his being already internationally known, to be head of defence procurement in Great Britain—a major position in the Western world with a budget which would be immeasurably bigger than our industry department budget.

I remember saying at the time to John Button, our then minister, ‘This is a bit cheeky. We ought to keep him in Australia.’ He said, ‘It is a bit hard to keep him when the Prime Minister of Great Britain rings the Prime Minister of Australia on behalf of Malcolm McIntosh to say why the British government need him.’ It is a mark of his recognition, of his brilliance and of his effectiveness that a British Prime Minister was willing to ring another Prime Minister to take him from Australia to an important job in Great Britain.

Of course, we were delighted a few years later, during 1995, to bring him back to Australia to be the head of CSIRO. Unfortunately, we were unable to get the benefit of being in government with him as the head of CSIRO because the electoral fortunes had turned and we were in opposition. But I enjoyed going to estimates in 1996 and 1997 as a former science minister, a former minister involved in industry policy, in Customs, in construction, et cetera, and raising questions and points with Malcolm McIntosh and finding his refreshing candour in responding to those questions. I remember asking a question about a long running dispute in CSIRO with Charter Pacific. We thought that matter had been resolved but it had again blown up in legal matters, and Malcolm was extremely frank in dealing with the issue. When we asked a number of questions about the contract, he pointed out that there were commercial considerations, but he immediately made the offer to brief the committee in camera about Charter Pacific because he understood that there were reasonable questions members of the committee had, and so we accepted his offer.

In an hour’s in camera briefing, he was extremely frank. Again, it was commercial-in-confidence and no member has betrayed his confidence in us. That showed that he was a great public servant who understood the parliament, the parliamentary democratic system and the fact that members of parliament should be trusted and had to accept the obligation, as he did. Again, a mark of his greatness as a public servant was the way he understood and how he himself as the CEO always came to the estimates hearing. There was never any argument that he could find an excuse to be away from the estimates hearing. He would be there and, because of his knowledge and his skill, it was very hard at any stage to best a discussion with Malcolm McIntosh because he was always straight, honest and to the point in how he presented the case. I actually think he did the estimates process a world of good and added value to it. More importantly, he did great value for CSIRO and the science community by his frankness and the way he handled and used the opportunity to explain those science issues in particular.

During this time, as the minister has pointed out, he had been diagnosed with cancer and was on regular dialysis. I found it astonishing that he would continue to be an
effective CEO of an organisation as diverse and as complicated as CSIRO, with several thousand employees on 100 different sites across Australia—would be able to run all of that—with this crippling illness. But he did it without complaint and, again, showed himself to be a man of great courage. It is extremely disappointing and, I have to say, extremely unfair and very unfortunate for Australia that a person who in his early fifties, who still had many great years ahead of him in public service—there were rumours that he might have become the next head of the defence department, and if he had I am sure he would have filled that job with a distinction equal to that which he has filled all the others—a person still in the very prime of his life, has been taken from us. Of course, for his family it is extremely sad that he has been taken from them in his early fifties. So, like the minister, to his wife and his children I extend my deepest condolences. I am very saddened both that they have lost a father and a husband and that Australia has lost one of its great public servants.

McIntosh, Dr Malcolm Kenneth AC Kt

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (7.16 p.m.)—I wish to associate the Australian Democrats with the government’s motion to be moved tomorrow in memory of the distinguished Dr Malcolm McIntosh. The Democrats endorse the sentiments expressed in this chamber this evening in honour of Dr McIntosh. And, of course, like Senator Schacht, I wish to express our deepest sympathy to his wife, Margaret, and his four children.

In addition to being an internationally celebrated scientist and chief executive, Malcolm McIntosh was an ambassador for Australia’s future. He promoted science, particularly Australian science, throughout his global interactions and international positions. He was an advocate for the strategic application of our research expertise. His forward looking promotion of innovative technologies, such as ceramic fuel cells and future ‘clean and green’ advances, such as his example of ultra clean coal and non-polluting hybrid energy systems, is rare in our community today, which tends to focus on the here and now. Dr McIntosh’s work for public awareness of the need for science and, of course, the need for the CSIRO and Australia to actively pursue strategic, knowledge producing and consolidating research is to be celebrated. Community recognition of, and pride in, our intellectual pursuits must be promoted.

We know too that he encouraged young people to pursue science and to undertake careers which furthered our understanding of our natural world. I believe that he will continue to do this, his life acting as an example of what the scientific community can offer a physics graduate from the Australian National University, the ANU: a possible international career within a range of government departments, commissions and task forces, recognised with the award of a British knighthood and the US Department of Defense Medal for Distinguished Public Service. I think that young people need to know that science graduates not only can work in labs but are multiskilled and talented individuals who have a range of careers open to them, individuals who work within our community.

Dr McIntosh believed in the importance of Australia becoming a more scientifically conscious community—very much within the collective goals of this parliament and across party political lines. Whether it is Labor’s ‘clever’ or Howard’s ‘can do’ country, I think—or at least I hope—everyone agrees that science is an integral factor in Australia’s future in a global community. Dr McIntosh’s recognition of Australia’s production of a small percentage of global research and development and need for strategic identification and allocation of research, choosing specific areas of research and using that research to Australia’s best advantage, must be heeded.

Though his absence from the National Innovation Summit last week in Melbourne was notable, I hope that his work as chief executive of CSIRO and beyond was furthered at that forum, and I believe it was. Dr McIntosh oversaw major organisational restructuring in the CSIRO during his last four years there, and he ensured that closer alliances were formed between science and in-
dustry. His work went beyond the strict boundaries of science, fostering innovation in Australia. As someone who attended the summit last week—and I acknowledge the role of Senator Minchin and thank him for that opportunity—I hope that through the work that we did as participants at that summit we helped to further the work of Dr McIntosh. I also wish everyone at CSIRO the best for continuing their very important work and for continuing his work at an intensive level. I know that his colleagues and staff held him in enormous respect and regard.

Rural and Regional Australia: Information Technology

Senator PAYNE (New South Wales) (7.21 p.m.)—I rise tonight to make some remarks about an area of ongoing interest to me, which concerns the use of information technology, and particularly the use of information technology in the general community. I want to first remark on an initiative which was launched late last year aimed at linking individuals and communities within rural and regional Australia. It is called countrytowns.com.au. It was established by Mr Ron Smith, a Victorian businessman who is apparently—and understandably—inspired by discussions with my colleague Senator Ian Macdonald regarding regional development issues. The site provides information on different towns across Australia, on local companies and promotions, links to newspapers in each town, information on issues that might be of interest to residents, and much more.

Importantly from the perspective of communication between parliamentarians and their constituents, countrytowns.com.au also provides a bulletin board where members of parliament are able to introduce browsers to their electorates and to the towns within them. There are some extraordinary descriptions from various members of the parliament speaking with great pride about aspects of their electorates. It does not matter whether it is Alby Schultz talking about the friendly country atmosphere of Goulburn, Kay Hull noting that the people of the Riverina are rich in ambition and have survived through their hard work and their effort, or my colleague Senator Alan Ferguson introducing us to his home town of Weetulta, population five, their enthusiasm is amazingly infectious and reading those notes is fascinating.

I made a small contribution to countrytowns.com.au addressing some of the challenges that are faced by those living in rural and regional Australia that I identified through travelling in New South Wales. By virtue of distance alone, we live in a country which is inherently rural, inherently regional and inevitably challenged by the isolation that flows from that. Notwithstanding that we are observing on a daily basis a consistent trend towards urbanisation, we are still a nation built on the strength of that land. We have a significant rural and regional population which represents the heart and soul of core industries, industries without which we could not grow economically.

I think information technology represents one of the best chances we have to bridge the geographic and social divides between urban and non-metropolitan Australia. Just as IT has in effect shrunk the world, it can also shrink Australia, bringing our people, our ideas and our services closer together. The Prime Minister has a message on countrytowns.com.au, which says:

... I hope that this site can help bring important information to the bush on relevant country issues to ensure that rural and regional Australia shares equally in Australia’s new prosperity.

I thought it was interesting—telling, perhaps—that the Premier of New South Wales, Mr Bob Carr, recently reflected on some of the challenges of encouraging investment in rural and regional areas of New South Wales. In identifying and in recognising it as an important area of need the Premier was of course correct. The most interesting part of his comments was the focus of the New South Wales ALP government on a plan of public works development post-Olympics. I suspect the Premier or any of his ministers who think in some simplistic way that building new roads even in regional areas is the key to assisting those areas to prosper and grow might need to travel New South Wales a bit more.

We have had horrific experiences on our roads in New South Wales in recent days. I am not casting doubt for a moment on the
importance of those planned projects, but fundamentally there needs to be a recognition that what we need now is much more than that. Gone are the days when simply providing jobs by building a road or a new building was enough to prevent small towns from losing their population, let alone their spirit.

The challenge, as I noted in the Prime Minister’s words, is to ensure ‘new’ prosperity. The old formulas for providing prosperity are not so relevant. There can be new methods and new approaches advanced to give my state and country New South Wales an opportunity to grow even further. I think IT is one way to provide a new vitality, whether it is Goulburn or the Riverina or in regions like Newcastle or the Hunter. I remember reading an article, which I am sure my colleague Senator Tierney pointed out to me, of a young man in the post-BHP environment in Newcastle saying, ‘The advantage of IT is I can run the business I want to run from here and I don’t need to leave.’ It was a very telling point that he was making—he did not need to move away from that community.

When we recognise that the Internet is an extraordinarily powerful tool both in communication and in information we should also recognise its role in the workplace. I have referred to briefly before a pilot scheme to help women, especially those in Greater Western Sydney where I am based, to get back into the ‘drivers’ seat of their careers, if you like. It is called the Return program and it is designed to help women reskill for the work force by providing them with free access to the International Computer Drivers Licence courses. It is an internationally recognised competency standard that is now being made available in a pilot program to women of the greater west. It is designed to give them the confidence and skills necessary to re-enter what has become a highly computerised work force. It is a partnership between the National Office of Information Economy, the Australian Computer Society and the Western Sydney Institute of TAFE. The program will be offered at three TAFE campuses in the Western Sydney area—Mount Druitt, Penrith and Blacktown. It also has the support of a key job placement agency—Adecco—because its goal is not only to reskill women but, importantly, to put those skills to work.

Launched on Online Australia Day, the program will give these women the opportunity to go online and far beyond. It is an opportunity that I do not think is a luxury. People should be able to deal comfortably with new technology in their working and other lives. The more entrenched computers have become, the more intimidating they must seem to those who have not enjoyed full access. So we try to break down the barriers, but there are still many groups and individuals for whom the computer world presents itself as an amazing mystery. An understanding of new technology is a serious challenge to be met by many different groups in society, and one of those groups is women out of the work force for any lengthy period of time.

The ICDL, as it is known, is recognised and embraced by the Australian Computer Society. It is a flexible and effective way of testing the skills required to use computers across a range of applications. Private and public operators support the International Computer Drivers Licence scheme and they are coordinating programs to equip people who are home based or who are re-entering the work force with the skills that they need to get their licence—as if they were 17 and going for a drivers licence. It demonstrates to the employer that they have professionally recognised and up-to-date certification of their skills. As individuals it equips them with very important tools, particularly for women who were unable to access such opportunities before. It gives them confidence and the ability to make efficient use not only of their home computer but far and wide.

There is a plethora of computer courses on the market. We see the ads every day—we see them in the newspapers and on the television. They probably do a fine job, but some of them are expensive and exclusive. But, most importantly, most are not internationally recognised nor standardised, so it is hard to draw comparisons between courses and institutions. So this driving licence scheme is the first Australia-wide program that simplifies, standardises and unifies training in basic computer skills.
Just for a pilot program in Greater Western Sydney more than 120 women signed up. The organisers were forced to cap the initial intake at that number to maximise their resources and teaching staff. From ads in the local papers in Western Sydney this was the result—a clear indication of need and demand. For a pilot it is an outstanding response. It might even mean for people like me an increase in email correspondence from Western Sydney constituents who might want to make their views known, but that is a great and fantastic thing.

IT makes a significant economic impact on the greater west of Sydney. There are advantages being offered to the region as a whole. Recent reports, for example, record that 18,000 people are now employed in IT in Western Sydney, and there is a really concentrated campaign being waged by many in the region to make the most of the growth in the area. The Greater Western Sydney Economic Development Board in particular estimates that the IT industry in some parts of Western Sydney, specifically Wollondilly, could grow by 300 per cent over the next five years. We have an enormous amount to offer to new businesses, small, medium and large. I hope that those growth rates do come to pass.

We know that the Internet offers a huge range of possibilities and opportunities. On a political level, communication from community member to representative through IT may engage citizens more in democratic processes, but, to do that, individuals have to have access to appropriate technology and be in a situation where they can utilise it. Those two factors heavily influence an individual’s participation in cyberspace.

As I have said previously, rural Australians, older Australians and women in general, particularly those who have been out of the work force, have some of the biggest challenges. Pru Goward, as the head of the Office of the Status of Women commenting on women’s involvement in IT, said, ‘Despite all the hype, only a minority of the population currently has access to the more advanced technologies such as the Internet.’ Similarly, in launching countrytowns.com.au, Senator Macdonald commented on the need to ‘demystify the Internet for a range of potential regional users who remain unconvincing about the benefits of new technologies’. (Time expired)

Dairy Industry: Deregulation

Senator O’BRIEN (Tasmania) (7.31 p.m.)—Tonight I want to talk about dairy deregulation. A lot of people here understand that the Senate estimates process is designed to enable this place to scrutinise the government’s fiscal program, but under this government the estimates process has become a means of informing various industries and community groups how they are to be affected by various government programs. This process is reflecting an increasingly inward looking, defensive government. The Howard government now prefers to deal with only those groups it considers its supporters. In transport and in the rural sectors, it is now leaving the introduction of important legislation to the last minute, leaving little time for affected industries or the parliament to properly scrutinise the legislation. Increasingly, its goal appears to be to achieve a policy outcome in a time frame of its design rather than a good policy outcome. Both can be achieved, I might say, if government takes an inclusive approach by including industries and accepting a leadership role in the process, as it should do. The government failed to take such an approach in the privatisation of the Australian Wheat Board. It also failed to take the lead in the privatisation of the wool stockpile and Wool International. Now it is failing to accept any responsibility for managing the further deregulation of the Australian dairy industry.

At last week’s estimates hearings of the Senate Rural and Regional Affairs and Transport Legislation Committee, the processes to be followed in the establishment of a restructuring package for the dairy industry and the time frame in which it will be implemented were detailed by officers from the Department of Agriculture, Fisheries and Forestry. The evidence was disturbing, to say the least. An official told us that the legislative package that will underpin the dairy adjustment scheme is to be introduced into parliament this week. We were told that accompanying the structural adjustment package
will be three separate levies bills. They will be designed to ensure that the levy falls at the retail level but that the collection point will be at the wholesale level to avoid administrative complexity.

The legislation was described by officers as ‘fairly substantial’. I think that means it was complex. We were told that this legislation must be passed before the end of March. The last sitting day next month is 16 March. That is six weeks away. In addition to this package of legislation, we were also informed that all the detail of the restructuring strategy will be introduced by way of regulation. We were told that the legislation will contain only the principles for the scheme.

The government’s timetable also requires that the Dairy Adjustment Authority, the authority which will play a major role in administering the scheme, must be up and running by 1 April. The Dairy Adjustment Authority will be set up with statutory guidelines to assess the eligibility of farmers, and there will be an appeals process in place. We do not even know who is likely to chair the authority or who will comprise its board. Those appointments will be made by the minister after, we are told, consultation with the dairy industry. The DAA is to draw on the Australian Dairy Corporation for its secretariat, but, as far as I am aware, nothing in that regard has yet been organised. We are starting from scratch in setting up the administrative vehicle through which these funds are to be allocated, and the government’s own deadline is just seven weeks away. When I say ‘these funds’, I mean something between $1.7 billion and $2 billion.

According to officers of the department at the estimates hearings, farmers seeking access to assistance to exit the industry will have only three months to register with the DAA, and the only basis on which an extension might be granted will be if the authority makes an error. If the government achieves the 1 April start-up date for the authority, Australia’s 13,000 dairy farmers will have just 12 weeks from that date to register. However, before they can register, each farmer must do a farm business assessment in consultation with an independent financial adviser. The financial agent will then be required to provide the producer with a statutory declaration that an assessment has been undertaken, and this must be included in the producer’s application for an entitlement. No-one yet knows, however, what precise form these assessments will take. I assume we will find that out when the minister eventually tables the regulations.

The government and the industry have known that the Domestic Market Support scheme was to end—in fact, it was known that it would end on 30 June this year—as far back as 1995. The fact that the end of the DMS would be a catalyst for further deregulation in the industry has also been obvious for some time. Last April, the government was presented by the dairy industry with a plan to deal with this change. It did not respond until 28 September and, when it did, it was only to give in-principle support. Here we are, in the middle of February in the year in which the DMS will end on 30 June, and we—by ‘we’ I mean the Australian public, the dairy farmers and the opposition—are yet to see any legislation or regulations. No-one has actually seen the legislation or the regulations that will underpin the distribution of somewhere between $1.7 billion and $2 billion.

We are yet to hear from the government on how it will deal with the dramatic regional impact that the further deregulation of this important industry will have, notwithstanding the fact that there is an all-party finding by the Senate Rural and Regional Affairs and Transport References Committee that such measures are needed. We were told last week that existing programs will be drawn on to assist badly affected regions. We were told that only the Regional Assistance Program will be available to communities. But there will be no package at all for the dairy industry if any one of the six states fails to repeal their legislation that provides market support for dairy farmers—their regulation of the dairy industry. We have been told that if any state fails to support deregulation then all bets are off. Deregulation will proceed at the end of the DMS, and deregulation will proceed in the marketplace, with market milk being traded across state borders, undermin-
ing any remaining state market support schemes. But the money will stay in the bank, as far as the government is concerned, if there is not an all-state agreement.

Frankly, the disinterest of the federal government in this matter was clearly illustrated by its failure to take the lead and to work with the industry to develop a plan to assist farmers through the changes everyone knew were about to take place. The government’s disinterest was further highlighted when it took six months to respond to the support plan the industry had drawn up. It then said to industry leaders, ‘You’ll have to go out and sign up all the states. It’s your task, not ours. And, by the way, if you fail to get all states on board, we will stop the support you propose flowing to dairy farmers in the industry.’ This is a clear illustration of the attitude of this government to the plight of people living in the bush. Senators in this place are now faced, again, with a ridiculously short time frame to consider what appears to be detailed legislation and regulation that will provide the framework for the disbursement of something around $1.7 billion to $2 billion. My colleague Senator Evans was here earlier, and he takes a keen interest in these matters. He indicated that he will be following this matter keenly, and I am sure his constituents can contact him to get all the details.

Dairy Industry: Deregulation

Senator IAN MACDONALD (Queensland—Minister for Regional Services, Territories and Local Government) (7.41 p.m.)—Lest anyone who might be listening to this be confused by what the previous speaker has said on the dairy industry matters, can I just make it absolutely clear that the federal government is not deregulating the dairy industry. The states are deregulating the dairy industry and, unless Senator O’Brien forgets, the eastern states are currently run—regrettably—by the Labor Party, his mates. So if he has a problem with dairy deregulation, he should talk to his Labor Party mates in Queensland, in New South Wales, in Victoria and in Tasmania. Too often, it is so easy for Labor Party people to blame the federal government for everything. But, if Senator O’Brien is an honest person, he will concede that the deregulation is to do with the state authorities, not with the federal government.

The federal government’s role in all of this is providing an adjustment package for dairy farmers who are affected by the state deregulation. We have been working very closely with the dairy industry. We are providing the wherewithal to help dairy farmers through the difficult times of deregulation. I conclude by saying to Senator O’Brien that, if he has a problem with deregulation, he should see Mr Bracks, the Victorian Premier, Mr Carr, the Labor Party Premier in New South Wales, Mr Beattie, the Labor Party Premier in Queensland, and Mr Bacon, the Labor Party Premier in Tasmania. If you have a problem with deregulation, Senator O’Brien, speak to your Labor Party colleagues about it.

Senate adjourned at 7.43 p.m.

DOCUMENTS

Tabling

The following government documents were tabled:

Advance to the Minister for Finance and Administration—Statement and supporting applications of issues—December 1999.


Treaties—Text, together with national interest analysis—


Multilateral—Amendments, done at Cape Town in November 1999, to Appendices I and II of the Convention on the Conservation of

Tabling

The following documents were tabled by the Clerk:

Aboriginal and Torres Strait Islander Commission Act—
Torres Strait Regional Authority Amendment Rules 1999 (No. 1).
Torres Strait Regional Authority Election Amendment Rules 1999 (No. 1).

Aged Care Act—
Accountability Amendment Principles 1999 (No. 2).
User Rights Amendment Principles 1999 (No. 3).

Agricultural and Veterinary Chemicals Act—
Regulations—Statutory Rules 1999 No. 326.

Air Navigation Act—
Regulations—Statutory Rules 1999 Nos 351 and 352.

Aged Care Act—
Accountability Amendment Principles 1999 (No. 2).
User Rights Amendment Principles 1999 (No. 3).

Agricultural and Veterinary Chemicals Act—
Regulations—Statutory Rules 1999 No. 326.

Air Navigation Act—
Regulations—Statutory Rules 1999 Nos 351 and 352.


Australian Meat and Live-stock Industry Act—

Child Support (Assessment) Act—
Regulations—Statutory Rules 1999 No. 313.

Christmas Island Act—
Ordinance No. 3 of 1999 (Applied Law (Implementation) Amendment Ordinance 1999 (No. 1)).
Regulations 1999 No. 1 (Liquor Licensing Act 1988 (WA) (CI)).

Civil Aviation Act—
Civil Aviation Orders—
Directive—Part—

107, dated 15 December 1999.

Exemption No.—
CASA EX01/2000-CASA EX16/00.


Cocos (Keeling) Islands Act—
Ordinance No. 3 of 1999 (Applied Law (Implementation) Amendment Ordinance 1999 (No. 1)).
Regulations 1999 No. 1 (Liquor Licensing Act 1988 (WA) (CI)).


Commonwealth Electoral Act—Certificate of the Electoral Commissioner as to the numbers of the people of the Commonwealth and of the several States and Territories and the number of Members of the House of Representatives to be chosen in the several State and Territories, dated 9 December 1999.

Corporations Act—
Accounting Standard—
AASB 1010—Recoverable Amount of Non-Current Assets.
AASB 1020—Income Taxes.
AASB 1041—Revaluation of Non-Current Assets.

Currency Act—
Currency (Royal Australian Mint) Determination 2000 (No. 1).

Customs Act—

Defence Act—
Defence Force Remuneration Tribunal—
Determination under section 58B—Defence Determination—
2000/1-2000/3.

Defence Force Discipline Act—
Regulations—Statutory Rules 1999 No. 357.

Designs Act—

Endangered Species Protection Act—
Declaration under section 18 amending Schedule—
1—99/ESP13.
ment of Site Contamination) Measure 1999, accompanied by the impact statement, summary of submissions and the Council’s responses to submissions.

National Health Act—
   Declaration—
   No. PB 15 of 1999,
   Nos PB 1 and 2 of 2000.
   Determination—
   No. PB 3 of 2000.
   under Schedule 1—
   IHS 19/1999.
National Parks and Wildlife Conservation Act—
   Great Australian Bight Marine Park (Commonwealth Waters)—
   Comments on representations on plan of management.
   Plan of management.
Mermaid Reef Marine National Nature Reserve—
   Comments on representations on proposed first plan of management.
   Plan of management.
Native Title Act—
   Recognition of Representative Aboriginal/Torres Strait Islander Body 2000 (No. 1)-(No. 4).
   Regulations—Statutory Rules 1999 Nos 309 and 335.
Parliamentary Service Act—
   Parliamentary Service (Consequential and Transitional) Determination 1999/3,
   Parliamentary Service Determinations 1999/1 and 1999/2.
Primary Industries (Customs) Charges Act—
   Regulations—Statutory Rules 1999 No. 305.
Primary Industries (Excise) Levies Act—
Primary Industries Levies and Charges Collection Act, Primary Industries (Customs) Charges Act and Primary Industries (Excise) Levies Act—
Private Health Insurance Incentives Act—
   Regulations—Statutory Rules 1999 No. 347.
Product Ruling—
   PR 1999/104.
   PR 2000/1.
Public Service Act—
   Regulations—Statutory Rules 1999 No. 300.
Quarantine Act—
   Quarantine Amendment Proclamation 1999 (No. 3).
   Regulations—Statutory Rules 1999 No. 308.
Radiocommunications Act—
Radiocommunications (Communication with Space Object) Class Licence Variation 1999 (No. 1).
Radiocommunications Licence Conditions (Scientific Licence) Determination No. 1 of 1997 Amendment 2000 (No. 1).
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Radiocommunications Taxes Collection Act—
Radiocommunications Taxes Collection (Penalties on Unpaid Tax) Determination 1999.

Radiocommunications (Transmitter Licence Tax) Act—
Radiocommunications (Transmitter Licence Tax) Determination No. 1 of 1996 Amendment 1999 (No. 3).
Radiocommunications (Transmitter Licence Tax) Determination No. 1 of 1996 Amendment 2000 (No. 1).


Sales Tax Determinations STD 2000/1 and STD 2000/2.
Sales Tax Ruling SST 17.


Student Assistance Act—Regulations—Statutory Rules 1999 No. 311.


95—Amendment No. 1 of 1999.
Telecommunications Labelling (Customer Equipment and Cabling) Amendment Notice 1999 (No. 2).
Telecommunications (Carrier Licence Charges) Act—Telecommunications (Annual Carrier Licence Charge) Amendment Determination 1999 (No. 1).

Veterans’ Affairs Legislation Amendment Act (No. 1)—Regulations—Statutory Rules 1999 No. 358.
Veterans’ Entitlements Act—
Instruments under section 196B—Instruments Nos 1-4 of 2000.


Sydney Airport Curfew Act—Dispensation granted under section 20—Dispensation—Nos 14/99 and 15/99.
No. 1/00.

Taxation Determinations—
TD 1999/64-TD 1999/84.

Taxation Ruling—
TR 1999/19.
TR 2000/1.

Telecommunications Act—
Determination under section—
51—Amendment No. 1 of 1999.


Veterans’ Affairs Legislation Amendment Act 1999—16 December 1999—

(a) Parts 1 and 2 of Schedule 1;

PROCLAMATIONS

Proclamations by His Excellency the Governor-General were tabled, notifying that he had proclaimed the following Acts and provisions of Acts to come into operation on the dates specified:

Border Protection Legislation Amendment Act 1999—16 December 1999—

(a) Parts 1 and 2 of Schedule 1;
(b) Division 1 of Part 3 of Schedule 1;
(c) Parts 4 and 6 of Schedule 1;
(d) Schedule 2;
(e) Division 1 of Part 2 of Schedule 3.
(Gazette No. S 624, 16 December 1999)

Corporate Law Economic Reform Program Act 1999—1 January 2000—
(a) section 3;
(b) Schedule 2;
(c) Part 8 of Schedule 3;
(d) Part 3 of Schedule 4;
(e) items 2, 3, 5, 8 and 11 to 15 of Schedule 6;
(f) items 12 to 17 of Schedule 7.
(Gazette No. S 625, 16 December 1999).

Customs Legislation Amendment Act (No. 1) 1999—Schedule 1—16 December 1999 (Gazette No. S 627, 16 December 1999).


Fisheries Legislation Amendment Act (No. 1) 1999—Parts 1 to 6 of Schedule 1—16 December 1999 (Gazette No. S 623, 16 December 1999).


Human Rights Legislation Amendment Act (No. 1) 1999—Section 22, and items 53 and 60 of Schedule 1—10 December 1999 (Gazette No. S 598, 9 December 1999).

Public Service Act 1999—5 December 1999 (Gazette No. S 584, 4 December 1999).