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The PRESIDENT (Senator the Hon. Margaret Reid) took the chair at 12.30 p.m., and read prayers.

EXPORT FINANCE AND INSURANCE CORPORATION AMENDMENT BILL 1999

Second Reading

Debate resumed from 17 February 2000, on motion by Senator Ellison:

That this bill be now read a second time.

Senator COOK (Western Australia—Deputy Leader of the Opposition in the Senate) (12.30 p.m.)—It is my recollection that when the debate on this legislation was adjourned I had a few minutes remaining to me to wind up my remarks. I think the truth is that the substantial burden of my remarks is now on the parliamentary record, and in the four minutes that I have left it is perhaps appropriate to summarise exactly what the opposition’s view of this legislation is. We have made a decision to not oppose this legislation. That decision was a closely run thing, when you balance the competing interests. We think the decision at the end of the day is appropriate that a competitive requirement should be applied to EFIC.

But on the other side of the ledger we are concerned that at a time when there is a record current account deficit for Australia and a record trade deficit for this nation, the impact of this bill may be to impose higher costs on exporters, the very people that we would want to see being more competitive so that Australia ceases importing more than it exports and turns the tables and starts to export more than it imports, and particularly exports more at a high value added level rather than making its name in world trade as an exporter of mineral and agricultural commodities at minimum level of value added and, therefore, not generating the jobs in Australia that could otherwise have been generated were we to add value to our primary products.

That said, my concern is that EFIC will be put in a position where it competes in the private sector on competitive neutrality grounds but the private sector will pick and choose which areas it competes in, and thus pick the more lucrative areas of competition. This will leave EFIC, as the government commercially driven agency, to compete with them where the economies of scale are but EFIC will bear the cost and weight of responsibility of providing a service to exporters in areas where there is little competition or no competition at all. A national facility like EFIC has to be provided to ensure that we capture high risk markets for our exporters and insure our exporters against that risk, because if we did not do that we would not have those markets. And some of them are quite substantial markets. I will not go to particular countries, but for the wheat industry there are countries in the Middle East and in the former Soviet Union there are republics—as well as Russia itself—which are valued as high risk destinations for Australian exporters and where, if you were exporting, you would need to take out insurance as to whether you would be paid for the goods once delivered. If there is a degree of non-commerciality about that, that degree of non-commerciality could be driven further by this bill.

Therefore, our concluding position is we will go along with the legislation that the government has proposed. We will monitor its application. We will reserve the right to argue for a reintroduction of the status quo should EFIC be driven into a marginal situation where its costs are driven up and its services to exporters are driven down and where exported have to bear a higher burden.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (12.35 p.m.)—The Australian Democrats share many of the concerns put forward by Senator Cook in his speech in the second reading debate. However, we will be opposing the Export Finance and Insurance Corporation Amendment Bill 1999, which is now before us. The Commonwealth’s Export Finance and Insurance Corporation provides internationally competitive insurance and finance services. It is a commercially viable corporation which provides an important function to support Australian exports that has not been traditionally provided by the private sector. It, like all export credit agencies under the terms of the World Trade Organisation’s subsidies code, is required to operate in a way such that it is financially sustainable into the long term.

Facilitation of Australian export trade through the provision of credit insurance and finance services and products has required the establishment of a Commonwealth statutory authority to adequately guarantee the provision of such products and services for Australian exporters. EFIC was established with a particular charge: to provide support in areas where commercial organisations were unable—or perhaps unwilling—to be involved in the provision of services in relation to credit insurance and financial services, due to risk or a range of other factors. EFIC supports the full spectrum of Australia’s export trade and provides one of the very few methods for national assistance in trade. Non-tariff measures are one of the few ways in which assistance can be provided for trade without infringing—certainly these days—on our international trade commitments. This said, the Democrats have grave concerns with the legislation that is before us today.

The Export Finance and Insurance Corporation Amendment Bill 1999 aims essentially to make the corporation subject to the principles of competitive neutrality as per the Commonwealth’s competitive neutrality policy. Competitive neutrality forms part of the national competition policy which aims primarily to ensure that publicly owned enterprises are not favourably treated, in comparison with private sector counterparts, in receiving a competitive advantage. In general, the promotion of the national competition policy, the NCP, has not necessarily been an Australian Democrat pursuit. I note that the application of competitive neutrality
commenced under the former Keating government and its application to statutory bodies receives bipartisan support, which is evident in the chamber again today.

Unfortunately, this policy and this legislation has been employed in recent years to pursue an unqualified agenda of competitive neutrality. Although the legislation and the National Competition Council do not require organisations to pursue competitive neutrality at all costs, I fear that this has been the manner in which the policy has been interpreted and implemented by the current government, basically as a means to execute their excessively—at times—rationalist agenda. This perception has been noted in the report of the Senate Select Committee on the Socio-Economic Consequences of the National Competition Policy. The report’s executive summary states:

The community is clearly expressing concern at the social consequences of the changes that are resulting from NCP, general micro-economic reform and globalisation. There is a concern that the policies labelled as ‘economic rationalisation policies’ are eroding the social cohesion of some communities and devaluing social objectives at the expense of economic objectives such as productivity and efficiency.

In fact, the National Competition Council and national competition legislation contain the proviso that, if the public benefit cost of the organisation becoming nationally competitive outweighs the benefits of being nationally competitive, then it should not slavishly pursue a nationally competitive agenda. The public interest guiding principle of the national competition policy asserts that competition in general will promote community welfare by increasing national income through encouraging improvements in efficiency. This, however, does not sit well with all sectors of the community, especially those who have expressed concerns about possible adverse social consequences from pro-competitive reform.

The recent Riding the waves of change report has found that there has been inconsistent application and interpretation of the public interest test in the application of national competition policy, and that economic assessment has dominated assessment to the cost of less equally quantifiable factors, such as social and environmental impacts. So instead of evenly balancing or at least acknowledging the social and environmental impacts, the economic assessment seems to have dominance. In fact, the report in its recommendations called for jurisdictions to ensure that in implementing this public benefit test, environmental externalities are appropriately considered. Clearly, that is something that the Democrats are very concerned about. We must view the bill before us today in light of the issues that the Riding the waves of change report highlights about national competition policy and, furthermore—and, indeed, this is something pointed out by the previous speaker—in light of Australia’s current trade figures.

Australia has currently its greatest trade deficit, the largest current account deficit and the highest level of net foreign liabilities. Basically, we are more in debt—borrowing and buying more internationally than ever before. On top of this, the Asian economic crisis has resulted in a reduction in private sector credit insurance facilities, thus putting increased pressure on the EFIC facilities. This pressure has been noted by DFAT to be slowly easing as banks and commercial insurers are rebuilding their books for the Asian countries that were most severely affected. Asia is EFIC’s largest market for medium to long-term finance and political risk insurance. It has been noted that this has been reduced by the crisis. However, this trend seems to be reversing. Requiring EFIC to be competitively neutral at the stage when the need for EFIC’s services in the Asian region is of great public importance must be of questionable wisdom. The uncertainty surrounding the ongoing impact of the East Asian financial crisis and the government’s record low international trade figures once again puts into question the timing of this change.

Senator Cook stated that the Labor Party would not support any attempts by the government to further undermine EFIC in whatever form. May I suggest that the added pressures of changes such as those contained in the bill before us may indeed drive EFIC to marginality, or in fact affect its commercial viability considering the requirements for EFIC services at this time. Surely, the public benefit of EFIC’s operations is greater than the benefits of being nationally competitive.

The Democrats believe that the timing of this change is inappropriate, given the government’s poor international trade figures and the ongoing financial impact and uncertainty related to the East Asian financial crisis, although this is not the extent of the Democrats’ concerns with this bill. We support the provision of additional funding and support to enhance Australia’s export facilities. In fact, Democrat policy extends beyond this, with the goal of providing support rather than merely providing EFIC style assistance. However, a range of concerns are guiding operation of this bill, its timing, its impact on various sectors and what some have considered a dearth of consultation in its introduction. We must consider the impact of this bill within the current trade context.

For example, President Clinton made an announcement on Friday, 11 February regarding the introduction of two safeguard measures restricting imports of steel wire rod and welded line pipe into the United States. The United States will introduce a tariff rate quota of 1.58 million net tons on imports of steel wire rod valid for three years. The quota level will increase by two per cent annually, but imports exceeding this quota will be subject to an additional import duty of 10 per cent in the first year, 7.5 per cent in the second year and five per cent in the third year. While the European Union have concerns about this development, it will also impact on our export steel industry. Forcing EFIC to be competitively neutral at a time when our own industry is obviously suffering and requires assistance can only be detrimental. Given that its basic function is to provide assistance when the market will not, it is somewhat odd and inconsistent to suggest that the organisation should be preparing
for competition when its role is to provide a service which the market has not already extensively provided. How may competitive neutrality be achieved when there is not a private sector counterpart in this case?

Another concern that the Democrats have with the Export Finance and Insurance Corporation Amendment Bill 1999 is an increase in fees and charges to EFIC’s clients. While it is not possible to estimate at this stage the total sum of the payments to the Commonwealth proposed by the bill, we can only assume that the payments will raise EFIC’s costs and therefore the charges to exporter clients, who in turn will pass on the higher costs. This aspect of the bill is likely to have a significant impact, particularly on small to medium enterprise clients of EFIC. This anticipated cost passing could very likely result in a reduction in the share of Australian exports which are subject to credit insurance.

The government has noted in the regulatory impact statement that there has been no formal consultation with exporters, although it does acknowledge that they would potentially be affected by any changes proposed. There have been no indications of EFIC’s or the private sector’s view of their predictions of the possible impact of this bill. The Democrats are certainly concerned about this lack of consultation. We believe that that is inadequate.

We also have environmental and ethical practice concerns about Australian companies currently funded by EFIC. We believe that there is a need to ensure that our Export Finance and Insurance Corporation is able to operate not only commercially, as everyone is so keen to see it do, but also ethically. We have brought the issue of taxpayers’ money being used to support companies’ overseas operations that do not adhere to Australian environmental standards before this chamber on a number of occasions—namely, in questions by my colleague and our environment spokesperson, Senator Andrew Bartlett, the example of the operations of Australian company Esmeralda, which did in fact lead to a cyanide spill into the rivers in Hungary and more widely in Europe, is an example of the need for EFIC to require environmental standards from company clients and customers. I acknowledge that this may not be possible within the scope of the bill we are dealing with today. However, it is an overdue change to current practice.

The use of Australian taxpayers’ money to assist mining projects, such as Esmeralda’s overseas operations through EFIC, is at the very least inappropriate. In fact, it is in contradiction of the basic role of encouraging Australian export trade. In this day and age, our international trading reputation is of course essential to successful trade operations. Our environmental track record will be a basic platform to launch Australia’s exports from in the emerging global and, I believe, consciously green marketplace. If we allow Australian companies to operate overseas and not adhere to environmental standards, then we will only act to exacerbate Australia’s current poor international trade figures.

Appropriate legislation is required to ensure that environmental standards are practised overseas at such a level that they provide an international display of environmental best practice. The government must ensure that environmental standards are maintained not only for the purposes of respecting the biological integrity of the local habitat but furthermore—and this is of direct relevance to this bill—for international competitiveness in the emerging global marketplace.

Placing environmental and human rights employment practice standards on companies that undertake overseas operations is a reasonable and practical method of ensuring that taxpayers’ money is supporting companies which are ethically responsible. It is also a suitable means of ensuring that Australia’s international trading reputation is protected in a shrinking, media saturated world, where companies’ environmental and human rights records are international news. We have obviously seen that in the last couple of weeks. Such incidents may not only damage Australia’s reputation but damage those that seek to invest overseas.

As the Riding the waves of change report notes, ‘market forces are global but the social fallout that policy makers have to manage is local’. Our poor environmental practices on foreign soil will indeed come back to haunt us. For the varying reasons I have outlined in my comments, the Democrats will not be supporting the Export Finance and Insurance Corporation Amendment Bill. The promotion Australian exports requires further consideration—we believe that very strongly—particularly in light of the report of the Senate Select Committee on the Socio-Economic Consequences of the National Competition Policy entitled Riding the waves of change. The Democrats would seek to provide additional funding and support to enhance ethical and environmentally sustainable Australian exporting beyond the EFIC style assistance.

Senator CONROY (Victoria) (12.49 p.m.)—The Export Finance and Insurance Corporation Amendment Bill 1999 is in its essence a bill to apply the principles of competitive neutrality to the Export Finance and Insurance Corporation. Labor is supportive of this bill because we are supportive of the principles of competitive neutrality. Indeed, as has been pointed out, it was a policy that the Keating Labor government introduced and is one which continues to have bipartisan support. However, we are very concerned that this bill will introduce additional costs to exporters at a time when the country can least afford it. We are concerned about the timing of the bill and the fact that there has been no consultation with the groups that it will affect the most—that is, Australia’s exporters.

Let us remind ourselves of some key facts. In 1998, Australia recorded the largest ever trade deficit in our history—over $10 billion. In 1999, we recorded the largest ever current account deficit—over $34.6 billion, an increase of $5.8 billion or 20 per cent on the deficit recorded for 1998. We have also recorded the highest ever level of net foreign
liabilities—the last figures were over $350 billion. The increase in the current account deficit was largely due to an increase of $4.5 billion or five per cent in goods imports together with a fall in goods exports of $2 billion or two per cent.

What is happening to our economy is that we are sucking in imports and we do not have the export income to pay for them. Our traditional export industries are struggling. As an example, coal, coke and briquettes are down $1.4 billion or 14 per cent. Metal ores and minerals are down $0.9 billion or eight per cent. Wool and sheepskins are down $0.6 billion or 20 per cent. We need our manufacturing industries to increase their exports, but the latest figures reveal that our export of manufactures fell over the past year. But the worst thing for Australia is that, in the area of the new economy, not only did exports fall but the fall was greatest in elaborately transformed manufactures, the export of which dropped by five per cent. This is a sector that represents our future. It is exactly the sector that we should be promoting if we are to realise the goal of creating a high skill, high wage Australia. In a time when we are running record trade deficits, the last thing that we need to do is give our exporters additional costs, yet this is exactly what this bill will do.

The proposed changes to EFIC will impose costs on exporters at what is clearly a difficult time. It is a time when our exporters are fighting against dumping in traditional markets. It is a time when we have flat exports to our two largest Asian trading partners, Japan and South Korea. It is a time when resurgence in the economies of South-East Asia and North-East Asia may bring the pressure of import competition. This is the background against which we need to assess the EFIC amendment bill. This bill applies the principles of competitive neutrality to EFIC, ensuring that as a government business it does not have a comparative advantage over its private sector competitors simply by virtue of its public ownership.

We support this principle, but this bill has a short-term potential to have an adverse impact on our exporters. We do know increased charges will impact on our exporters. According to the Parliamentary Library in its analysis:

While overall it is not possible at this stage to estimate the total amount of the payments to the Commonwealth proposed by the Bill, it must be assumed that they will raise EFIC’s costs, and unless corresponding savings can be found, EFIC will be forced to pass on these higher costs to exporters in the form of higher charges.

Higher charges to exporters—this is at a time when we have a record trade deficit, at a time when our manufacturing industries are struggling to compete, at a time when our traditional exporters are facing dumping in traditional markets. We must ask the government: why are you doing this at this time? Do you understand what our exporters are going through or are you ignorant of their needs? Have you talked to exporters about these changes? The answer is no. Why not? What is your real motivation? Are you really seeking to rip some money out of a successful Commonwealth enterprise to prop up consolidated revenue? We do not know the answers. We do not know what level the government will set these fees at. The opposition will support the bill, but we condemn the government for its timing. We will scrutinise the implementation of the bill to ensure it does not adversely impact on our exporters.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (12.53 p.m.)—I particularly thank Senator Cook for his contribution to the debate. I would like to respond to a point raised by Senator Stott Despoja; otherwise, I wish the bill a speedy second reading. Senator Stott Despoja, on behalf of the Democrats, raised the issue of the environmental requirements upon EFIC. For Senator Stott Despoja’s edification and that of other honourable senators, EFIC is subject to Commonwealth environmental legislation. The Environment Protection (Impact of Proposals) Act does apply to EFIC and, as all honourable senators would know, the Environment Protection and Biodiversity Conservation Act—which comes into force in July of this year—will replace that piece of legislation. The Commonwealth, at this stage, is examining a new legislative regime for when that occurs. So we do have that in mind.

Senator Peter Cook raised concerns about what happens in the marketplace. He raised concerns about private sector insurers cherry-picking and not entering markets which are more vulnerable and risky where enterprises have trouble getting insurance. That is a legitimate concern, I have discussed that with Senator Cook privately and it is an issue that the government will be keeping under active scrutiny and formally scrutinising as part of the first review, which will take place in just under 12 months time. So we will keep a close watch on that, as I am sure Senator Peter Cook will. I commend the bill to the Senate.

Question resolved in the affirmative.

Bill read a second time.

In Committee

The bill.

Senator COOK (Western Australia—Deputy Leader of the Opposition in the Senate) (12.56 p.m.)—The explanatory memorandum to the Export Finance and Insurance Corporation Amendment Bill 1999 states:

There has been no formal consultation with exporters.

This is a point made by Senator Stott Despoja. I wonder if the government could give the chamber an explanation of why there was no formal consultation.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (12.57 p.m.)—I have been advised that, although the explanatory memorandum may have said that there was no consultation with the export sector, there certainly was consultation with the export insurance stakeholders. But it was thought unnecessary to discuss it with the broader export
sector, because it was the implementation of competitive neutrality policy.

**Senator COOK** (Western Australia—Deputy Leader of the Opposition in the Senate) (12.57 p.m.)—One can see how the industry that would benefit from this—the insurance industry—if consulted, would provide affirmation for the government’s intention. It does raise the question, though, of why the industry that might bear the burden of extra costs—the exporters of Australia—was not consulted. It seems very odd to me and, indeed, could appear to be a deliberate omission rather than one by happenstance. Was this a positive decision made by the government not to take this legislation out and talk to exporters who, conceivably, may face higher charges as a consequence of the changes being proposed?

**Senator IAN CAMPBELL** (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (12.58 p.m.)—There was no decision made by the government not to consult. It was a policy decision to implement competitive neutrality principles to the marketplace. It was not considered that it would have any effect on EFIC’s viability; therefore, it would not have an impact on the exporters. So we saw no need to consult them.

**Senator STOTT DESPOJA** (South Australia—Deputy Leader of the Australian Democrats) (12.58 p.m.)—On the same matter, I am curious as to what form the consultations took with the groups that were consulted or contacted by the government. Are we talking about a large group or a small sector of insurers? Perhaps the parliamentary secretary could indicate how they were contacted and how many were contacted—give us a general view of what consultation did take place.

**Senator IAN CAMPBELL** (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (12.59 p.m.)—I am informed that there are a number of relatively small organisations in the business but only one that is of any significant size. I am also informed that there was just one meeting to discuss it and that that would have taken the form of a normal consultation. Further, I am informed that there were some letters sent to the minister on the issue, as one would expect.

**Senator COOK** (Western Australia—Deputy Leader of the Opposition in the Senate) (1.00 p.m.)—I was intrigued by the parliamentary secretary’s answer to my last question and his concluding remarks which, as I recall them—and if I recall them inaccurately, please correct me—were along the lines that it was believed there were no extra costs being imposed on EFIC and as a consequence no extra charges to exporters and that it was therefore not necessary to consult exporters. That is how I heard the answer. If I am incorrect about that, I invite a correction. But if I am correct about it, I ask the parliamentary secretary whether this was a view taken by the government or whether the government asked EFIC if that was their view and obtained consideration and a report from EFIC on that subject.

**Senator IAN CAMPBELL** (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (1.01 p.m.)—The bill—and obviously the provisions of the bill—have the full support of the EFIC board. The comments I made were to say that the measures in the bill do not affect EFIC’s viability. I did not go into any other aspects. As you would know, Temporary Chairman, and as Senator Peter Cook would know, EFIC have always been required to operate commercially, and clearly they will have to make commercial decisions about how they are to operate their internal cost structure and their charging structure. These are decisions that they are used to making and, as I said at the outset, the board fully supports these measures.

**Senator COOK** (Western Australia—Deputy Leader of the Opposition in the Senate) (1.02 p.m.)—Thank you for the answer. I acknowledge that the board supports these measures. The board is appointed by the government to fulfil the charter of the EFIC Act. My question, however, was not about whether the board supports the concept of competitive neutrality or the government’s actions to introduce that to EFIC but about whether, in ascertaining if costs would be passed to exporters, EFIC were asked to do an analysis as to whether in their view competitive neutrality would impose extra costs on their affairs. The reason why I put it in those terms is that it is quite conceivable that the board, out of a sense of loyalty to competition ethics, competitive neutrality or the government’s goals, would gulp down any extra cost and say, ‘Well, it might make it a bit tougher for us; nonetheless, we will sign on to the process.’ That would be an understandable and, in some cases, perhaps even a reasonable response for a board, but it does not go to the question of whether extra costs to exporters are involved. It goes to the question of the loyalty of the board to the government’s goals as it sees them within the terms of the act. I do not question the integrity of the EFIC board. I should make that clear, because I regard it as an extremely competent board that commands considerable respect, and rightly so. But the issue is: what do exporters face by way of extra costs and charges as a consequence of these measures? So my question is: were EFIC asked to do any analysis on their procedures as to whether they believed that this might involve them in any extra costs or charges or any changes that would put a higher burden on exporters?

**Senator IAN CAMPBELL** (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (1.04 p.m.)—I am advised that we did not specifically ask EFIC to do that. I would imagine that it would be something they could get a consultant to have a look at. One of the objects of this legislation, as you would understand, and one of the objects of competitive neutrality, of course—and one of the reasons why the previous government
obviously backed the competition policy generally—was to encourage
more competition in these marketplaces. As I
described in answer to the question from Senator Stott Despoja earlier, it is a marketplace that is
obviously dominated by EFIC, one large insurer and,
I guess, a few niche players. It is not part of my
portfolio and I do not spend my time focusing on
this area, but I have been told that there are a
number of smaller insurers. I would presume, with
my knowledge of the private sector, that they are
probably niche players in particular segments of the
export market.

Tangentially, I guess it is fair to say that
competition policy has almost become a bogeyman in
recent years—which is, I am sure, something none
of us would have wanted to occur when those of us
in this chamber supported the Keating government’s
initiatives in this area not so many years ago—and it
has become a bogeyman for a number of reasons. I
think we have just recently had an excellent Senate
select committee report come down on competition
policy. One of the motivations which remains the
motivation of increasing competition is actually to
allow new entrants into markets. It was aimed at
helping small business people. Competition policy
was there to try to get rid of monopolies and
duopolies where the big end of town can dominate a
marketplace. The policy was designed to allow new
entrants to come in and challenge existing players.
That is very much the case with this marketplace
which, as I have said a couple of times, is dominated
by EFIC from the public sector and one big insurer
from the private sector.

In answer to Senator Cook’s question, to try and
model the costs that may flow on to customers you
would have to have some sort of dynamic model of
the export insurance marketplace. I am sure that
would be possible to do. The way we want to
analyse that question, and it is a very serious
question, is that we want to make sure that our
exporters are packaging their products and services
for the international market as competitively as
possible. The government’s objective is to keep the
whole export package as finely tuned as possible.
Without getting on to another issue at the
moment. But we did not ask EFIC to do that and
make decisions. I would be surprised if EFIC
and therefore its own costs and then would have to
assessments as to how it ran its internal operations
a competitive marketplace would have to make
penultimate intervention in the debate, that EFIC in
answer with an odd red herring dropped in, I did not
the Arts) (1.11 p.m.)—In my slightly extended
answer with an odd red herring dropped in, I did not
say there would be no costs; I said, in the
penultimate intervention in the debate, that EFIC in
a competitive marketplace would have to make
assessments as to how it ran its internal operations
and therefore its own costs and then would have to
make decisions about its pricing. It will have to
make those decisions. I would be surprised if EFIC
is not making those sorts of internal assessments at
the moment. But we did not ask EFIC to do that and
competition does develop in that marketplace. As I
have said, I am not an expert in this area—it is not
my portfolio—but I would guess that having
significant competitors to EFIC or other private
insurers emerge within the first 11 or 12 months is
probably a bit of a false hope. I do not know how
quickly we envisage significant competition entering
the marketplace. But competition in any form would
ensure that the existing suppliers, either EFIC or
other private sector insurers, sharpen up their acts to
provide their insurance and other services at the best
quality for the best price. I think the review should
reveal a lot more about that, and we look forward to
reporting when that review is done.

Senator COOK (Western Australia—
Deputy Leader of the Opposition in the Senate)
(1.09 p.m.)—I look forward to the review and to
what the review would reveal. Let me not get caught
up in a red herring, but let me not leave unanswered
the allegation about $4½ billion of embedded taxes.
This is a debate that we have had in this chamber
many times. The opposition does not concede that
that is removing a burden from exporters, because
when you have a floating exchange rate your
economy is valued against its competitiveness and
the exchange rate goes up, in effect reimposing the
costs that exporters have saved and sometimes more
than that. So the end price of your goods in neutral
dollars is the same or higher. But that is an argument
that we have had on many other occasions, and I do
not propose to go into it now because it is a red
herring to this debate.

What I heard the Parliamentary Secretary to the
Minister for Communications, Information
Technology and the Arts say was that EFIC had not
been asked to do an assessment as to the cost
impacts on them. That was the part of your answer
that you gave first. That is what I am concerned
about. I am concerned about it because the
government has said in this chamber that there are
no cost impacts. We now hear that EFIC have not
been asked to do any assessment to see whether,
from their perspective as the agency most affected,
there are cost impacts on them. So the view of the
government that there are no cost impacts cannot be
an EFIC view because they have not made the
assessment, given your answer. That leads me to the
question: who made the assessment within the
government that there are no cost impacts; and can
we see it?

Senator IAN CAMPBELL (Western
Australia—Parliamentary Secretary to the Minister
for Communications, Information Technology and
the Arts) (1.11 p.m.)—In my slightly extended
answer with an odd red herring dropped in, I did not
say there would be no costs; I said, in the
penultimate intervention in the debate, that EFIC in
a competitive marketplace would have to make
assessments as to how it ran its internal operations
and therefore its own costs and then would have to
make decisions about its pricing. It will have to
make those decisions. I would be surprised if EFIC
is not making those sorts of internal assessments at
the moment. But we did not ask EFIC to do that and
to report to us, so we do not have any special information in that regard. I do not have anything else I can add to that.

Senator COOK (Western Australia—Deputy Leader of the Opposition in the Senate) (1.11 p.m.)—I did not catch the last part of your answer in the terms that you have now explained it. But, accepting the explanation you have now given, there is—if I may put it in my terms—somewhat of a grudging recognition that there may be some cost impacts as a consequence of this measure. If that is the case—that is as I understood your answer; correct me if I have misunderstood it—what level of cost impacts are we talking about and who has made the assessment, given that it is not EFIC?

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (1.12 p.m.)—We do not grudgingly say that there might be costs on EFIC; it is quite clear from the legislative regime that there will be costs on EFIC. The point I am trying to make—obviously in too much of a roundabout way—is how they deal with their internal structuring, how they deal with those costs, how they handle them and what they do to their own operations as a result of competition is something that basically we could only make assumptions about. The government are saying that when the review takes place there will obviously be better information about it. It is not an issue that we have any special information about at the moment. There will clearly be some costs associated with this on EFIC. How EFIC deal with those costs is a matter that they will be closely scrutinising.

Senator COOK (Western Australia—Deputy Leader of the Opposition in the Senate) (1.13 p.m.)—I have a few more questions on this point. I think I said this in my speech in the second reading debate—if I did not, I meant to—but I might as well repeat it now. The best example of the way the issue presents itself to me is in transport policy where in the thick routes—that is, the most lucrative and travelled routes—there is competition. One expects that with competitive neutrality there will be competition in the most lucrative end of the market from the private sector. But in the thin routes that are less travelled and less profitable and that sometimes are subsidised there is no competition, leaving EFIC to have to pick up the tab in that sector without making a quid in the profitable sector to subsidise its operations in the non-profitable sector. The private competition will occur where the profits are and will not occur where the negatives are, but EFIC will have the responsibility nonetheless of providing a service there.

Because EFIC runs on commercial lines, it may simply withdraw the service, in which case it meets its commercial responsibilities. But exporters who target those markets—and some of them are quite fragile markets, but nonetheless important markets and markets that will not always be in the same parlous state as they now are—have little access to insurance protection in the event of default. That is my concern. It does not spring from a theoretical or academic understanding of this; it springs from practical, hard reality.

Shortly after the collapse of the former Soviet Union and the rise of Russia, the economic affairs of that country were in turmoil. But it was a major market for Australian wheat and Australian wool, and our rural producers in both those commodities sought support from EFIC in order to tap into that market. That market is still a strong one for our commodities, and that country’s economy is better but far from perfect, so I would still regard it as a reasonably high or medium risk market. But my point is that, if EFIC had been unable to deliver that insurance protection, we would never have been able to sell that wheat and wool in the first place at a time when that market was extremely difficult. That is why I am concerned about the impact on extra costs or, in the case of this example, a withdrawal of services, because the commercial requirement in the EFIC legislation requires it at the end of the day to make a quid. If it cannot, then, on commercial grounds, it does not deliver that service. That is why I believe it would have been worthwhile for the government to have asked for views about this from the Australian Wheat Board, from the Wool Corporation, from the Australian Meat and Livestock Corporation, from the Institute of Exporters and from another industry sector that has been a strong user of EFIC, the Australian Shipbuilding Association, which has relied on EFIC in the past to win contracts for the only piece of sophisticated, highly complex technology that Australia leads the world in, and that is aluminium fast ferries.

Senator Ian Campbell—And luxury yachts.

Senator COOK—We do not lead the world in the manufacture of luxury yachts, but we do make some.

Senator Ian Campbell—I was thinking of Oceanfast.

Senator COOK—Oceanfast is an exemplary firm which makes a high quality product. But I think even it would not say that it is the world leader in making yachts for rich sheikhs in the Persian Gulf or for playboys in the Mediterranean. It is a firm that makes—even with its parent, Austal—the high quality, complex technology aluminium fast ferries that are the envy of the world; it and Incat in Tasmania. But my point is that, in the past, without EFIC, it would not have got to this status because EFIC’s ability to guarantee payment on its contracts enabled it to make investments that it otherwise would not have made. And had it not made those investments, Australia would not have this industry now. Australia would not lead the world, because the particular service of EFIC would not have been there to have provided the foundation for growth.

So this is not a light question; this is, in terms of industry development, quite a serious question. I have said that the opposition’s position on this legislation was a closely run thing, and that is because this is a balance between competing principles: the principle of competitive neutrality as a general competition principle, and the principle of what the impact will be on what is not at all a typical
sector of commercial activity—in fact, it is a quite specific and unique sector of activity which does support very much to sell the basic commodities of wool, wheat, beef, et cetera, and sophisticated technology to the world. With that explanation, it seems to me very odd that no consultation was undertaken with the Wheat Board, the Wool Corporation, the Meat and Livestock Corporation, the Australian Shipbuilders Association—all of which cover specific sectors that use or have used EFIC on a regular basis—not to mention the Institute of Exporters, which covers a lot of small business advisers who assist with small business participation in the export market, or indeed the Australian Industry Group or the ACCI, which are the major overarching industry groups.

So, Minister, I do not know how much further we can take this because I think the answers have clarified the situation. The conclusion is that the groups that may bear the burden were not consulted, which is of considerable concern to us. Therefore, it appears that the wider industry implications of introducing these measures were not weighed in any process. The government's response was to talk to other competitors of EFIC to see whether they would enjoy extra costs being imposed on EFIC so that they could compete with EFIC more favourably. I do not think we can take it much further. Our position is not to oppose this legislation. However, before I conclude, I will say that this legislation will impose on EFIC's short-term business a guarantee fee, a debt neutrality charge and tax equivalent payments. They are the three cost impositions on EFIC. Is there any information as to what, on EFIC's current book, the tax equivalent payment cost would be, or the debt neutrality charge would be, or the guarantee fee would be?

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (1.22 p.m.)—To answer the last part of your question first, I will repeat what I said previously: we have not asked them to provide us with that information. In response to the very important issues Senator Cook has raised—for example, he mentioned the Wheat Board, meat exporters and wool—the Wheat Board is almost entirely insured through the national interest account. The risks there are too large even for EFIC, so they are, in the main, insured through the national interest account, not EFIC. Of course, as Senator Cook would know, the national interest account will remain.

The government recognises, as does Senator Cook and the Australian Labor Party, that there will be a continuing community service obligation upon EFIC. We recognise that there will be market segments that clearly the private sector will not want to touch because they are too risky. We recognise that very clearly. As I said in my summing up of the second reading debate, we will be closely monitoring that. The national interest account will remain and, if there is a call upon that, the government will go through the normal decision making processes to ensure that in the national interest that sort of insurance is available to the riskier sort of business that Senator Cook has referred to.

I will refer to the shipbuilding industry, which Senator Cook also raised. Clearly it is an industry we are proud of as Western Australians and as Australians. I make it clear that the relationship it has with EFIC will be unchanged. It relies predominately, in fact almost totally, on EFIC's medium term finance facilities and does not rely on EFIC for credit insurance, which is what this bill seeks to reform. Therefore, in terms of the medium term financing, with which EFIC has assisted that growing industry of highly complex and well-regarded exports of great Australian and Western Australian made ships, this legislation will have absolutely no impact on that industry at all.

I take this opportunity selfishly to wish our friends at Oceanfast in Western Australia at Henderson a speedy recovery from the tragic fire that cost them virtually a completed $35-odd million luxury small ship. They call them yachts but I think most people would envisage them as small ships—that is probably more appropriate. We wish them a speedy recovery from that tragic accident. I understand that they are re-laying the keel of that ship, which needed replacing, as we speak. So within a few days those great Western Australians, John Rothwell and his crew, will be getting that show back on the road, which will be good for Australia, good for the people at Oceanfast, good for Western Australia and ultimately good for the person who is looking forward to receiving his new ship. I think they are the key elements that I needed to respond to, and I am happy to respond to further questions.

Senator COOK (Western Australia—Deputy Leader of the Opposition in the Senate) (1.25 p.m.)—I can conclude now. I am a long-term admirer of our shipbuilding industry, including Oceanfast and Austal, and have argued in this chamber against the government when it came to the shipbuilding bounty.

Senator Ian Campbell—Successfully.

Senator COOK—Successfully. I take your interjection, Parliamentary Secretary. However, we are not here to distribute accolades; we are here to deal with this legislation. In response to the comment about the Wheat Board, the Wool Council and the Australian Meat and Livestock Corporation, it is true that most of their business is conducted on the public account. That is the cause of my concern.

I just want to leave this point with the government because, when the review of these proceedings comes back, it is something that I would not mind us dealing with in the reporting of the review, as I think it is fundamental. My concern is that competition will be limited to the profitable areas, meaning that EFIC, which has a commercial obligation as a government owned agency, will be less able to compete in the marginally profitable areas. It is unlikely that the private sector will want to do that
anyway because they exist in business to make a
profit, so they are unlikely by very definition to want
to go into those sectors, meaning that companies
wanting to conduct business in those sectors will be
referred by EFIC, as is the process, for consideration
by the government to the public interest account. If
the government agrees that the importance of the
business is sufficiently in the public interest, then the
Australian taxpayer will support the conduct of that
business as a guarantee.

I know the process of the public business account,
and it involves consultations with various
departments, including Treasury and Finance. I am
not saying that is improper. I think it is entirely right
because we are talking here about the expenditure of
taxpayers’ money to support commercial enterprise.
But the point is that it takes a very conservative
approach unless there are big licks of trade involved.
So, when you have half a dozen wheat bulk carriers
going to top up the poor harvest in Russia as sale of
Australian wheat to Russia, that is a big item.
Farmers all around Australia are very concerned to
see whether they can make a sale or not. And the
considerations by the government of the public
interest account is to say, ‘Well, let’s tick that.’ It is
the same with wool. But if you are a small company
selling, say, complex technology to an Arab state
that might be regarded as a marginal proposition and
EFIC cannot provide you with the insurance, how
likely is it that the government will say in the
taxpayers’ interest, ‘We’ll pick that up in the public
interest account’? It may, but in my experience it
invariably does not. So it is not the big items that get
it in the neck; it is small business that get it in the
neck, and I think that is a possible outcome of these
changes.

Having said that, and recognising that there is a
review, I look forward to seeing the review and
perhaps some of those matters being canvassed in
the review because at the end of the day there is a
clash here of policy objectives. The policy
objectives of competitive neutrality as part of the
competition policy approach is something that we
understand on this side of the chamber and have had,
as the parliamentary secretary rightly points out, a
pioneering role in. But I also make this remark about
competition policy: it is a means to an end; it is not
an end in itself. The end that it seeks to deliver is
lower prices, higher quality and better service to
Australian consumers and to kick out subsidies that
artificially inflate costs and prices and act as—dare I
say it—a GST, a flat charge to all users. So
competition policy has to be seen against that
backdrop.

The other public policy matter of interest is that we
have now a record trade deficit and it is getting
worse. One of the devices we use to help Australian
industry to conquer new export markets and, in
particular, export markets that are fragile, dicky or a
bit risky is by taking out some insurance to protect
against undue risk. If its activities become
constipated by this legislation, there is every reason
why this parliament should give it a purgative and
get rid of the obstacles and get on with the job. I
have to apologise for the analogy: it is not the
happiest analogy for a Monday afternoon, but I think
it makes the point.

Question resolved in the affirmative.

Bill reported without amendment; report adopted.

Third Reading

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

EMPLOYMENT, EDUCATION AND
TRAINING AMENDMENT BILL 1999

Second Reading

Debate resumed from 12 August, on motion by
Senator Ellison.

That this bill be now read a second time.

Senator CARR (Victoria) (1.29 p.m.)—
The Employment, Education and Training
Amendment Bill 1999 seeks to abolish the National
Board of Employment, Education and Training,
known as NBEET. This bill was first introduced into
the parliament on 27 June 1996. It never got a
second reading and is now being presented to us
again today. This was originally an election promise
made in 1996. To my knowledge, there has never
been a definitive statement put down by the
government as to why they sought to abolish
NBEET. It has been effectively undermined by the
actions of the minister who, without having a bill to
support his actions, instructed the three councils
in the board of NBEET to wind up their activities back
in 1996. That was an act that should never have
occurred.

The bill being introduced for discussion here
today is an act that should not have occurred either.
It reflects not the government’s priorities in regard to
this particular piece of legislation—after all, it is
legislation that has been hanging around since
1996—but the paucity of the government’s
management in regard to its legislative program. The
legislative program is so thin that we have bills like
this under discussion: bills that go back to 1996. We
already have a bill in relation to the Australian
Research Council listed on the Notice Paper for
debate this current session. The intention of that bill
is to fundamentally restructure the ARC.

The proposals we have before us here are not only
very old but grossly out of date. The government has
so badly managed its legislative program that it
needs to dig deep into the barrel of legislation—old,
redundant legislation—in a bid to cover up the air
time in this parliament. It has not been able to get a
sufficient legislative program prepared ready for
consideration by this chamber. This bill seeks to
alter the ARC in a rather pointless way, given that
the new bill the government plans to introduce will
seek to redress those provisions on yet another
occasion. The bill establishes a structure that the
government has absolutely no intention of
implementing. It has already seen detailed plans to
completely revamp, rewire and restructure that
particular council.

It strikes me that this government has failed to get
its act together in this matter. I think we are entitled
to know why it is seeking to introduce a measure which has already been superseded by government announcements. Therefore, one is entitled to ask: ‘Why is such an irrelevant action being taken?’ I come back to the proposition that this is clearly a case of the government wasting the time of this parliament. It is seeking to have a legislative package put through which does not in fact reflect its actual intentions. As I said, this bill, which was first introduced in 1996, sought to abolish the National Board of Employment, Education and Training, along with the Australian Language and Literacy Council, the Employment and Skills Council, the Higher Education Council and the Schools Council.

This measure seeks to retain the Australian Research Council and the government later on will then reintroduce another measure to have the ARC operate under its own act. This was announced in the government’s white paper and released last December. It is quite clearly no longer news. However, the old form of the ARC is retained needlessly in this particular bill.

The more fundamental problem relates to why the government has effectively abolished NBEET to begin with. We have a new look ARC as envisaged by the government, but there are some serious flaws in that measure. It is comforting to see that at least one of the important areas of educational policy will remain: the capacity to have independent, arms-length advice in regard to the ARC. What troubles me, however, is the general proposition of the abolition of independent cross-sectoral advice. I indicate here that this speech at least provides one opportunity; that is, it allows me to restate the Labor Party’s commitment to the reintroduction of a cross-sectoral independent body for advice to government, upon our re-election to government.

NBEET was established in 1988. It reflected then the government’s intention to have available to it advice across a range of education and vocational education issues. It was conceived to provide a unifying advisory mechanism outside of the department, and independent of the department. It provided a vehicle whereby the different views across the education community could be noted and different issues could be confronted in a way that forced that body to provide a unified view to government. The views were not always acceptable to government, were not always appreciated by government; nonetheless, they were generally regarded to be of an extraordinarily high standard. NBEET reports were generally well received throughout the community, even though the issues and opinions they canvassed were not always well received by individual ministers.

The functions and activities of NBEET and its councils have to be set against the long history of independent advisory structures that have been the feature of education policy making and implementation in Australia since the 1950s. This is the first government that I can recall that has effectively turned its back upon this important aspect of political debate in this country. We have seen it in a range of areas. We have seen a range of bodies defunded, that have lost their support from government, because on my judgment they provided advice that the government did not want to here—that is, they were too independent.

We of course know of the Youth Policy Action Coalition and the Pensioners and Superannuants Federation. They are just two bodies that were found at the wrong end of government because they provided advice that the government did not want to hear. The Family Planning Association of Australia also ran into the same problem. The Australian Community Health Association, the Australian Catholic Social Welfare Commission and the Association of Civilian War Widows are other bodies that have been defunded because they provided advice that was too independent for this government to be able to handle.

That is not the way it has always been in this country. The Australian Universities Commission was in fact set up by the Menzies government in 1959, following a major review of the Australian university system which culminated in the Murray report of 1957. The commission’s main task was to advise on the allocation of Commonwealth funds, which at that time was about 29 per cent of university income. The Martin report in 1964 paved the way for the establishment of the Commonwealth Advisory Committee on Advanced Education, which was in turn replaced in 1971, again under a coalition government, by the Commission on Advanced Education. Members of the Universities Commission and the Commission on Advanced Education were appointed by the Governor-General on advice of the government of the day, but the convention included, variously, ‘representatives from the academic community, from the states, from industry and from the Commonwealth’.

The Australian Research Grants Committee, ARGChad, was set up in 1965. Reflecting the committee’s unique and specialised role, its members were senior and prominent researchers and academics. The policy of ‘expert’ membership was reflected later in the membership of the Australian Research Council, the ARC—the body the government now seeks to restructure. As I say, that is another matter for another bill for another day.

The Schools Commission was established by the Whitlam government in 1973, following a report of a committee chaired by Professor Peter Karmel. In the same year, the Commonwealth Committee on Technical and Further Education was established as the precursor to the 1975 Commission on Technical and Further Education. Under Labor, in 1974, the Commonwealth assumed full responsibility for the funding of both universities and the advanced education sector. In 1977, the Fraser government replaced these three Commonwealth statutory corporations with one overarching body—then titled the Tertiary Education Commission, later the Commonwealth Tertiary Education Commission, CTEC. This body had under its aegis three councils—the Universities Council, the Advanced Education Council and the Technical and Further Education Council.
By statute, these councils, and the overarching commission, included among their membership representatives of a range of stakeholder organisations right across the industry. They did have some executive powers, and I think there was some criticism of the way in which that was at times exercised. However, the Hawke and Keating governments set as a very high priority the reform and integration of Australia’s educational industry and, of course, established a unified representative body under NBEET. It was a body whose councils included for the first time the schools sector under the same advisory framework as the other post-school sectors.

So there is a history of development throughout the last 40 years where governments of all political persuasions were not frightened of the prospect of independent advice being presented to government. Under this government, however, we see a complete reversal of that position. John Dawkins told the House of Representatives during the second reading debate on the legislation to establish NBEET:

The central purpose of this Bill is to enhance and streamline advisory structures in employment, education and training in a manner consistent with the high economic and social priority placed on these activities by the government.

The Howard government has given no priority whatsoever to education and vocational education issues. So, in that sense, it is not surprising that a body like NBEET would be seen by this government to have so little value. To my knowledge, neither the board nor any of its councils—save the ARC—have any current membership. The government has allowed NBEET and its councils to fade into oblivion, pre-empting the abolition of the entire structure and thus technically breaching the NBEET act. The ARC, which the government plans to retain in its heavily modified form, remains functional; otherwise NBEET is no longer able to perform any of the functions required under its own act.

Cross-sectoral advice and perspectives that I think NBEET was famous for are still needed. What we see is that valuable functions have been lost to this government and to this parliament. That is the important point: the reports that NBEET produced were to this parliament and were available for public debate and public discussion. They had the ability to examine issues on a cross-sectoral basis. At a time when the traditional sectoral barriers separating schools from TAFE colleges, from universities and, of course, from labour market programs are all breaking down, you would have thought the need was all the more apparent right now, but not according to this government.

It is important to emphasise that the NBEET structures included employment and labour market issues because there was a perception that there was a need for an integrated response to the relationships between our educational sectors and our employment market. This was appropriate, but it has again been lost in this government’s administration, with employment being taken out of the education portfolio not for any sound policy reason but because of Dr Kemp’s demonstrable incompetence in being able to administer labour market programs.

We have seen a range of issues discussed in recent times: the convergence of general and vocational education; the nature and importance of employment related key competencies—in regard to articulation, credit transfer and recognition of prior learning both within and between services; the way in which people are encouraged to follow particular pathways through the different parts of structured education in this country to ensure there is an appropriate combination of skills and knowledge; and the emergence of the lifelong learning concept within education. All of these things point to the need for an independent, high quality, highly credible source of advice to government, but this government has failed to respond to these needs.

We have seen in recent times a revolution in methods and technologies for the delivery of education and training, and we have seen the blurring of the traditional divisions between sectors. The advent of the Internet and computer packaged learning, particularly within the VET system, is set to bring in whole new approaches to the delivery of education at all levels. This again points to the need for governments to respond to these developments.

What we have under these arrangements is essentially an ad hoc response by government to each of the issues that are thrown up—and they quite often arise as a response to the opposition raising a particular matter within this chamber. We have seen, for instance, the review of the ESOS Act. We have seen the review in regard to the accreditation of universities, particularly with the scandal associated with Greenwich University at Norfolk Island. We have seen a whole range of devices this government seeks to compensate for as a result of the need to respond to day-to-day political pressures, when there ought to be a structural response built in to allow the whole industry to deal with these very serious issues in a much more thorough and comprehensive manner.

The Senate inquiry in 1996, which was initiated by the opposition, saw a range of people come forward and point out the need for there to be an independent advisory body such as NBEET. For instance, Professor Ian Chubb, the Vice-Chancellor of Flinders University, said:

> If some relationship between employment, education and training is assumed, then I believe a minister will need some body or other to integrate the often conflicting advice that will come from the various interest groups and to turn it into policy advice.

Professor Chubb went on to say:

> I have seen no good reason put forward for the abolition of NBEET.

And we have yet to see any good reason put forward some four years after the event. Mr Peter Laver, a former chairman of NBEET, told the Senate inquiry:

> One of the benefits of the national board’s structure has been the confederation style, where six councils basically report through a board to the Minister. This means that the implications of various pieces of advice are fully considered by putting it through the board
so that the cross-sectoral aspects are accommodated prior to the advice being forwarded to the Minister and tabled in Parliament.

Mr Laver also said:

The other thing that I would have to say about the board is that in terms of providing advice—I have been associated with other government advisory bodies in the manufacturing industry and in science and technology and in rural areas—NBEET is quite a cost-effective way of doing it. The cost of running the national board compared to its output is a pretty good investment.

These are views that we, Labor members of the Senate inquiry, concurred with at the time, and views I still believe to be valid. Mr Laver’s views about the effectiveness of NBEET were shared by Professor Ken Wiltshire, who conducted the review of the board, which reported in February 1994. The report concluded:

It can reasonably be stated that NBEET has fulfilled the bulk of the high expectations which were held for it six years ago.

The executive summary of the Wiltshire review talks in the following way about the changes facing Australia:

We still do not have, in this country, a clear enough understanding of, and a better capacity to address, the crucial linkages between the nation’s economic performance, its employment parameters, and the implications for the role of the education and training sectors.

These challenges face all nations in the approach to the next century and millennium, but Australia is better positioned than most, with a portfolio grouping aligned to those dominant themes, and an independent body capable of marshalling the requisite knowledge and expertise ...

The Wiltshire review continued:

The themes which should be the challenge for NBEET in its second era are intersectoral and international, for it will be policy advice of this kind on which Australia will depend and which any vision of this nation’s future will encompass.

The coalition has effectively abandoned those sorts of visions. We have seen a policy predicated on the assumption that this government can do without independent advice. We have seen a pattern emerge within this government where it has sought to punish those who provide independent advice. It is for these reasons that I now move the opposition’s second reading amendment:

(1) At the end of the motion, add:

“but that the Senate:

(a) is of the opinion that the measures proposed in this bill, relating to the Australian Research Council, are superseded by the bill listed as the Australian Research Council Bill, therefore rendering that aspect of the bill unnecessary and reflecting the Government’s poor management of its legislative program;

(b) is of the opinion that education and training are of fundamental importance to Australia’s social and economic well-being;

(c) notes that many of the emerging issues in employment, education and training are cross-sectoral in nature;

(d) expresses great concern that the body charged with providing independent, cross-sectoral advice to government on these significant issues has been dismantled by the Government;

(e) calls on the Government to establish immediately an independent review of the impact of its changes to the Higher Education Contribution Scheme, one of the roles previously undertaken by the Higher Education Council; and

(f) notes the commitment of the Australian Labor Party, when returned to government, to re-establish a structure to provide independent, cross-sectoral advice on education and training”.

Senator CROSSIN (Northern Territory) (1.52 p.m.)—It is not unusual and it is expected that from time to time governments would review their policy and rationalise their advisory structures but what is unfortunate about this Employment, Education and Training Amendment Bill 1999 is that it not only seeks to relook at advisory structures of the government’s in the area of employment education and training; it also abolishes them. The bill puts forward no proposals to replace those structures. Given the current debate about the interaction with employment education and training that has been going on for some time and that will continue to exist, this is a most unfortunate position being taken by the government.

I will go to the history of some of this. Since this decision was made back in 1996 as a result of their election promise, almost four years later we are dealing with the bill but the unfortunate thing about it is that NBEET has, for some time, ceased to exist by direction of the minister. In 1987, the then minister, John Dawkins, undertook a rationalisation of advisory programs at the time and in fact sought to establish NBEET. The Bills Digest provided by the Parliamentary Library makes a very interesting point about this. They talk about the new system being the unified national system that was created under John Dawkins, integrating TAFE institutions and higher education institutions. The digest continues:

The new system was open to the charge that it could be subject to political manipulation and lack of accountability. Unlike Commonwealth funding for schools, which is governed by known formulae and public processes, grants for higher education institutions were to be determined largely in confidential negotiations without the benefit of fixed arithmetic criteria. To safeguard against possible abuse of this process the Senate amended the Employment, Education and Training Act 1988 to require the Higher Education Council to report annually on the operation of the education profiles process after consulting with institutions.

In fact, the Higher Education Council was one of the councils established under NBEET. NBEET was seen as an important component of the program in the whole training and education reform agenda. In fact, Minister Dawkins said, when establishing NBEET, that the central purpose of the bill at that time was to enhance and streamline the advisory structures in employment, education and training in a manner consistent with the high economic and social priority placed on these activities by the government.

Given this government’s current attitude and the way in which policy for this sector is devised—the middle of the night, with secret cabinet documents that, thankfully for the rest of the nation, get leaked to the media, with a minister who is admitting that

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Australian Research Council Bill, therefore

Contribution Scheme, one of the roles previously undertaken by the Higher Education Council; and

calls on the Government to establish immediately an independent review of the
we have a number of higher education institutions that are in disrepair and under threat—and given that we have an employment, education and training sector that is grappling with the demands of industry versus the needs of clients versus outcomes provided by educators, it is no surprise that we have a minister who does not really want to know about is happening in this industry—other than to gain advice, he would say, through MCEETYA, which is the advisory council of employment and education ministers.

So NBEET has been a target for termination and does not exist any more. Why is that? Is that because the minister did not believe it had a role to play or because he knew that, given his current policies, it would be reporting on outcomes that he did not want to hear? And there is a big difference there about why you have advisory programs. This is a government that only sets up advisory committees if those committees are going to provide the kind of advice that it wants to hear—rather than critical advice it needs to take on board to change its policies. NBEET originally comprised a board to report directly to the minister, and there were four advisory councils: the Australian Research Council, the Employment and Skills Formation Council, the Higher Education Council and the Schools Council.

The specific value of NBEET lay in its ability to examine issues on a cross-sectoral basis which, at that time in 1987, was forging a new path. We now know in the education sector that those cross-sectoral divisions and those lines between when school education stops and post-compulsory education starts are becoming even more blurred—when traditional barriers separating schools, higher education and vocational education are in fact being pulled down and re-established. At this crucial time when schools such as Casuarina Secondary School in Darwin in my own state of the Northern Territory and Centralian College in Alice Springs are trying desperately to provide high school students with valuable education that encompasses VET and training courses and not just higher education or high school education courses, why is it that we have a minister of education who is not prepared to listen to independent experts in the field about what is happening in his portfolio? The ongoing directions and the development of the cross-sectoral perspectives that are being canvassed at this point in time in the industry mean that this body and its operations should have been gathering importance rather than irrelevance. NBEET was a body that I think had the opportunity to grow, to undertake research and to provide independent advice that would have been crucial to this minister, given the development of the training industry, but in fact it has been terminated and has become irrelevant.

NBEET has the opportunity to look at issues such as: the convergence of general and vocational education, the nature and importance of employment and the relationship with key competencies, credit transfers, recognition of prior learning, how people could be enabled to follow pathways through different education and training institutions, and the emergence of the often discussed concept of lifelong learning. All these examples I have outlined serve to reinforce the importance to the government of developing and receiving cross-sectoral advice—advice that this government has now terminated and no longer wishes to receive from an independent body. The changes in methods and technology for delivering education and training also contribute to the cross-sectoral debate and should mould the training reform agenda into something meaningful, but it will not be moulded into something this minister seeks to understand or hear about from those independent experts.

The PRESIDENT—Order! It being 2 p.m., the time allotted for this debate has expired.

QUESTIONS WITHOUT NOTICE

Fuel Substitution: Australian Taxation Office

Senator SHERRY (2:00 p.m.)—My question is to Senator Kemp, the Assistant Treasurer. Following the transfer of the excise functions from Customs to the tax office in November 1998 and the transfer of around 100 Customs staff to the tax office, whose duties had included detecting fuel substitution, how many inspections for fuel substitution has the tax office carried out? How many cases of fuel substitution did the tax office detect, and how many prosecutions has it launched?

Senator KEMP—I will check on some of the specifics that Senator Sherry has raised, but let me make the point that there was a transfer of staff. The Commissioner of Taxation made a statement on this. There was a quite false allegation by the shadow assistant treasurer, Mr Kelvin Thomson, on this issue. The Commissioner of Taxation put out a press statement, and this is what the Commissioner of Taxation said in relation to that allegation:

Claims that there has been a wholesale movement of staff from excise operations to administer the GST are also incorrect.

The only staff to move to GST from excise operations are those that have chosen to do so on promotion as part of their personal career choices.

The tax commissioner then went on to say:

We have replaced these staff and in fact advertised in several major metropolitan newspapers to increase staff numbers to conduct excise investigations and enforcement. We have received several hundred expressions of interest.

The point I am making is the allegation that was raised by the shadow assistant treasurer was wrong, as indeed were a number of his comments in relation to this matter. Perhaps while I am on my feet I may also make the point that we have seen, particularly in my home state of Victoria, unfortunately, a lot of duckshoving on this and avoidance of responsibilities. Kelvin Thomson, the shadow assistant treasurer, attempted to raise an issue and sheet home all responsibilities in relation to what comes out of the bowser to the federal government, when the Commissioner of Taxation has pointed out very well that in fact consumer protection matters are primarily the responsibility of the states and territories under the fair trading laws. I might say it is a bit belated but at least Mr Watkins, the relevant fair trading minister in New South Wales, in recent
days has shown a willingness to get out and do some proper testing and to make sure that people receive what they actually are purported to receive from the petrol stations.

It is unfortunate in my home state of Victoria that the relevant minister, Marsha Thomson, seems unwilling to accept her responsibilities in this matter. There is a problem with the Bracks government in a sense, because all ministers are so shocked that they happen to be in government and are finding it difficult to accept their proper responsibilities. I would urge Marsha Thomson to look closely at what her colleague in New South Wales is doing, in recent days at least. I have been critical of his performance up to this point, but in recent days at least he is taking a far more proactive stance. I think that provides a useful model for what Marsha Thomson in Victoria should do, and I hope that that is supported by all Labor members of parliament.

Senator SHERRY—Madam President, I ask a supplementary question. The question related to Senator Kemp's responsibilities, and he did not answer the question in respect of the number of cases of fuel substitution that the tax office detected and how many prosecutions it has launched. I would have thought he would know that, given the public interest and his comments of last week, I refer the minister to further comments last week regarding this issue. On 2 March, he said that the trucks, first of all, have not been sold. The trucks are there and available for use by the tax office. I ask: if these resources have been available for use by the tax office, why has there been such a scandalous breakout of fuel substitution? This is your responsibility, Minister. Give us the answers.

Senator KEMP—In relation to the responsibilities, I have already made it very clear that the fair trading ministers in the various states have extensive powers and they should be using them and they should be making sure they accept their responsibilities. We have not seen this in Victoria. In relation to the vehicles, again, I quote the Commissioner of Taxation, who tackled this issue:

Contrary to allegations, the Tax Office has retained a fleet of vehicles used for testing of marked products.

The suggestions these vehicles should be used to tackle the recent toluene fuel substitution issue is 'Boys Own Annual' stuff and, in any event, are not set up for the testing of—

this particular additive. That comprehensive answer was given by the Commissioner of Taxation. It is again a false allegation raised by the shadow assistant treasurer. (Time expired)

Rural and Regional Australia: Internet Access to Services

Senator EGGLESTON (2.06 p.m.)—My question is to the Minister for Communications, Information Technology and the Arts, Senator Alston. Minister, does the government remain committed to using the Internet to ensure that all Australians have improved access to government services, particularly those living in regional Australia? Will the minister provide the Senate with examples of how online and other services are being delivered? Is the minister aware of any alternative policy approaches, and what would be the impact if these were implemented?

Senator ALSTON—This is a very important question from Senator Eggleston, because more than three years ago now the government committed itself to delivering all appropriate government services online by the end of this year. We are very much on track. More than 90 per cent of government departments already have their own web sites. We are absolutely confident that there will be a plethora of information available about government services for those particularly outside the metropolitan areas. Of course, they are entitled to have access to that information in the way that they choose, in other words in their homes. More than one quarter of all households these days have Internet access and nearly half of all households have PCs. It is very obvious that a lot of people want to have the services in the home.

What are the alternatives to this approach? On 28 February last there was the most ludicrous announcement when the Leader of the Opposition announced his latest instalment in an ongoing union protection racket. It was essentially under the guise of turning Australia Post into a telecommunications carrier. It had not occurred to me that that might be the way they would go, but that is how it seems, because he said:

In many ways the answer lies to bandwidth problems as Australia Post is going to be the recipient of a series of government opportunities it will itself start to put in the type of bandwidth that is necessary.

In other words, they are going to convert Australia Post into a telephone carrier, and presumably if you want to get a connection you will have to go to Australia Post to do it. Why on earth would you want to do all this? We have some 500 rural transaction centres in the pipeline, and they are working very well. The only problem of course is that the opposition bagged them comprehensively, voted against them and did not have a nice word to say about them until Mr Beazley—wandering around Tasmania with his eyes closed—visited one of these 64 funded online access centres in Tasmania. He was asked about it and he said:

This should be a model for the rest of the country. There's a whole range of activities related to that that governments are pursuing and I don't see any reason why this should not be continued. It gives terrific access to the public here.

The guy has got no idea. Quite clearly, whenever it suits them they will praise an initiative, but when it comes to the acid test and they have to vote for something like the privatisation of Telstra they will not have a bar of it. The CEPU says, 'Right. We want to concentrate all the resources back into the post offices. We hate these licensed post offices because they actually help small business and most of those people are not unionised. We want to get it all back into the good old post office. We want to make sure that our people are running the show.' One has to go back in history to 1993. Fightback probably politically was not our finest hour, but what we have now got in year 2000 is rollback. Rollback is going to be the ultimate nightmare, as
we all know, because Lindsay Tanner has told us that there is not going to be much money around. We will be left with a few symbolic gestures with all these extraordinary demarcation disputes attached to deciding who gets the benefit and who does not. What you get after this Australia Post announcement is not just rollback; we have moved on to rollover. Quite clearly, the union movement is going to dictate the way in which these policies are presented. They are not funded. They are not costed. They are not spelled out. Mr Beazley has no idea. For example, in Tasmania he was told:
The state government has already embarked down this path lately with serviced Tasmanian outlets.

He said:
They are magnificent.

He was asked:
How would your policy intertwine with that?

He replied:
These are the very sort of things we were chewing over with Jim Bacon the other night.

In other words, ‘I haven’t got a clue.’ Is it any surprise that on the ALP Young Labor hotline they are barracking for Laurie Brereton? (Time expired)

Fuel Substitution: Awareness

Senator CONROY (2.11 p.m.)—My question is to Senator Kemp, the Assistant Treasurer. Does the minister recall his comments on 1 March that the fuel substitution problem is ‘of particularly recent origin’? What does the minister call ‘of particularly recent origin’? Does the minister agree that the responsible federal government agencies, namely the Customs Service and the Australian Taxation Office, have been made aware of the substitution racket over the past 18 months by at least Liberty Oil and the New South Wales government, together with more recent concerns being raised by the RACV and NRMA, the Victorian government and the Australian Institute of Petroleum? Has the minister investigated the reports of complaints having been made as far back as 18 months ago? If not, why not? And if those reports have been followed up, what has that investigation revealed?

Senator KEMP—I thank Senator Conroy for that question, particularly as he raised the issue that Mr Watkins in New South Wales was apparently aware of—probably a range of scams, I suspect—in relation to fuel. One could ask the question why, if he was aware of them, he did not take any action? I have mentioned in my response to Senator Sherry that at least in recent days Mr Watkins has been more proactive, which I might say is significantly more than Marsha Thomson in Victoria is doing. The first issue is that there are extensive responsibilities in this area under the Fair Trading Act for state governments and unfortunately what we have seen in recent days is a lot of ducking and shoving by the state governments. Senator Conroy should be aware that there have been a whole range of issues regarding the substitution of fuel. These have involved a number of particular matters. Again, I draw the attention of Senator Conroy to the statement by the taxation commissioner. He mentioned the Taxation Office and this is what the taxation commissioner said, contrary to the advice that Senator Conroy has just given to the Senate. He said:

All complaints about excise of Asian and related fuel substitution involving solvents and other products have been dealt with by the tax office.

I think this is what Senator Conroy was referring to initially. This is not the latest issue, but a matter that occurred last year. He went on to say:

Complaints of fuel substitution involving abuse of lower excised petrol and diesel heating oil and solvents were raised with us in mid-1999.

The taxation commissioner went on to say:

Previous attempts to deal with this through the use of special chemical markers and testing involving a fleet of trucks had in our assessment proved ineffective. As a result the government implemented a systematic solution recommended by us involving tariff excise arrangements with effect from mid-November 1999.

The Taxation Commissioner went on to say—and I think this is very relevant to Senator Conroy’s comment—that that immediately closed off the excuse evasion practices then in place. This included the use of domestically produced solvents. Quite contrary to the impression that Senator Conroy’s question raised, the government has moved sharply on these issues. The government, as advised by the tax office, has been concerned, and I issued a press release on this matter in October. The advice that I have received is that the measures that were taken, as stated in that press release, were extremely effective. But what inevitably happens in this area is that one particular loophole is closed off and people look for others. Make no mistake, it is a constant battle in all areas of taxation law and excise law to deal with tax avoidance. Unlike the Labor Party, we are always determined to move quickly on taxation rorts. There is no doubt that when Labor was in office in many ways the welcome mat was put out for taxation bludgers. This is not the practice of this government. We became aware of major issues in this area, and we responded to that through my press statement in October. (Time expired)

Senator CONROY—Madam President, I have a supplementary question. When the government announced legislative changes to deal with fuel substitution last October, did these proposals deal with all of the potential areas of substitution that had been raised with the government at that time, or will the minister now admit that the tax office solution to this problem introduced in November last year was fundamentally flawed in that it dealt with domestically produced toluene but left a gaping hole with regard to imported toluene? Will the minister take responsibility for this stuff-up?

Senator KEMP—Senator Conroy, your shouting and waving around does not add to the truth or substance of your question. The government, as Senator Conroy did say, closed off a range of loopholes. In more recent times, another issue has arisen, and I hope to make an announcement in the very near future to deal with this matter. The truth of the matter is that, every time Senator Conroy and his colleagues from Victoria get up, the issue involved
is: what is Marsha Thomson, the minister for fair trading in Victoria, doing to make sure that people get the petrol they pay for? The short answer is that Marsha Thomson has done virtually nothing.

**Research and Development: Industry**

**Senator TCHEN** (2.17 p.m.)—My question is to the Minister for Industry, Science and Resources, Senator Minchin. Could the minister advise the Senate how the government’s R&D policies assist traditional industries like mining and manufacturing to innovate? Secondly, is the minister aware of any alternative policy approaches that would deny these industries support for R&D?

**Senator MINCHIN**—I thank Senator Tchen for his question. It is true that in the Australian community innovation is often associated with new and emerging industries like information technology and biotechnology, and of course they are important to Australia’s future. But innovation is much more than that, and our traditional industries are just as important in retaining Australia’s competitive advantage, particularly in mining and manufacturing. Just last Thursday I was in Whyalla to turn the sod for a $16 million demonstration plant for a pig-iron smelter using very innovative Australian technology called Ausmelt. If that works, there will be a $1 billion investment in a major plant, either at Whyalla or Coober Pedy, based on this innovative Australian technology in a traditional industry. We were able to support that demonstration plant with a $6½ million grant under our R&D start program.

But it seems from what Mr Beazley has been saying of late that the Labor Party actually oppose support for research and development of that kind, although, like in many other areas, it is extremely difficult to tell what on earth the ALP policy in this area is. Mr McMullen really admitted to this vacuum only last month, when the *Financial Review* reported that he ‘refused to commit the opposition to specific innovation policies’. They have had four years. The four years of opposition mark just came up for the opposition. They still do not have any innovation policies at all. He did hint at a possible policy when he said, ‘The simplest thing for me to say is to put back the 150 per cent tax concession, but I am not committed to that.’ We have had the opposition hounding us about reducing the tax concession to 125 per cent to help pay for their $10 billion black hole, but now they are not even committed to restoring the tax concession to 150 per cent.

Of course, there are others in the Labor Party who are totally opposed to any tax concession at all. Mark Latham wrote in the *Financial Review* in January, arguing that the R&D tax concession should be abolished completely. Then we had another entry into this policy making process from Mr Beazley when he said just last week: ‘We’ve said we have to now target the R&D concession so it is not necessarily universally available. Our view would be that you would target the new industries.’ This is really a great example of policy making on the run. He is actually saying to Australia’s traditional industries like mining and manufacturing, ‘Forget about any access to the R&D tax concession because you are not new and emerging.’ He is obviously completely obsessed with the dot coms and not interested in a $1 billion investment in the outback of South Australia. Mr McMullan seems to say, ‘We don’t really have a policy,’ although he did claim last week that the R&D tax concession would not be available to any company that made products that in the Labor Party’s view were bad for your health. That is an extraordinary policy. I do not know what the car industry is going to think about that, or the wine industry, the beer industry or any other industry that makes products that a whole lot of zealots think are bad for your health. Mr Beazley is saying, ‘We’ll provide the tax concession to industries only if they are new and fashionable.’ Mr Latham says, ‘Get rid of the tax concession altogether.’ It is symptomatic completely of a Labor Party that is totally obsessed with point scoring and negative campaigning and not the least bit interested in the serious business of policy making.

**Fuel Substitution: Australian Customs Service**

**Senator SCHACHT** (2.21 p.m.)—My question is to Senator Vanstone, the Minister for Justice and Customs. Following the 1997 passage of legislation which the then minister for customs, Mr Prosser, said would crack down on fuel substitution rorts, how many inspections were carried out by the Customs Service of diesel fuel depots, petrol stations or any other location to detect fuel substitution? Did the Customs Service detect any cases of fuel substitution? Did it prepare or launch any prosecutions for excise avoidance or any other offences such as under the consumer protection provisions of the Trade Practices Act?

**Senator VANSTONE**—Senator Schacht has asked me a question about a policy issue that is no longer in Customs. It now rests—this is clearly identified by the opposition—with Senator Kemp. But Senator Schacht asks a question about what Customs did in relation to that matter prior to the policy transfer taking place—that is, prior to 1998 when, after the election, it went to Treasury and to Senator Kemp. I will ask Customs to give me advice on the files that they have. If they have all been passed over to Treasury, I will refer the matter to Treasury to get a detailed answer.

**Senator Faulkner**—It’s all Senator Kemp’s fault!

**Senator SCHACHT**—Madam President, I ask a supplementary question. Is it correct, Minister, that the Customs Service set up diesel inspection units in each state to detect cases of fuel substitution? Is it correct that the customs office purchased trucks and then fitted them out with equipment to inspect and detect fuel substitution? What was the cost of these trucks and their fit-out? Is it the minister’s understanding that these trucks are still available for use by the tax office?

**Senator VANSTONE**—Before answering Senator Schacht, I will just acknowledge an interjection from Senator Faulkner. With his usual bad faith, Senator Faulkner interjected that it is all Senator Kemp’s fault. That is not the point that was made before at all. It was simply that the question
from Senator Schacht relates to an area that was in Customs but is now not there. Senator Faulkner brings his usual snarly bad faith to the job of Leader of the Opposition in the Senate. But the answer is the same: this matter was with Customs until 1998. It has not been since, and I will have inquiries made as to who has the files to get the answers for Senator Schacht.

Nursing Homes: Riverside

Senator ALLISON (2.25 p.m.)—My question is to the Minister representing the Minister for Aged Care. I refer to the nursing home problems in Victoria over the past couple of weeks. Why did it take the government so long to refer the complaints made by Riverside residents to the Aged Care Standards Agency? Isn’t it the case that there are processes available under the current act to address situations like these? Exactly what was the follow-up by the department and does the minister now agree that this was inadequate? Why was a nurse administrator not put in place sooner?

Senator HERRON—I thank Senator Allison for the question, because it gives the government an opportunity of putting the chronology clearly on the table.

Senator Robert Ray—Read it out!

Senator HERRON—I am happy to do so, Senator Ray. I think it is important to acknowledge that this government was the first government to put in accreditation. This was the first government that decided to do something about the certification of buildings. You had 13 years, Senator Ray, and you did nothing about it at all. This government put in accreditation, we put in certification and we put in an independent complaints resolution scheme. These three things were done by this government. Senator Ray. Your government did nothing. You had a Gregory report that did nothing. You did not follow it up. You tabled it but took no action on it.

The PRESIDENT—Senator Herron, you should direct your remarks to the chair.

Senator HERRON—Madam President, that was just by way of preamble. I am happy to answer the question. I will put the chronology on the table. I had to mention the aged care complaints resolution scheme, because that is where it all started in chronological terms. The aged care complaints resolution scheme received three complaints relating to the incident on 16 January. Residents of the Riverside Nursing Home were bathed with a diluted kerosene solution of 30 millilitres in a bath of water to treat a suspected outbreak of scabies. The department acted on 17 January this year and confirmed with the director of nursing that residents had been bathed in kerosene. The complaint was formally confirmed in writing to the provider on 18 January. The manager of the facility advised that a nurse adviser was being obtained to address the situation. On the evening of 15 February 2000, the minister was informed of the situation. That is the first time she was aware of the situation. She worked through the night. At 12.20 a.m. on 16 February the Victorian office was notified, and agency staff commenced a full review audit the following day. The department, at her request, referred the matter to the agency at about 1.00 a.m. and a team of three nurses, one agency assessor and a departmental officer carried out a spot visit at 9.00 a.m. on Wednesday morning. On 16 and 17 February, the agency carried out a full review audit of all aspects of care at the facility.

The decision was that of the delegate of the secretary, and the delegate of the secretary today imposed sanctions on the home. Acting in accordance with the Aged Care Act 1997, the Department of Health and Aged Care imposed sanctions, including the revocation of aged care provider status to the proprietor unless an independent administrator is appointed, and no new residents will be funded for the facility for six months. During this period, there will be daily inspections by nursing staff from the agency and the department. In summary, to answer Senator Allison’s question, due process was followed. The delegate of the secretary imposed the sanctions in accordance with the Aged Care Act, and the Department of Health and Aged Care imposed the sanctions today.

Senator ALLISON—Madam President, I ask a supplementary question. Minister, there was a report this morning that the attempt to move those residents has been stalled. What action will the government take to deal with the refusal of relatives of Riverside Nursing Home residents to agree to their evacuation, as reported this morning?

Senator HERRON—I thank Senator Allison for the question. I think the important thing is that it is the residents who count most, not the point scoring by political parties. It is the residents who should be considered. The question asked was why they were not talked to. The answer is that there is a deficiency in the act that means consultation can occur only once the sanction has been imposed. Paramount in all this will be the residents and the effect it will have on them. Precisely at this time the residents are being shown over the Sisters of Charity facility and I think appreciation should be shown to the Sisters of Charity from St Vincents who are going to accommodate the residents. But if residents do not wish to be transferred I think it must be taken into account that the certification of the building is not appropriate. There will be continued consultation with both residents and their relatives. (Time expired)

Superannuation Surcharge: Kennett Government

Senator CARR (2.30 p.m.)—My question without notice is directed to the Assistant Treasurer, Senator Kemp. Has the Assistant Treasurer’s attention been drawn to the reports that a number of former Kennett government ministers have left parliament without paying the federal government’s superannuation surcharge, leaving a bill of up to $1 million for Victorian taxpayers to pay? Can the Assistant Treasurer confirm that the Liberal Party MPs who have left the Victorian taxpayers with this monstrous superannuation bill include Alan Stockdale, Phil Gude, Tom Reynolds, Jan Wade, Marie Tehan, Robert Knowles and even former...
Senator Kemp—Prior to the election it came to my attention that the relevant bill which would effectively enable MPs to pay their superannuation entitlements or bill directly had not been passed by the Victorian parliament. I have also written to the current Premier, Mr Bracks, urging him to take action in this regard. I thank Senator Carr for the question. I might be a few days out, but very soon after the election my memory is that I wrote to Mr Bracks—

Senator Robert Ray—Why not before?

Senator Conroy—When did you write to Jeff?

The President—Order! There are senators making a great deal of noise and behaving contrary to the standing orders of the Senate.

Senator Kemp—If my memory serves me correct, it took three months to get a reply to that letter. I would have thought it was a fairly straightforward action, but it took three months to get a reply.

Senator Conroy—Two years and nothing from Jeff.

The President—Order! Senator Conroy, I have already drawn your attention to the standing orders.

Senator Kemp—The matter has been referred to Mr Brumby for action. I do not know whether that means that nothing will happen. He might be another Marsha Thomson—who knows? The truth of the matter is that this government believes MPs should pay their surcharge bills—make no mistake about that. The question referred to some Liberal MPs. I think it would be true to say that all of the Labor Party MPs for whom the surcharge was applicable would have also been in precisely the same boat. I am not sure who gave Senator Carr this question, but he can help this process by redrawing his attention to Premier Bracks and making sure that legislation is passed speedily and promptly. It is not as though there are many bills before the Victorian parliament—make no mistake about that. One of my colleagues has said that there are four bills before the Victorian parliament, of which two are mirror bills for the GST. There is plenty of debating time for this bill to be passed by the Victorian parliament.

So thanks for the question and I urge you, Senator Carr, to get your own people moving on this and speedily. I am intrigued that this was raised because in this parliament, as Senator Ray would remember, the Labor Party at one stage opposed the surcharge. Senator Ray will jump up and say, ‘But we changed our minds’—and he would be dead right: they changed their minds. The Labor Party record on this is exceedingly bad, in my view, so I would urge Senator Carr to speak to his colleagues in Victoria and make sure that legislation is passed and passed quickly.

Senator Carr—Madam President, I ask a supplementary question. Minister, I note that you said the relevant bill has not been passed or drawn to your attention. When was this bill drawn to your attention? When did you approach the Victorian government prior to the election and, if you did not, why not? Did you take the opportunity to approach the Kennett Liberal government to suggest that they took advantage of their majority in both houses of parliament to legislate to make Victorian MPs responsible for their own superannuation surcharge rather than rely upon the taxpayers of Victoria?

Senator Kemp—I did draw this to the attention of the previous government in Victoria and urged them to pass the legislation. I equally have drawn this to the attention of the current government in Victoria and asked them to pass the legislation. We are seeing a rather shabby stunt here because the truth of the matter is that the Labor Party MPs walked out on the same basis as those MPs from the other parties. The ball is now in the Labor Party court and the test is whether Premier Bracks will be prepared to pass the bill. They have plenty of debating time to do it. They should bring it in as a matter of urgency and get this bill passed. My understanding is that all of the other states are prepared to play the game. In this case it now depends on Premier Bracks making sure that he follows through.

Mozambique: Flood Relief

Senator Harradine (2.37 p.m.)—My question is directed to the Leader of the Government in the Senate representing the Minister for Foreign Affairs, and it relates to the apparent sluggish response by the rich countries to the victims of the devastating floods in Mozambique. Could the minister advise on the current logistical situation as to food supplies and transport? Could he also outline to the Senate what assistance has been given and/or pledged by the Australian government in respect of this devastating flood?

Senator Hill—Circumstances obviously remain very difficult in Mozambique. I understand that heavy rain is continuing although, fortunately, the third cyclone appears to be weakening. This unprecedented series of cyclones has obviously devastated the country and caused enormous misery and loss. After any disaster there are always assessments made with the benefit of hindsight as to how relief efforts might have been implemented more effectively, but circumstances do vary and it is very difficult to predict with absolute certainty the best way forward. What can be said is that the efforts of the South African defence forces with their helicopter assistance has been absolutely fantastic and should be applauded by all. When one looks at that assistance, one should also bear in mind that the rains have been extremely heavy over South Africa and Zimbabwe with significant damage being caused. So it has been a time of considerable turmoil in the whole region. Australia believed the best way in which to assist was through international humanitarian bodies. We responded quickly at the outset of the crisis with a contribution of $150,000
to UNICEF and $100,000 to the World Food Program. Last Saturday, Mr Downer announced a further $1.5 million, including $1/4 million for emergency relief through WFP and $1 million for rehabilitation once the floods have subsided. Australia also has two AusAID officers presently on the ground in Mozambique assessing how best to apply our contribution and providing further advice to the Australian government on any further actions that we might take.

I mention in passing, Madam President, that we have also provided financial assistance to the high commissions in Pretoria and Harare for the relief of victims in the other parts of southern Africa that I mentioned. That approach has been part of the global humanitarian response. It is still our view that that is the best way in which we can make our contribution. As the waters subside and the huge rehabilitation effort starts taking place—such as rebuilding homes, schools and other facilities, repairing water supplies and roads, et cetera—there will be room for all the international community to play a part, and Australia will obviously want to play its part. It has been a matter of great regret and, unfortunately, damage is still being caused. We are not yet through the damage stage to start the rehabilitation stage. We have provided assistance to the humanitarian effort and we will be providing assistance to the rehabilitation effort in due course.

Senator HARRADINE—Madam President, I ask a supplementary question. What action is the Australian government taking to urge other rich nations, including Britain, the United States and France, to supply urgently needed helicopter transport for rescue situations? Is there any truth in the news that some of that urgently needed space is being taken by the news media?

Senator HILL—I do not know about the news media. In some ways, a news presence is important to ensure that the international community understands the extent of the devastation and the consequences that flow in response. But there is no doubt that Britain, the US and the European donors are not only assisting financially but also assisting with helicopter support. As I sought to express, it was the unprecedented nature of this disaster—the continuing cyclones—that caught the international community unawares because what usually happens is a sudden cyclone causing extreme damage and then a move into the rehabilitation phase. What has happened in this very unusual circumstance is that the devastation has continued because the rains have continued at an unprecedented level. That is why, as I said, things might have been done differently when one looks back with hindsight, but it is always so easy to make a judgment in that way. Whether we think that the response is quick enough or not, I think we could certainly say that it has now being rendered in full. (Time expired)

Goods and Services Tax: Caravan Parks

Senator COOK (2.43 p.m.)—My question is directed to Senator Kemp, the Assistant Treasurer. Does the minister agree with comments made by the member for Gilmore, Joanna Gash, who described the GST on caravan park rents as a ‘stuff-up’ and ‘discriminatory’? What is the stuff-up to which Mrs Gash is referring; how is the GST on caravan rents discriminatory; or is Mrs Gash just plain wrong? Is Mr Larry Anthony, who has expressed similar concerns, also wrong or is this just another example of members of the Howard government saying one thing to constituents and another to their colleagues in government.

Senator KEMP—Let me say that the biggest stuff-up this country has seen is the 13 years of Labor government replete with public policy failure, ranging from the Collins class subs under Senator Robert Ray to the massive deficit that was left to us by Mr Beazley. So, Madam President, this government, let me assure you, is a government which is concerned with delivering real benefits and real public policy outcomes to individuals. Regarding the GST treatment of caravan parks, let me make it clear that it has never been the government’s intention that long-term residents of caravan parks and other forms of commercial accommodation should suffer any disadvantage. Caravan park operators will have cost reductions associated with the services with which they supply their residents which they should pass on as lower increases in rents. If operators choose to charge concessional GST, their prices should increase at most, I am advised, by 5.5 per cent. Taking account of the reduced input costs, the actual rent increases should be less than this—and that is the advice that I have received. Even if caravan park operators were to choose the concessional GST treatment and pass through the full cost, full pensioners will experience a real disposable income increase of some 4.6 per cent compared to the increase in the pension of 4 per cent.

This is not a stuff-up. The government will deliver on its commitments, and we seek to treat all groups in the community on a fair and equitable basis. But let me also make the wider point that I think it is becoming apparent that this government is delivering a tax system which delivers very substantial benefits to all sections of the community. But there is a big worry—let me make this clear—which has come to the government’s attention. That is that the Labor Party refuses to guarantee that the very substantial tax cuts that we will put in place will not be rolled back. It is quite right that Mr Beazley has been roundly criticised for this particular stuff-up.

The PRESIDENT—Senator Kemp, you have strayed from the question a little.

Senator KEMP—The question was on the GST and tax reform. I am making it very clear that people in receipt of pensions will receive real benefits; I am making it very clear that people who are taxpayers will typically receive very substantial tax cuts—and the point I am making is that those tax cuts will not be guaranteed by the Labor Party. The Labor Party will not guarantee that the very substantial tax cuts that this government will be putting in place from 1 July next year will not be rolled back by any
said that he was going to upgrade post offices—and my colleague Senator Alston has already referred to that. Mr Beazley said, ‘Look, the rural transaction centre proposal of the government is a pretty good one but post offices are excluded from it.’

**Senator Mackay**—How many are you going to have by the end of the year?

**Senator IAN MACDONALD**—Senator Mackay, you should tell Mr Beazley a bit more about these things. I invite Mr Beazley to go to St Marys in Tasmania and he will see a rural transaction centre in conjunction with a post office. I invite him to go to Aramac in Queensland and he will find a rural transaction centre in conjunction with a post office. Mr Beazley obviously has no idea and he is making this sort of policy on the run.

*Opposition senators interjecting—*

**The PRESIDENT**—Order! There are far too many interjections and there is far too much noise in the Senate.

**Senator IAN MACDONALD**—Thank you, Madam President. The Labor Party are obviously very sensitive about this and, as in many things, they try to shout the messenger down. Mr Beazley was asked what he would put in his new post office arrangements and with a bit a prompting by the media he said, ‘Oh, we’d put in health and government information in terms of employment.’ That is what he said when prompted by the media. Of course he does not realise that that is already part of the Rural Transaction Centre Program. He was pushed further by the media and the media suggested perhaps they would put in some social security assistance and he said, ‘Oh, yes, that is a good idea’, not knowing that that sort of thing, Centrelink, is already in the Rural Transaction Centre Program. He then, as Senator Alston said, spoke about bandwidth. He said, ‘If the post offices get the bandwidth, then everything will be beaut.’ The journalist said to him, ‘But if you have the increased bandwidth wouldn’t people be able to have access from their home?’ Mr Beazley said, ‘Oh, yes, I suppose they could.’ This is the policy from the Labor Party. This is the new regional services policy from the ALP. Mr Beazley was asked by the journalist: ‘Was the plan fully costed?’ He said, ‘Oh, well, we’ll come up with the costings at some time in the future.’

All of this is rather amazing because it was about the middle of the way through last year when the then spokesman for regional services, Ms Kernot, was in a Rockhampton radio station and Mr Beazley was with her and she said, ‘Today we’re starting on our policy development for rural and regional services.’ Later she also said, ‘Oh, we’re going to have a policy out by the end of this year.’ That was by the end of 1999—absolutely nothing. Two Fridays ago Mr Beazley said when he was releasing this new policy in Launceston, ‘At least we’re making a start on it.’ *(Time expired)*

**Senator TIERNEY**—Madam President, I ask a supplementary question. What further information can the minister provide on the government’s
commitments to regional Australia, including the benefits of tax reform?

Senator IAN MACDONALD—Senator Tierney again mentions tax reform. Of course we have a great record for that—good for regional Australia. But at this same Burnie conference, what did Mr Beazley say about tax reform? In effect, he said, ‘We’ll have to increase income tax.’ That is the Labor Party policy—increase income tax for all of Australians. Our policy is well costed. It is well thought through. There are 13 rural transaction centres open or in the course of construction. There are another 60 already planning towards their opening and we are very keen to get towards our target of providing every rural and regional centre in Australia that needs this with the wherewithal to do it—unlike the Labor Party, which have opposed the wherewithal, opposed the money that could be available for helping rural and regional Australia. At all times they have opposed it; we are all for it. (Time expired)

Nursing Homes and Hostels: Administration of Medication

Senator CHRIS EVANS (2.55 p.m.)—My question is directed to the Minister representing the Minister for Aged Care, Senator Herron. Minister, isn’t it true that when I tabled a report in a Senate estimates hearing on 1 December last year detailing serious breaches in the administration of medication in aged care hostels you were the minister representing Minister Bishop at the table? Given that the Minister for Aged Care now denies having seen the report until it was raised on ABC TV’s 7.30 Report two weeks ago, what did you do to ensure that these serious issues were brought to the minister’s attention? When was this important evidence passed on to the minister and her department?

Senator HERRON—It is a very serious issue in relation to medication in aged care hostels and homes. Senator Evans would know that the state and territory legislation governs the supply and administration of medications. He should be totally aware of that. In every jurisdiction it is an offence to possess or administer a schedule 4—that is a prescription only drug—or a schedule 8, a drug of dependence, except as provided by the relevant act or regulations. The legislation authorises certain people, for example medical practitioners, to administer those drugs. The legislation may provide that a schedule 4 or schedule 8 drug can be administered by a carer or guardian.

Senator Chris Evans—Madam President, I rise on a point of order. The question went directly to a report tabled and given to this minister raising serious concerns about the administration of drugs in hostels. It was given to him with a request that it be passed on to the Minister for Aged Care. I asked him what happened to that and what he did about it, not for a general diatribe about medication in hostels.

The PRESIDENT—I draw your attention to the question, Senator Herron.

Senator HERRON—Thank you, Madam President. I think it is important that the listeners to this Senate are aware of what occurs at the moment so they know the background to the answer that is being provided to the question. The important part of it is that state and territory legislation covers this matter.

Senator Faulkner—What did you do with the report?

Senator HERRON—The fact that Senator Evans brought that up is a matter of record.

Senator Faulkner—What did you do?

The PRESIDENT—Senator Faulkner, stop shouting.

Senator HERRON—Madam President, the Hannibal Lecter of the Senate will not achieve anything by baring his teeth at me.

The PRESIDENT—Senator Herron, stop calling people names. I will not tolerate that conduct. Withdraw!

Senator Faulkner—Just tell us what you did.

The PRESIDENT—Senator Faulkner, stop interjecting.

Senator HERRON—Madam President, I wish you would reprimand Senator Faulkner so that I can answer the question instead of reprimanding me.

The PRESIDENT—I have asked you to withdraw the name that you called him.

Senator HERRON—I withdraw, Madam President.

The PRESIDENT—Thank you. You may now proceed.

Senator HERRON—The report went to the department and they have taken appropriate action. That is what has occurred. What would Senator Evans expect? The department has received his report. The reply was given at the estimates committee. I was informing the Senate as to what occurs in relation to medication. I think it is important that the Senate is aware of it so that the opposition can understand what occurs under the present Aged Care Act 1997. It relates also to the staffing provisions, the fact that pharmacists supply—

Senator Sherry—When did you pass it on to the minister?

Senator HERRON—The report was tabled and given to the department during estimates. What more can I say?
Senator CHRIS EVANS—Madam President, I ask a supplementary question. Actually the minister can answer the question, which was: is the minister being untruthful when she claims that she has not seen the report or did you, as her representative, following my asking you to give it to her dismiss the serious issues raised in the report and fail to pass it on? Did you pass it on to the minister or didn’t you?

The PRESIDENT—Senator Evans, the question ought to be directed to the chair, not directly across the chamber.

Senator HERRON—I have nothing further to add to the answer that I have already given. The answer was tabled and it went to the department. I share with everyone in this chamber an understanding of the importance of the medication provision in aged care hostels and homes. It is a serious issue. I take cognisance of Senator Evans’s question, but it is obvious that it has gone to the department.

Genetically Modified Food: Labelling

Senator STOTT DESPOJA (3.00 p.m.)—My question is also addressed to the Minister representing the Minister for Health and Aged Care. Is the minister aware that the Prime Minister’s office has interfered again in the Australian New Zealand Food Standards Council’s decision to implement mandatory gene food labelling by requesting further costings post the controversial KPMG report? Can the minister guarantee that this request is not the latest attempt by the Prime Minister to undermine the council’s consensual decision to implement mandatory gene labelling? Can the minister also inform the Senate what other less comprehensive labelling schemes have been requested for costing? Did the letter by the Prime Minister and Cabinet secretary include the so-called ‘threshold labelling’ option, which would provide a loophole for many food products, specifically highly refined products, to be sold without labelling?

Senator HERRON—I thank Senator Stott Despoja for the question in relation to the labelling of genetically modified food. Madam President, you would be aware that in August and October last year health ministers resolved to adopt mandatory labelling of all genetically modified food. In taking this decision, ministers emphasised that they have no concerns that such foods pose a risk to human health and safety. To assist them in deciding what type of labelling standards to adopt, ministers asked the Australian New Zealand Food Authority to examine a number of issues including labelling methodologies, education, regulation, enforcement of trade implications and costs. To ensure a consensus across all jurisdictions, including New Zealand, ANZFA at the behest of health ministers convened an intergovernmental task force to develop draft recommendations to the standard. The task force has also developed a protocol for implementation and enforcement of the draft standard that will assist industry to comply with the draft standard. Its objective is to achieve an optimal balance of effectiveness and cost efficiency in labelling.

A letter dated 20 November 1999 from the Australian Prime Minister to the Parliamentary Secretary to the Minister for Health and Aged Care, Senator Grant Tambling, requested that a whole of government approach to the issue of labelling be undertaken and that options be developed that would allow heads of government to agree on a balanced approach to labelling prior to a decision by the Australian New Zealand Food Standards Council. A letter dated 3 December 1999 from the Department of the Prime Minister and Cabinet on behalf of senior officials of the Council of Australian Governments and New Zealand reiterated the request to develop a regulatory impact statement outlining a broad range of labelling options incorporating costs and benefits in order for heads of government to fully consider the issue. A consortium of consultancy companies is currently assessing the costs of labelling for industry and governments. The terms of reference given to the consultancy by the intergovernmental task force are to accurately determine the costs of different components and sub-elements as they contribute to the overall costs of genetically modified labelling. Recommendations by the task force that consider public submissions and a report on costs are anticipated this month. The proposed timeframe will allow adequate time for heads of government to consider the recommendations of the task force. A final decision by the council on labelling considering these recommendations is then expected in May. In relation to the other part of the question, I have total confidence in the Prime Minister.

Senator STOTT DESPOJA—I thank the minister for his response, and I note that he referred to a couple of letters. I ask a supplementary question, Madam President. I reiterate my first question: Minister, could you tell us whether or not this reference to a whole of government approach simply means a delay in the process of a mandatory labelling scheme for genetically modified food products? Also, in relation to the December letter, you referred to different labelling options. Could you clarify if they included reference to the threshold labelling option to which I referred? Have any full costings of alternative proposed models been completed since that letter was sent in December to ANZFA? Will the minister provide the Senate with a copy of any costings which have been undertaken or, if they have yet to be undertaken, provide them to the Senate when available?

Senator HERRON—I think the important thing in relation to Senator Stott Despoja’s supplementary question is the outcome. It is far more important to talk about the outcome of what will occur as a result of this rather than setting arbitrary timetables in relation to the determination. I think it is very important that this be done in the process that is occurring at the moment by the state and territory ministers and the health ministers as a group, and then their recommendation should go forward rather than, in a public sense, debate costings or recommendations that go forward. I think it is important that the due process should be followed
and that this is determined by the ministers concerned.

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

ANSWERS TO QUESTIONS WITHOUT NOTICE

Defence: Funding

Senator Newman (Tasmania—Minister for Family and Community Services and Minister Assisting the Prime Minister for the Status of Women) (3.05 p.m.)—On 17 February Senator Hogg asked me a question as Minister representing the Minister for Defence. I have brought additional information for Senator Hogg. I seek leave to incorporate it in Hansard.

Leave granted.

The document read as follows—

SENATOR HOGG asked the Minister representing the Minister for Defence on 17 February 2000: Is it correct that this is the first time in at least a generation that a Commonwealth government has raided the “white book” of capital projects the government itself had already approved to meet shortfalls in recurrent expenditure?

SENATOR NEWMAN - The Minister for Defence has provided the following answer to the honourable senator's question:

(1) The transfer of funds between the capital budget and operating expenses is fully consistent with Defence's global budgeting flexibilities. Such transfers have been a regular feature in previous budgets.

(2) This specific transfer was designed to accommodate a number of cost pressures:

(a) To maintain the Defence Force of 50,000 people.

(b) To meet real increases in personnel costs, reflecting this Government's commitment to maintaining competitive remuneration rates for Defence personnel.

(c) To meet additional costs arising from an increased operational tempo.

(d) To meet increased information technology and communication costs, including Y2K costs.

(3) No major capital project has been cancelled as a result of the transfer although a slow down in some deliveries is expected.

(4) The transfer reflects the Government's policy of having a strong and effective ADF now, as amply demonstrated by our highly successful deployment to East Timor, as well as investing in future capability.

(5) Without the efficiency benefits flowing from the Defence Reform Program, cost pressures would have been far greater and there would have been a much more significant impact on the capital budget than the transfer that occurred in the Additional Estimates.

INTERNATIONAL CLIMATE CHANGE NEGOTIATIONS

Senator Hill (South Australia—Minister for the Environment and Heritage) (3.06 p.m.)—Pursuant to order of the Senate, I am tabling various documents relating to Australia's approach to the international climate change negotiations. That was an order the Senate made on 17 February. Specifically, the documents relate to the Commonwealth's response to the government review draft of the IPCC special report on land use, land use change and forestry; Australia's position on articles 3.3, 3.4 and 3.7 of the Kyoto protocol; the Perth high-level forum on greenhouse sinks; and the IPCC plenary meeting in May 2000, which is expected to publish a special report on land use, land use change and forestry.

Madam President, in accordance with usual practice, I am not tabling draft documents, diplomatic communications or electronic mail messages not placed on file. I am also not tabling certain briefs containing policy advices. The package does not contain confidential material relevant to Australia's objectives for the international negotiations. Publication of such documents could reasonably be expected to damage the international relations of the Commonwealth or they are internal working documents whose publication would be contrary to the public interest. I am tabling more documents than Senator Bolkus will ever read.

Senator Bolkus—I would not bet on it!

Senator Hill—I would bet on it!

ANSWERS TO QUESTIONS WITHOUT NOTICE

Nursing Homes and Hostels: Administration of Medication

Senator Chris Evans (Western Australia) (3.07 p.m.)—I move:

That the Senate note of the answers given by the Minister representing the Minister for Aged Care (Senator Herron) to questions without notice asked by Senator Allison and myself today, relating to aged care issues.

Particularly in relation to the question I just asked of Senator Herron, it is important to note that he was unable to answer the question about whether or not the Minister for Aged Care, Mrs Bishop, had misled when she said that she had not seen the report from Elite Care, which was tabled in Senate estimates on 1 December last year. It is a very important question because the minister claimed some months after the report was tabled, some months after it was sent to her office, that in fact she had not seen the report, that she would be most concerned about the complaints raised in it, but that she had not had the opportunity to see the report and would be interested in following up the complaints.

We know, and it is a matter of public record, that, one, the report was posted to her—and she has admitted that it was received in the department—and, two, it was tabled by me in Senate estimates, the department responded to me and they said would have a look at the matters raised. When tabling it, I specifically referred to it being made available to Minister Bishop. The minister at the table was Senator Herron. He was there. I would have thought he would have taken some responsibility to ensure that these very serious concerns, which the minister now concedes are very serious concerns, ought to be brought to her attention.

It was not clear from his answer today whether or not they had. Clearly, if they had—and it seems to
me they should have been, and the department and
the minister should have made sure they were—the
minister must have been misleading Kerry O’Brien
and the Australian public when she said two weeks
ago that she had never heard about these concerns—
that they had never been raised with her. They
cannot have it both ways. Either the government and
the department take seriously concerns raised with
them and direct them to the minister because they
are serious issues or the minister has misled the
Australian people. They cannot have it both ways.

The minister has maintained that she knew
nothing about it, that she would have acted, that she
would have been concerned, that she would have
taken decisive action, but that the concerns had not
been raised with her. I do not know what you have to
do to lodge a complaint to which this government
listens. Posting it to them does not work, ringing
them does not work, ringing the complaints line does
not work and tabling it in the Senate does not work.
It does not matter what you do to raise complaints
about nursing homes in this country, the minister
does not hear them. It does not matter what process
you undertake. She says, ‘Ring the complaints line.’
The nurses at Riverside rang the complaints line in
the middle of January and nothing happened for a
month. Their serious concerns about bathing
residents in kerosene were ignored. That is the
complaints system in action.

Complaints were raised about maladministration
of medication in hostels and a dossier was sent to the
minister and the department—no action. It was
raised in the parliament in December—no action. In
February, the minister still claimed she did not know
anything about it. What sort of complaints
mechanism is the government running? Is there a
rule that everything must stop before it reaches the
minister’s ears or desk? Has she adopted the rule
that she does not want to see anything—that she
wants to be the blind monkey and not have anything
brought to her attention? She cannot have it both
ways. She cannot encourage people to complain and
then fail to respond to the complaints. It is all right
having a phone number that you advertise at every
opportunity, but, if no-one then does anything about
those complaints, what is the point? What is the
point of having Senate estimates committees or of
tabling documents in the Australian parliament if the
government are not going to do anything about
them, if they are not prepared to take them
seriously?

We have a minister completely failing aged care
in this country. We have a minister who has not had
one spot speck in two years, despite defending
vigorously in the parliament last year the need for
spot checks. She defends the need for them, but she
does not authorise any. She will not allow adequate
regulation of the aged care sector, she will not
investigate complaints, she will not respond to
complaints that have been made to her and she will
not take decisive action. There is no point in having
Minister Bishop as the minister because she will not
do anything about problems in her portfolio. She
does not care, she is not interested and the rule
seems to be, ‘You can complain all you like, but
don’t bring it to my attention because that will
highlight the fact that I have done nothing about it.’

Minister Herron should provide an explanation to
the parliament and to this Senate about what his role
in this matter is. Either he failed to take the issues
seriously and report them to Minister Bishop, or she
has ignored the report. But he has to explain what
his role is in this, or he will go the same way she is
about to go. It is just not good enough that serious
concerns about the health care and the residential
care provided to older Australians are totally ignored
by this government. Serious risks are exposed,
brought to their attention and they are not interested
in action. (Time expired)

Senator PATTERSON (Victoria—
Parliamentary Secretary to the Minister for
Immigration and Multicultural Affairs and
Parliamentary Secretary to the Minister for Foreign
Affairs) (3.12 p.m.)—I stand here again today after
listening to the Labor Party go on and on about
nursing home care, and I am amazed at the level of
amnesia on the other side. I wonder if Senator Evans
has forgotten just how bad aged care was under
Labor. Have you forgotten how hopelessly the ALP
managed the aged care portfolio? It is clear that his
leader, Mr Beazley, has conveniently forgotten just
how bad things were under their system, and in fact
the Leader of the Opposition went over the top this
morning—and some of the members on the other
side should distance themselves from the disgraceful
comments and scaremongering that he engaged in
today.

When we came into office, 75 per cent of homes
did not meet building standards. Senator Evans does
not want to hear this. He is chatting away. Thirteen
per cent did not meet fire safety standards and 11 per
cent did not meet basic health standards. Why?
Because Labor had cut capital funding to nursing
homes by 75 per cent in their last four years in
government, and they would not allow the
introduction of entry fees and bonds, as they had
done in hostels. When we put up a proposition to
actually introduce the same sort of policy that
existed in hostels, where we saw an upgrading of
capital under Labor—and, as I have said, I give
credit where credit is due—they were not prepared
to bite the bullet and do it with nursing homes.

Senator Knowles—He is leaving.

Senator PATTERSON—Senator Evans is now
leaving because he likes to throw a bomb and then
leave. They did not want to engage in assisting in
upgrading nursing homes. It is to their eternal
discredit that they ran around frightening older
people, and that is what they are doing again now.

We should look at the record of Labor in
government. We would all agree around here that it
is disgraceful that any older person should suffer in a
nursing home as a result of poor care, but you would
think it never happened under Labor. In 1995 a
monitoring team inspected a nursing home—and I
will not name it now because some of these places
have actually lifted their game—and found a high
incidence, 13 cases in one visit, of skin tears and
pressure areas amongst the residents, and when questioned about these the staff blamed the old equipment used to transport residents, staff cutbacks and shortages of clean linen. ‘Although skin conditions are identified, treatment plans are unclear and there is no evidence of evaluation of treatment or review,’ the team’s report went on to say. At least four residents were seen as having long, dirty fingernails. The report said that residents were not assured of protection from infection or infestation because the team heard that a bedpan sanitiser did not clean properly. I could go on. There was report after report like this about nursing homes when Labor was in government.

Professor Gregory, in a report commissioned by the Labor Party themselves, blamed the poor conditions in nursing homes on the funding system that provided homes a set amount based on resident frailty, regardless of the condition or age of the building. I have said before: they failed in 13 years to work out a plan to upgrade the facilities and they had none when they left. As Professor Gregory said, ‘Consequently, the quality of nursing home building stock might be expected to deteriorate’—this was under Labor—and he gave that report to the then minister, Dr Lawrence.

In that report Professor Gregory also painted a particularly poor picture of nursing homes. As I have said, a survey in the report revealed 13 per cent of homes had problems meeting fire regulations, 11 per cent did not meet health regulations and 75 per cent failed to meet Australian design standards. So to come in here and go on like they have, rather than looking at their record, is just a nonsense.

A caring nation should not tolerate nursing home standards which do not meet even basic fire standards, but Labor did for 13 years. Even when Dr Lawrence, the then health minister, got the report on what was happening, she did nothing. She sat on the report for months and months doing nothing. Bob Gregory indicated that $540 million was needed just to upgrade nursing homes, but Labor put a pitiful $10 million in, a lot less than what was needed.

The ALP also has a bad memory of how badly it treated nursing homes in its recurrent funding arrangements. The arrangements were so complex and arcane, and we will not know how many organisations were not able to provide services because provider funding was locked in at rates established in 1987. I could go on and on about how Labor failed to fund rural and regional nursing homes. There was a comment the other day about the residents of Riverside being relocated and how far they would have to travel. (Time expired)

Senator FORSHAW (New South Wales) (3.17 p.m.)—You can tell that the government is extremely worried about this issue. First of all, we had the Minister representing the Minister for Aged Care on two occasions in the Senate today asked this question point blank: ‘Did you refer the report that was tabled and presented to you during the estimates hearing to the minister last December?’ On two occasions he failed to answer. He has since left the chamber. The Minister representing the Minister for Aged Care is not prepared to stand in here and defend this government’s record on aged care. Why not? Because he knows, the Minister for Aged Care knows and Senator Patterson knows that their record in the six years that they have been in government is pathetic.

Senator Patterson—Six years?

Senator FORSHAW—Four years rather, I am sorry. It seems like six years. In response to a most serious issue that has been exposed regarding maladministration and atrocious care of elderly people in a nursing home in Victoria and in other locations, what did Senator Patterson talk about? She went back to supposed situations in the previous Labor government.

Senator Patterson—Not supposed.

Senator FORSHAW—Senator Patterson, the ball is in your court now. When this government came to office, one of the first things it tried to do it claimed was to reform the aged care system. It introduced a bill in 1997 to introduce nursing home accommodation bonds. It put the entire aged care industry and the relatives and residents of many, many nursing homes in this country into a state of utter confusion and extreme concern. The government wanted to force people to pay hundreds of thousands of dollars and give up their homes to get into nursing homes. That policy failed. The government moved to another policy and, since then, every single one of its initiatives has been a failure.

Minister Bishop has continued with the rhetoric that somehow they have created a new world for aged care accommodation in this country. She has on numerous occasions put out press releases saying that they were going to clean up the industry, that they were going to protect nursing home residents. Yet Aged Care Australia, in a press release put out on 26 July last year, said:

The Government’s failure to protect residents in sub-standard aged care facilities can and must be remedied immediately, according to Aged Care Australia (ACA), the leading peak body representing the not-for-profit providers of aged and community care services across Australia.

Minister Bishop has been strong on rhetoric and has absolutely gone missing in action when it comes to putting her words into action. She is on record as not even having known about some of the problems that were exposed in reports last year—as far back as July last year—about failures in the system and also failures in the reporting. Now what do we find? We find that this minister has today put out a press release detailing a huge list of problems that have been identified in the agency’s report.

Yet this same minister spent the latter part of last year denying that there were problems. The opposition, through Senator Evans, was raising these issues time and time again in estimates and in this chamber, and Senator Herron here and Minister Bishop in the other place continued to deny them. You cannot continue to deny them. The problems are there and they have been pointed out. It has been the opposition’s job to do it and we will continue to do it. It is no answer to the issue of providing decent
quality care, proper training, proper professional supervision in nursing homes and proper accreditation for the people who most need it in the community—the elderly—to go back into history and try to lecture others about what may or may not have been the case in the past. That is an abrogation of responsibility and it is also proof that this government has failed and failed miserably. *(Time expired)*

**Senator KNOWLES** *(Western Australia)* (3.22 p.m.)—Isn’t the sensitivity of the Labor Party in terms of their own record interesting? I would not actually mind if the Labor Party came in here with clean hands and a good record in aged care. They do not. But, most importantly, they do not want to know what has happened. Senator Forshaw just issued a challenge to ‘Talk about the present.’ I will talk about the present, as Senator Forshaw requests, but I will also contrast it with the past 13 years of Labor. No-one can say that is not fair. I can tell Senator Forshaw that one of the tragic things that happened under Labor is how much money they withdrew from aged care. The Labor Party ran down residential care and withdrew $1.5 billion, leaving the coalition government 10,000 residential places short of their own benchmark.

The Australian National Audit Office report tabled in parliament on 8 December 1998 exposed a large drop in the level of residential aged care service provision over the last 10 years of the Labor government. In 1986 the Labor government promised there would be 100 aged care places for every 1,000 people over 70 years. The number then was 98.3 places. Ten years later in 1996 when this government had to take over the legacy of the Labor government, the service ration had dropped to 93.4. This was a shortfall of 10,000 places and meant a cut of around $1.5 billion over the 10-year period Labor denied the care to thousands of individuals.

Senator Forshaw wanted to know the contrast; I will give him the contrast. Since the coalition government has been in office, it has allocated around 17,000 places to meet the care needs of older Australians. Of these, around 6,100 have been residential care places and around 10,900 have been community care places. In the allocation round announced in November 1999, the coalition government announced an extra 7,000 new places. There will be 2,500 more residential aged care places and an extra 400 places for those services restructuring to meet the needs of the community. But, importantly, we are also significantly increasing the number of community care packages by making 4,300 new packages available. This is the contrast with what we had to pick up.

My colleague Senator Patterson has already talked about the other legacy that we had to rectify—the fact that 75 per cent of nursing homes did not meet building standards, 11 per cent of them did not meet fire standards and 13 per cent did not meet basic health standards. Surely, this opposition should be ashamed of that but they come in here and poke fun and point the finger instead of making sure they work constructively to resolve this situation. Nobody but nobody can make an excuse for poor treatment of the aged, but the opposition should make sure that the priority is the treatment of the aged and not the vilification of individuals and governments who are trying to rectify the problems left to them by 13 years of mismanagement.

I give the Senate another example. Labor cut capital funding to nursing homes by 75 per cent in its last four years of government. There was no access to other forms of funding. They commissioned the Gregory report, as Senator Patterson said, and yet they allowed it to gather dust—and that was a report into capital funding. They ignored the report because they were not willing or able to make long-term decisions for the longer term benefit of older Australians. Senator Forshaw wanted the contrast. The capital income stream from the coalition is over $1.4 billion over the first 10 years of the aged care reform. A small number of facilities, particularly those in rural and remote areas and those that service other special needs groups, may need capital assistance in addition to that available through the capital income stream. In the 1999-2000 budget it was provided an extra $23 million in addition to the $10 million indexed per year already available.

**Senator DENMAN** *(Tasmania)* (3.28 p.m.)—I too wish to speak to the motion to take note of the answers given by Senator Herron to Senator Evans. I was in estimates when those documents were tabled, and I can assure you that the responses given today were most unsatisfactory. We have all heard of the disgraceful events that occurred in the Riverside Nursing Home in Victoria where fuel was recently used as a medical wash. Apart from the obvious negligence of this act, one is entitled to ask what the working culture was in the institution in which this occurred. On 13 May 1998 the Department of Health and Aged Care had a report on the Riverside Nursing Home that found it failed to meet 26 of the 29 care standards. Again, on 19 July 1999, the standards and accreditation agency report on the same nursing home found that it failed in all three areas of standards of care. Did the minister act on any of those findings? No. It was not until the media started to write up that kerosene was used to treat conditions that it was drawn to the public’s attention.

This has to be neglect and/or incompetence. It was not until today that action was taken to rectify anything in that nursing home, and the nursing home I believe has been closed. Apart from the obvious negligence of this act, one is entitled to question what was the working culture of the institution where this occurred. Relatives are naturally now asking whether there any other nursing homes where these practices occurred. Naturally, relatives are concerned about their elderly. There are people who have no relatives, so there is no-one to care for them or watch over what happens in their nursing homes, and that should not be the case. Is this just negligence on the part of one carer or one worker, or is it a symptom of something deeper? This is what
the relatives of people want to know. Is this a symptom of something deeper than just negligence?

In a previous speech I mentioned that last year, 1999, was the International Year of Older Persons. I alluded to the fact that if this was the year of the older person heaven help them when it was over. Not even I had foreseen the end of that year and what it would mean to older persons. Not even I realised that there were people being bathed in kerosene. There was an article in the Canberra Times last weekend by Penelope Layland, 'Growing old in the body but never in the mind', in which she says:

A fat lot of good the Year of the Older Person did us. We must now assume that during that entire year, even as the television advertising exhorted us to recognise the value of our “seniors”, frail, elderly Australians in various states of dependence were being dipped in kerosene baths, dressed in babies’ nappies, given the wrong medication and having inappropriate meals rammed down their throats.

That is probably emotive reporting but it is this sort of thing that people with elderly in homes are going to be terribly concerned about. Tasmania nursing homes are soon to be hit by the rationalisation bandit. This will see the industry lose up to $6.8 million a year. This will happen despite the Productivity Commission’s finding that suggests the policy is deficient and inequitable. I quote from the Tasmanian press at the weekend, where Mark Stemm, the president of Aged Care Tasmania, says:

Unfortunately, negative reports about a few problem facilities also seem to reflect on the majority of high standard nursing homes and hostels.

(Time expired)

Question resolved in the affirmative.

Genetically Modified Food: Labelling

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (3.33 p.m.)—I move:

That the Senate take note of the answer given by the minister representing the Minister for Health and Aged Care (Senator Herron) to a question without notice asked by Senator Stott Despoja today, relating to the labelling of genetically modified food.

I wish to take note of Senator Herron’s answer in the chamber today because, once again, it seems that there is the potential for unnecessary delay in the process of implementing a decision that was agreed to last year by all of the health ministers—the Australian and New Zealand health ministers, state and territory health ministers. They made a worthy recommendation for a comprehensive and mandatory labelling system for genetically modified foods. At the last meeting of the Australia New Zealand Food Standards Council health ministers considered a new draft standard for genetically modified foods which included the mandatory labelling of genetically modified food products in the Australian domestic market—as I said, a worthy aim but one that we see as being threatened or possibly undermined as a consequence of prime ministerial interference, not just one time but it seems on a number of occasions now, the most recent of which was a letter sent to ANZFA back in December last year, a letter that I referred to in my question but did not get a specific response as to the contents of that letter for the Minister for Health and Aged Care.

But it seems that the secretary to Department of the Prime Minister and Cabinet has actually suggested that there should be costs taken of other labelling mechanisms, other labelling schemes. We do not know exactly what kinds of labelling regimes are being considered, whether it is the threshold labelling regime to which I referred in question time, a regime that would actually allow certain products, potentially more refined products, to seep through and therefore not actually be labelled in the way that has been suggested. That draft standard which was prepared after the health ministers decided in August last year to label genetically modified foods seems therefore to be in jeopardy.

We allowed genetically modified foods to seep into the Australian domestic market in 1996. That happened because we had no regulation by our federal government. We just blindly adopted the US Food and Drug Administration’s concept of substantial equivalence. Substantial equivalence, which the Democrats have referred to many times, is a flawed concept. It is now receiving greater backlash from consumer groups from the United States, where of course the concept originated.

We only have to look at other countries, like the European Union countries or indeed specifically the United Kingdom; indeed, in Prime Minister Blair’s response in the last couple of weeks even he is admitting now that this is a much bigger issue that he ever contemplated, that he is having concerns and reconsidering his perspective on the issue of GMOs and the issue of labelling, because he has seen what an incredible backlash there has been from consumers in that country. Do we want to risk the same kind of consumer backlash or business and industry backlash in our country because we have failed to implement a reform, a recommendation that originated from a range of health ministers on a state and territory level as well as trans-Tasman level? I think not, and I am hoping that the Prime Minister might reconsider some of the reasons that he has put forward—or his department has put forward—for delaying potentially this process.

Since 1996 consumers in Australia have been denied essential knowledge about what they have been consuming. As Joanna Lumley stated on the Today show the other week in relation to battery hens, ‘Let’s vote with our tongues.’ Indeed, consumers have a right to know what they are eating and also exercise autonomy and abstain from certain products if they choose.

We are not talking about Luddites here or moratoriums that may or may not be considered necessary; we are talking about basic consumer choice—the right of consumers to know what they are purchasing and what they are putting in their bodies. People have argued that compliance costs are too high. We think that is a furphy. Certainly the first report that suggested this, the KPMG report, was disregarded by the health ministers as it did not considered changes in the proposed standard and the
exercise of due diligence in compliance. As for financial compliance costs, they seem to be an unnecessary concern considering that in the UK the Food Labelling Amendment Regulations Bill 1999 forced an estimated 500,000 catering premises in Britain to indicate which dishes on their menus contained GM soya and maize. Even hot dogs and meat pies have to be labelled. If they can do it in a country like the UK, then why can’t we do it here? Indeed, menus or visible notices will be required in the UK to notify consumers of genetically modified ingredients.

Madam President, that is the kind of labelling regime we should be pursuing in Australia. There is good reason to do it—not just environmentally, but for health and social reasons. We should be providing consumers with that basic information so that they can make informed choices about what they are buying and eating.

Question resolved in the affirmative.

CONDOLENCES
Hon. Dame Roma Flinders Mitchell

The PRESIDENT (3.38 p.m.)—I inform the Senate of the death yesterday of the Hon. Dame Roma Flinders Mitchell, Commander of the Royal Victorian Order, AC and DBE; Governor of South Australia from 1991 to 1996, and as such, the first woman Governor in Australia; the first chair of the Commonwealth Human Rights Commission, which position she held from 1981 to 1986; Chancellor of the University of Adelaide from 1983 to 1990; a member of the Council for the Order of Australia from 1981 to 1990; a judge of the Supreme Court of South Australia from 1965 to 1983; and the first woman QC in Australia when appointed in 1962.

I ask honourable senators to stand in silence as a mark of respect to the late Hon. Dame Roma Mitchell.

Honourable senators standing in silence.

Senator VANSTONE (South Australia—Minister for Justice and Customs) (3.40 p.m.)—I seek leave to move a notice of motion on behalf of Senators Crowley and Lees in respect of the death of Dame Roma Mitchell.

Leave granted.

Senator VANSTONE—On behalf of myself and Senators Crowley and Lees, I give notice that I shall move:

That the Senate—

(a) acknowledges with deep respect and gratitude the life, achievements and contribution of Dame Roma Mitchell;

(b) notes Dame Roma’s significant achievements, including:

— in 1962, appointed Australia’s first female Queen’s Counsel;
— in 1965, appointed Australia’s first female Supreme Court judge;
— in 1982, made a Dame of the Order of the British Empire;

(c) notes that Dame Roma is held in high regard by all political parties as evidenced by her appointment as Australia’s first Human Rights Commissioner by the Fraser Government and her appointment as Governor of South Australia by the Bannon Government.

Archibald Ian Allan

The PRESIDENT (3.41 p.m.)—It is with deep regret that I inform the Senate of the death on 13 February 2000 of Archibald Ian Allan, a former member of the House of Representatives for the division of Gwydir, New South Wales, from 1953 to 1969.

PETITIONS

The Clerk—Petitions have been lodged for presentation as follows:

Goods and Services Tax: Sanitary Products

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

The Petition of the undersigned are gravely concerned that given tampons, pads and liners have attracted no taxes in Australia since 1948, the introduction of GST will find an additional 10% on these products.

Your Petitioners ask that the Senate insist the Minister include the above mentioned products in the GST free list. Currently condoms, sexual lubricants suntan cream and folate tablets are under consideration by the Health Minister to be GST free. The fact that half of the Australian population experience menstruation for 30 to 40 years of their life through no choice of their own means that these products should be included in the GST free list.

by The President (from 19 citizens)

Goods and Services Tax: Complementary Medicines and Services

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

The Petition of the undersigned shows that from July 1, 2000 a GST will apply to sanitary pads and tampons, items currently tax exempt. Your Petitioners request that the Senate call upon the Treasurer to exempt tampons and sanitary pads from the GST.

by Senator Stott Despoja (from 625 citizens)
goods which are listed on the Australian Register of Therapeutic
Goods is contrary to the maintenance of our good health and well-
being. Our petition requests the Senate to call on the Government to
zero-rate these products.

by Senator Stott Despoja (from 39 citizens)

Goods and Services Tax: Mandate

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

We, the undersigned petitioners believe that
(a) a valid mandate does not exist for the introduction of a
Goods and Services Tax (GST)
(b) the Australian electorate was not adequately informed,
prior to the 1998 Federal election, to be able to deliver a valid
mandate
(c) the overwhelming response to the Senate inquiry into the
tax system confirms these beliefs
(d) the findings of the Senate Inquiry have shown, over recent
weeks, that the proposed GST will be a regressive tax instead of the
intended tax reform. It is abundantly clear that the enactment of the
GST will result in the rich of this country benefiting at the expense of the
more than five (5) million citizens living near or below the
poverty line

Your petitioners request that the Senate should:
(a) reject legislation presented to the Senate for the enactment
of a Goods and Services Tax
(b) initiate a process, based on the findings of the Senate
Inquiry, which should inform and enable the Australian electorate to
deliver a valid mandate for a just tax system. This process to
cuminate in a referendum.

by Senator Woodley (from seven citizens)

Petitions received.

NOTICES
Withdrawal

Senator CALVERT (Tasmania) (3.42
p.m.)—Pursuant to notice given on the last day of
sitting, on behalf of Senator Coonan and the
Standing Committee on Regulations and Ordinances,
I withdraw Business of the Senate notices of motion
Nos. 1 and 2 standing in her name for today, and
Business of the Senate notice of motion No. 1
standing in her name for four sitting days after
today.

Presentation

Senator Watson to move, on the next day of
sitting:
That the time for the presentation of the report of the
Select Committee on Superannuation and
Financial Services on the provisions of the
Superannuation (Entitlements of same sex
couples) Bill 2000 be extended to 16 March 2000.

Senator Ferris to move, on the next day of
sitting:
That the Parliamentary Joint Committee on Native
Title and the Aboriginal and Torres Strait Islander
Land Fund be authorised to hold a public meeting
during the sitting of the Senate on 9 March 2000,
from 6 pm, to take evidence for the committee’s
inquiry into an amendment of the Native Title
Amendment Act 1998 to fulfil Australia’s
international obligations in relation to racial
discrimination.

Senator Allison to move, on the next day of
sitting:
That the Environment, Communications,
Information Technology and the Arts References
Committee be authorised to hold a public meeting
during the sitting of the Senate on 9 March 2000,
from 4 pm, to take evidence for the committee’s
inquiry on global warming and the Convention on
Climate Change (Implementation) Bill 1999.

Senator Collins to move, on the next day of
sitting:
That the time for the presentation of the report of the
Employment, Workplace Relations, Small
Business and Education References Committee on
education and training programs for indigenous
Australians be extended to 16 March 2000.

Senator Crane to move, on the next day of
sitting:
That the time for the presentation of the report of the
Rural and Regional Affairs and Transport
Legislation Committee on the provisions of the
Northern Prawn Fishery Amendment Management
Plan 1999 (No. NPF 02) be extended to 8 March
2000.

Senator Tierney to move, on the next day of
sitting:
That the Senate—
(a) expresses disgust at the Carr Labor
Government’s total inability to manage
education in New South Wales, with the
English Language and Learning Assessment
(ELLA) test debacle being the latest example;
(b) notes that the abandonment of the year 7 and 8
ELLA test at a cost to the taxpayers of $1.9
million was an inevitable outcome of a flawed
policy and could have been predicted and
prevented;
(c) voices concern that as a result of this the
entire cohort of New South Wales year 7 and 8
students will not have their learning needs
identified at a critical point in their education; and
(d) calls on the Carr State Government to urgently
review its changes to the STLD program and
to allocate additional special support teachers
(learning difficulties) to accommodate
individual students with specific needs rather
than using this test as a basis to reallocate
resources.

Senator IAN CAMPBELL (Western
Australia)—Manager of Government Business in the
Senate) (3.42 p.m.)—I give notice that on the next
day of sitting I shall move:
That the provisions of paragraphs 5 to 7 of standing order 111 not
apply to the Census Information Legislation Amendment Bill 2000
allowing it to be considered during this period of sittings.

I also table a statement of reasons justifying the need for this bill to be considered during this sittings
and seek leave to have the statement incorporated in
Hansard.

Leave granted.

The statement read as follows—
STATEMENT OF REASONS FOR INTRODUCTION
AND PASSAGE IN THE 2000 AUTUMN SITTINGS
CENSUS INFORMATION LEGISLATION
AMENDMENT BILL 2000
Legislative changes are required by the end of March 2000 in order to ensure that the 2001 Census can be conducted successfully on 7 August 2001. The printing, packing and distribution of the census form occur to a tight timetable in which there is very little scope for slippage. The details are set out below.

The census form is designed for use with optical character recognition technology. This requires both a high level of definition in the printing and extremely tight tolerances and accurate registration. There is only a very small number of presses in Australia which can undertake this printing, thus capacity is restricted. Advice from the printing industry is that it will take approximately 6 months to print the census forms. This advice conforms with the experience of the ABS for the 1991 and 1996 Censuses. Printing is scheduled to commence at the start of July 2000 and be completed by January 2001.

During and after printing the census forms are brought together with a range of other material such as collector record books, envelopes, information booklets and administrative forms. This involves more than 2,000 tonnes of material. The material is sorted and packaged into worklots for each of the 3,200 Group Leaders. Packing is timetabled to be completed by March 2001 for dispatch to regional dispatch centres and then to Group Leaders during May 2001. Group Leaders will distribute the material to 30,000 collectors during June.

To achieve commencement of printing by the start of July, form design, incorporating design of questions and explanatory material including references to legislation, needs to be completed by the end of March. There are ten different form types which will need to be set up in this period. Once set-up is complete, the forms are sent to the printers to prepare proofs and bromides. Stringent quality checks are undertaken at all stages of the process.

The schedule of activity completion dates is:

Final questions determined  end March 2000
Prepare proofs of census forms  end March 2001
Check printers proofs  end June 2000
Print census forms  end January 2001
Complete packaging  end March 2001
Dispatch to regional dispatch centres  end April 2001
Distribute to 3,200 Group Leaders  end May 2001
Distribute to 30,000 collectors  end June 2001
Census date  7 August 2001

(Circulated by authority of the Minister for Financial Services and Regulation)

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

That the Senate notes that:

(a) it is 26 days since former Senator Parer resigned as a senator for the State of Queensland;

(b) the Queensland Liberal Party has said that it will not select a replacement for Senator Parer until 30 April 2000, another 55 days (a total of 81 days since Senator Parer’s resignation);

(c) at the Queensland Liberal Party’s request, the Queensland State Parliament will not be asked to appoint a replacement for Senator Parer until 16 May 2000 (a total of 97 days since Senator Parer’s resignation);

(d) the day of swearing-in of the successor to Senator Parer would be 5 June 2000 at the earliest (a total of 117 days since Senator Parer’s resignation); and

(e) the people of the State of Queensland have been denied their full Senate representation by the lethargy of the Queensland Liberal Party to appoint a successor to Senator Parer.

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

That there be laid on the table by the Minister for the Environment and Heritage (Senator Hill), no later than immediately after questions without notice on the next day of sitting, a report from the Australian Bureau of Agricultural and Resource Economics to Environment Australia on estimating the benefits and costs of restrictions on tree clearing in Queensland.

Senator CALVERT (Tasmania) (3.44 p.m.)—On behalf of Senator Coonan and the Standing Committee on Regulations and Ordinances, I give notice that 15 sitting days after today Senator Coonan will move:


I seek leave to incorporate in Hansard a short summary of the matters raised by the committee.

Leave granted.

The document read as follows—

Great Barrier Reef Marine Park Amendment Regulations 1999 (No.1) Statutory Rules 1999 No. 252

The Statutory Rules give effect to the enforcement provisions in the Cairns Area Plan of Management and the Whitsundays Plan of management.

The Plans were both gazetted on 22 June 1998, 16 months before these Statutory Rules were made. The Explanatory Statement, however, provides no explanation for the delay in providing for the enforcement of these Plans of Management.

Although the Explanatory Statement asserts that an Explanatory Memorandum is ‘included at Attachment 1’, and that a Regulation Impact Statement ‘is included at Attachment 2’, neither of these documents were included with these Statutory Rules.

New paragraph 13AK(c) of the Principal Regulations, inserted by item 5 of Schedule 1 to these Regulations, requires the Great Barrier Reef Marine Park Authority to take into account, when considering an application for an authorisation ‘any charge payable by the applicant ... that is overdue for payment’.

New subparagraph 13AL(3)(a) of the Principal Regulations provides that, subject to an exception for special circumstances, the Authority must not, in the case of activities in the Cairns Planning Area, ‘grant an authorisation applied for on or after ... 1 July 1999’. This provision therefore appears to be retrospective in application if not in terms of its date of commencement.

New subregulations 59(2) and 63(2), to be inserted by item 19 of Schedule 1, impose strict criminal liability for contravention of the two Plans of Management referred to in the Regulations.

Senator COOK (Western Australia—Deputy Leader of the Opposition in the Senate) (3.45 a.m.)—I give notice that, at the next day of sitting, I shall move:

(1) That the Senate—
(a) notes:

(i) the Nuclear Non-Proliferation Treaty (NPT) Review Conference will be held at the United Nations (UN) in New York from 24 April to 19 May 2000, and

(ii) the declaration of the UN Secretary-General (Mr Koffi Annan) in February 2000 that the nuclear disarmament and non-proliferation agenda is in a state of ‘deplorable stagnation’, that it is difficult to approach the NPT Review Conference with optimism ‘given the discouraging list of nuclear disarmament measures in suspense, negotiations not initiated and opportunities not taken’, and that a dangerous nuclear arms race ‘looms on the horizon’;

(b) recalls:

(i) the conclusion of the Canberra Commission on the Elimination of Nuclear Weapons that, ‘The proposition that nuclear weapons can be retained in perpetuity and never used – accidentally or by decision – defies credibility’ and that ‘the only complete defence is the elimination of nuclear weapons and assurance that they will never be produced again’, and

(ii) the commission’s observations that, ‘Nuclear weapons are held by a handful of states which insist that these weapons provide unique security benefits, and yet reserve uniquely to themselves the right to own them. The situation is highly discriminatory and thus unstable; it cannot be sustained. The possession of nuclear weapon by any state is a constant stimulus to other states to acquire them’;

(c) notes the unanimous finding of the International Court of Justice in its 1996 Advisory Opinion that, ‘There exists a clear obligation to pursue in good faith and bring to a conclusion negotiations leading to nuclear disarmament in all its aspects under strict and effective international control’;

(d) affirms that the nuclear weapon states have an obligation to fulfill promptly their undertaking under Article VI of the NPT to pursue negotiations in good faith to eliminate their nuclear arsenals;

(e) in the light of the above, urges that the nuclear weapon states reject the indefinite possession of nuclear weapons and policies based on their possession, unequivocally commit to the elimination of all nuclear weapons, and agree to start work immediately on the practical steps and negotiations required to achieve this goal;

(f) calls on all parties at the NPT Review Conference to urge the nuclear weapon states to commence and bring to the

earliest possible conclusion negotiations to bring about the verifiable elimination of nuclear weapons and the full safeguarding of militarily-useable nuclear material; and

(g) urges that the practical steps toward nuclear disarmament outlined by the commission and the Tokyo Forum for Nuclear Non-Proliferation and Disarmament, and advocated by the New Agenda Coalition of non-nuclear weapon states, be used as a basis for immediate negotiations and action.

(2) That the text of this resolution be conveyed to the UN Secretary-General, to the Presidents of the UN Security Council and General Assembly, to the Chairperson of the NPT Review Conference, to the Presidents, Prime Ministers and Foreign Ministers of the United States, Russia, China, the United Kingdom, France, India, Pakistan and Israel, and to the foreign ministers of all non-nuclear weapon NPT signatory states.

The DEPUTY PRESIDENT—That was a very long notice of motion, Senator Cook. I remind senators of other methods of delivering notices of motion that do not take quite so long.

BUSINESS

Days and Hours of Meeting

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (3.48 p.m.)—by leave—I move:

That the Senate meet on Tuesday, 7 March 2000, from 2.30 p.m.

By way of short explanation, I would say that that is to enable the members and senators who so choose to have a lunch to welcome home members of our contingent in the INTERFET force from East Timor.

Question resolved in the affirmative.

NOTICES

Postponement

Items of business were postponed as follows:

General business notice of motion no. 424 standing in the name of Senator Allison for today, relating to an external freeway bypass for Albury, postponed till 7 March 2000.

Business of the Senate notice of motion no. 1 standing in the name of Senator Brown for 7 March 2000, relating to the disallowance of the Export Control (Hardwood Wood Chips) Amendment Regulations 1999 (No. 3), postponed till 8 March 2000.

HIGHER EDUCATION: RURAL AUSTRALIA

Motion (by Senator Stott Despoja) agreed to:

That the Senate—

(a) notes that, according to 1998 Department of Education, Training and Youth Affairs figures, rural Australians participate in higher education at only two-thirds the participation rate of urban Australians;
(b) expresses concern that as many as 2,500 rural Australians are currently denied access to Aустudy or Youth Allowance because they come from farming families which are asset rich but income poor;

c) supports the National Farmers Federation’s call for the Government to implement its election promise to increase Aустudy access to regional and rural Australians by relaxing the assets test; and

d) urges the Government to honour its 1996 election pledge to discount farm assets, under the criteria used to assess qualification for the Youth Allowance and Aустudy assets tests, from the current rate of 50 per cent to 75 per cent.

PRIVATE HEALTH INSURANCE REBATE SCHEME

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (3.49 a.m.)—On behalf of the Leader of the Democrats, Senator Meg Lees, I ask that general business notice of motion No. 410 standing in her name for today, relating to the private health insurance rebate scheme, be taken as a formal motion.

The DEPUTY PRESIDENT—Is there any objection to this motion being taken as formal?

Senator O’Brien—I indicate that we would not object to formality, on the basis that, as we will be voting against the motion, we be granted leave to give a short explanation for our reasons.

The DEPUTY PRESIDENT—So there is no objection to it being taken as formal.

Senator O’Brien—Given that that is the understanding.

Senator STOTT DESPOJA—I move the motion standing in the name of Senator Meg Lees:

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

(ii) undertake a review of the scheme to assess its performance against objectives, including whether it has reduced the pressure on public hospitals.
education and other important Commonwealth funded programs.

The motion moved on behalf of Senator Lees proposes that a review should be established to assess this record against objectives, including whether the 30 per cent rebate has reduced pressure on public hospitals. This is a good idea, but this has already been considered by the Community Affairs References Committee inquiry into public hospital funding, a committee of which both Senator Lees and I are members. The sixth term of reference of that inquiry requires the committee to report later this year on the impact of the private health insurance rebate on demand for public hospital services. The ball lies with the government to put up evidence to the Senate inquiry that the rebate has reduced demand or has been found to have failed. In the last four years, we have seen four different government schemes designed to rescue the health insurance industry. If the impact of Lifetime Health Cover is different to what the minister has assumed, it is likely that we will see yet another change of plan before the next election.

The truth is the destiny of the industry lies in its own hands. The funds need to get serious about gap-free policies, they need to curb premium increases and they need to cut their administrative expenses. The health insurance sector is already subsidised to a greater extent than any other sector, and it is time that the penny dropped that a secure future cannot be built on ever increasing subsidies. The government has an obligation in the first instance to deal with the mess they have created and to prevent the escalating cost of the rebate impacting on other health priorities. The onus is on the government over the next 18 months to staunch the haemorrhaging of the mess they have created and to prevent the escalating cost of the rebate impacting on other health priorities. The onus is on the government over the next 18 months to staunch the haemorrhaging of the health budget caused by the rebate. The Labor Party will adopt its own policy at the appropriate time and will not today be supporting this motion.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (3.55 p.m.)—by leave—The Democrats predicted the failure of the government’s private health insurance rebate scheme when the legislation came before the Senate in 1996. We did not support the rebate scheme then, as we believed—and still believe—that it represents an inefficient and inequitable use of taxpayers’ funds. The membership figures on private health insurance fund membership support our position on this issue. The extremely small increase in private health insurance membership provides unequivocal evidence that the rebate scheme has failed. An increase in fund membership of only 1.5 per cent of the population cannot be justified at a cost to the taxpayer of $2.2 billion a year.

I note that the government did not set any outcome measures for this policy. Despite Democrats efforts to get the government to state publicly what it hoped to achieve by this expenditure, we were unable to obtain from the Minister for Health and Aged Care any statement concerning the goals for the rebate scheme. However, whatever measure is used to assess to the success of this scheme, it is clear that it has been a dismal failure. The small increase in fund membership represents a cost of $5,000 for each new insured person. Clearly, this is a grossly inefficient use of funds when an annual insurance policy can cost as little as $300 per person.

If the government had paid the entire premium for each of these new members, it would have cost considerably less than the $2.2 billion it is spending to get the same result. This is because, for every new member the scheme manages to attract, the government is paying 20 existing members to keep their insurance. This means that most of the $2.2 billion is going to existing fund members, many of them people on high incomes who do not need a handout to meet their insurance premiums. In many cases, people on high incomes have used the rebate to update their policies so that they can obtain discounts on gym memberships or sporting equipment. It would have been cheaper for the government to buy a low cost hospital insurance policy for every Australian over the age of 65—although, of course, putting the money into the public health system would have been of even greater benefit to both older and younger Australians.

The Democrats argued strongly at the time the rebate bill went through the Senate that the scheme was bad policy and bad economics. The recently released figures have proved us right on both counts. The most distressing aspect of this rebate scheme is that it is taking scarce health resources out of the health system, where there are so many areas of desperate need where this money could be spent to achieve real health outcomes. As it stands now, most of the $2.2 billion being spent on insurance rates is going straight into the pockets of existing health insurance fund members and is not providing any additional funding for health services.

The Democrats were not alone in our objections to this expensive scheme. We were supported in our view by many of Australia’s leading health economists as well as independent consumer groups such as the Australian Consumers Association and the Council on the Ageing. In fact, the only groups that supported this rebate were those that stand to profit from it. The credibility of these groups has been seriously called into question by their extravagant predictions that the rebate scheme would achieve private health insurance fund membership levels of 40 per cent to 45 per cent of the population. These predictions, which have now been proven to be completely inaccurate, reveal the inability of these associations to understand the community’s concerns about Australia’s health system. The failure of the rebate scheme should send a clear message to the government that it is time to stop spending such vast amounts of money trying to bribe, cajole or frighten people into taking out private health insurance and start fixing up some of the real problems with our health system.

Question resolved in the negative.
MANDATORY MINIMUM SENTENCING LAWS

The DEPUTY PRESIDENT (3.58 p.m.)—I present a resolution received from the Speaker of the Legislative Assembly of the Northern Territory, Mr Terry McCarthy, relating to mandatory minimum sentencing.

COMMITTEES

Socio-Economic Consequences of the National Competition Policy Committee

Report

The DEPUTY PRESIDENT (3.59 p.m.)—Further to standing order No. 38, I present a corrigendum to the report of the Select Committee on the Socio-Economic Consequences of the National Competition Policy entitled Riding the waves of change, which was presented to the President on 22 February 2000. In accordance with the terms of the standing order, the publication of the corrigendum was authorised.

Ordered that the document be printed.

DELEGATION REPORTS

Australian Parliamentary Delegation to Tonga, Cook Islands and the First Pacific Community Conference, French Polynesia

Senator CALVERT (Tasmania) (3.59 p.m.)—by leave—I present the report of the Australian parliamentary delegation to Tonga, the Cook Islands and the First Pacific Community Conference in French Polynesia from 27 November to 9 December 1999. I was not a member of that delegation.

The DEPUTY PRESIDENT—I understand that no senator was.

Senator CALVERT—it was a delegation of only members of the House of Representatives, but we are presenting the report in the Senate as well.

BUDGET 1999-2000

Consideration by Legislation Committees

Additional Information

Senator CALVERT (Tasmania) (4.00 p.m.)—On behalf of Senator Knowles, I present additional information received by the Community Affairs Legislation Committee relating to the budget estimates for 1999-2000. On behalf of Senator Tierney, I present additional information and transcripts of evidence received by the Employment, Workplace Relations, Small Business and Education Legislation Committee relating to additional and budget estimates for 1999-2000.

NEW BUSINESS TAX SYSTEM (MISCELLANEOUS) BILL 1999

NEW BUSINESS TAX SYSTEM (VENTURE CAPITAL DEFICIT TAX) BILL 1999

ALBURY-WODONGA DEVELOPMENT AMENDMENT BILL 1999

THERAPEUTIC GOODS AMENDMENT BILL 1999

First Reading

Bills received from the House of Representatives.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (4.02 p.m.)—I indicate to the Senate that those bills which have just been announced are being introduced together. After debate on the motion for the second reading has been adjourned, I will be moving a motion to have the bills listed separately on the Notice Paper. I move:

That these bills may proceed without formalities, may be taken together and be now read a first time.

Question resolved in the affirmative.

Bills read a first time.

Second Reading

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (4.02 p.m.)—I move:

That these bills be now read a second time.

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

Leave granted.

The speeches read as follows—

NEW BUSINESS TAX SYSTEM (MISCELLANEOUS) BILL 1999

This bill contains a number of measures further implementing the Government’s wide-ranging reforms that will give Australia a New Business Tax System.

Those reforms are based on the recommendations of the Review of Business Taxation that the Government established to consult and make recommendations on business tax reforms.

This bill provides for excess imputation credits to be refunded to Australian individuals or complying super funds or similar entities who, until now, could not use those credits because their tax liability was insufficient.

The Government foreshadowed its intention to introduce this measure in A New Tax System and it will be of particular benefit to many self funded retirees.

This bill also removes the intercorporate dividend rebate on unfranked dividends. Until now, that rebate has effectively meant that no tax was payable on dividends received by public companies. Removing the rebate will address a number of tax avoidance arrangements designed to exploit the rebate. This measure will also ensure a consistent treatment of all resident companies receiving unfranked dividends. The rebate will still apply to dividends paid within a corporate group.

However, simply removing the rebate might have discriminated against foreign companies that invest in Australia through an Australian subsidiary rather than directly. To prevent that outcome, this bill will give the
subsidy a deduction when it on-pays the unfranked dividend (except portfolio dividends) to its foreign parent. Both Houses have already passed a bill which exempts some foreign pension funds on the gains they make in Australia on venture capital investments. This bill proposes to grant a similar exemption to dividends paid by pooled development funds to Australian super funds and similar entities. This will be achieved by allowing pooled development funds to attach imputation credits to dividends they pay to Australian super funds out of gains on their venture capital investments. This measure, taken with the exemption for foreign pension funds, will promote investment in innovative Australian firms and address the problems they often face in raising significant new capital.

A major compliance cost for many businesses is calculating, and keeping records for, depreciation of plant, especially when there are numerous items of plant with low values. The Government has addressed this issue by creating a pooling scheme which is contained in this bill. This scheme will allow taxpayers who are not small business taxpayers to put plant into a pool if it cost them less than $1,000 or if they have written it down to less than $1,000 under the diminishing value method. Taxpayers can treat the pool as a single item of plant and depreciate it under the diminishing value method with a 4 year effective life. This will significantly reduce the administrative burden that the present law imposes by requiring taxpayers to track each low value item of plant.

The measure does not apply to small businesses, who will still be able to immediately write-off assets costing $300 or less until 1 July 2001. From 1 July 2001, under the simplified tax system, small businesses will be able to immediately write off assets costing less than $1000. Assets with effective lives of less than 25 years will be able to be pooled and written down over 5 years.

Finally, this bill makes some changes to the amount of imputation credits, to companies’ franking account balances and to the rate of the infrastructure borrowings imputation credits, to companies’ franking account balances and to the rate of the infrastructure borrowings imputation credits, to companies’ franking account balances.

I commend the bill and present the explanatory memorandum.

NEW BUSINESS TAX SYSTEM (VENTURE CAPITAL DEFICIT TAX) BILL 1999

Investment in venture capital in Australia will be encouraged by the Government’s reforms. Complying superannuation funds and like entities will be eligible to receive venture capital gains free of tax through pooled development funds.

This will be achieved by allowing them a special franking rebate — the venture capital franking rebate — which represents CGT paid by the pooled development fund on venture capital gains. This Bill imposes a tax on a pooled development fund if it over allocates venture capital franking rebates to shareholders.

Full details of the measure in this Bill are contained in the explanatory memorandum which has already been presented.

I commend the Bill.

ALBURY-WODONGA DEVELOPMENT AMENDMENT BILL 1999

The Albury-Wodonga Development Act 1973 established the Albury-Wodonga Development Corporation (AWDC) to acquire and develop land and other real estate in and around the Albury-Wodonga area. An Agreement was also signed at that time between the Commonwealth and the states of New South Wales and Victoria which provided for a new integrated urban complex to be developed in the Albury-Wodonga region.

Those states each established a state Corporation to operate in conjunction with the Commonwealth Corporation. The Albury-Wodonga Ministerial Council, comprising the Commonwealth, New South Wales and Victorian Ministers with regional development responsibilities, was established to provide general oversight and direction to the three Corporations and the development scheme in general.

The Commonwealth and the states of New South Wales and Victoria now consider that this approach to regional development in Albury-Wodonga is no longer appropriate. The Albury-Wodonga Ministerial Council decided at its 1995 and 1997 meetings to wind-up the Albury Wodonga Development Corporation and to dispose of all its land and assets, in an orderly manner and without distorting the market.

The Albury-Wodonga Development Amendment Bill 1999, which I am introducing into the House today, puts into effect those decisions.

The bill will simplify the structure and streamline the functions of the AWDC, in preparation for its abolition by a future act. The bill will also facilitate the winding-up of the 1973 Agreement and the withdrawal from the project by the states of New South Wales and Victoria, in line with the Ministerial Council decisions.

The bill is to be integrated with state legislation in New South Wales and Victoria, which will abolish the two State Corporations, and will confer their assets, rights and liabilities on the Commonwealth Corporation. The complementary legislation of the states will facilitate the transitional arrangements, and may confer additional functions on the Commonwealth Corporation. The acceptance of the rights, assets and liabilities of the State Corporations by the Commonwealth Corporation must be approved by the Commonwealth Minister, to ensure there is appropriate scrutiny of the transfer arrangements.

The Commonwealth Corporation will become solely responsible for the disposal of the assets of the state and Commonwealth Corporations, and it will continue to have the capacity to adopt active asset management strategies.

The Commonwealth Corporation may also act as an agent of the Commonwealth in the disposal of surplus Commonwealth land in the Albury-Wodonga region.

Simplified AWDC board membership provisions will be introduced. The Chairperson and two members are to be appointed by the Commonwealth Minister. A requirement for members to have a knowledge and understanding of the Albury-Wodonga region will assist in maintaining a regional focus during the wind up period.

The bill also provides for an Albury-Wodonga Area Development Winding-up Agreement to be negotiated between the Commonwealth, New South Wales and Victoria. This will replace the current Albury-Wodonga Area Development Agreement, and will deal with a range of transitional arrangements, including the details of the State Corporations' functions which may be transferred to the Commonwealth Corporation. It is proposed that an indicative winding-up date of 2005 be included in the Winding-up Agreement, in line with the Ministerial Council decisions.

The bill provides for staged commencement arrangements, to ensure that those parts of the legislation which require complementary state legislation and an Agreement between the Commonwealth and the relevant
states do not commence until the last of these actions is completed.

The Albury-Wodonga Development (Financial Assistance) Act 1973, which provided a mechanism for funding land acquisition in relevant states, is no longer required as the State Corporations are to be abolished. This bill provides for the repeal of that act.

The financial impacts of the bill are as follows:

- Investments in the Scheme by the states and the Commonwealth are to be recouped from the sale of assets by the AWDC.
- There will be a one-off payment to Victoria of $3.8 million by the AWDC after the Commonwealth and states' legislation is passed. No payments are due to New South Wales. A payment of $10.2 million already has been made to the Commonwealth in 1999/2000.
- It is anticipated that the return to the Commonwealth will be $15 million in 2000/2001. The return in future years will depend on the AWDC's success in the disposal of its assets, and may fluctuate depending on market circumstances.

The first decisions to wind up the Albury-Wodonga development project were taken by the previous Federal government during its last term in office, and the introduction of this bill will provide a mechanism for those decisions to come into effect.

**THERAPEUTIC GOODS AMENDMENT BILL 1999**

The amendments provided for in this Bill are necessary to extend the regime of the Australia-European Community Mutual Recognition Agreement (EC-MRA) to incorporate the three European Free Trade Association (EFTA) member states, Norway, Liechtenstein and Iceland. The Bill will allow Australia to remove or minimise technical barriers to trade that exist in relation to trade between Australia and the EFTA member states, in a manner consistent with the Australian-EC MRA

The EFTA-MRA in conjunction with the EC-MRA will ensure that uniform conformity assessment provisions apply to all products covered by the Agreements, and will facilitate free movement of Australian goods between all countries of the European Economic Area.

This amendment will allow the implementation of an Agreement on Mutual Recognition in relation to Conformity Assessment, Certificates and Markings between Australia and the EFTA member states. The Agreement on Mutual Recognition will allow the Secretary to accept conformity assessment certificates, issued by conformity assessment bodies in the EFTA member states, certifying that registrable medical devices manufactured in the EFTA member states, to which the certificates apply meet with all Australian regulatory requirements relating to good quality, safety and efficacy, and that listable devices specified in the certificates meet with all requirements as to good quality and safety. Acceptance of these certificates will preclude the need for further evaluation or assessment of the devices before they may be included in the Australian Register of Therapeutic Goods and approved for general marketing.

In relation to medicines, the Bill also provides for acceptance of the results of inspection of overseas manufacturers required to meet Australia's Good Manufacturing Practice requirements, which have been carried out by conformity assessment bodies in the EFTA member states.

Debate (on motion by Senator Quirke) adjourned.

Ordered that the Albury-Wodonga Development Amendment Bill 1999 and the Therapeutic Goods Amendment Bill 1999 be listed on the Notice Paper as separate orders of the day.

**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:
- Australian Federal Police Legislation Amendment Bill 1999
- Health Legislation Amendment Bill (No. 3) 1998
- Civil Aviation Amendment Bill 1998.

**ASSENT TO LAWS**

A message from His Excellency the Governor-General was reported informing the Senate that His Excellency had, in the name of Her Majesty, assented to the following laws:
- Ministers of State and Other Legislation Amendment Bill 1999
- Privacy Amendment (Office of the Privacy Commissioner) Bill 1998
- Import Processing Charges Amendment Bill 1999

**EMPLOYMENT, EDUCATION AND TRAINING AMENDMENT BILL 1999**

Second Reading

Debate resumed.

**Senator CROSSIN** (Northern Territory) (4.04 p.m.)—I want to pick up from where I was contributing prior to question time. That was a discussion about a Senate inquiry that occurred into this bill when it was first introduced in 1996. That was this government’s first attempt to abolish NBEET. We now know, of course, that that bill never completed its passage through the parliament. But that Senate inquiry did take up the issue of the need for cross-sectorial perspectives in the education industry and the need for a body to be continued—as opposed to being abolished—that had the capacity to look across the sector, from schools to TAFE, NBEET and higher education, and make a comment about what was happening in the industry. In fact, in a submission to that inquiry, as my colleague Senator Carr has said, Professor Ian Chubb, the then Vice-Chancellor of Flinders University and also former Deputy Chair of NBEET, said:

If some relationship between employment, education and training is assumed, then I believe a minister will need some body or other to integrate the often conflicting advice that will come from the various interest groups and turn it into policy advice.

He also went on to say:

I have seen no good reason put forward for the abolition of NBEET.

Might I reiterate on that comment that, even to this point in time, neither has the opposition seen any good reason for NBEET to be abolished.

In the remaining time, I particularly want to concentrate my comments today on what was the role of the Higher Education Council. The 1996
legislation retained the Higher Education Council and it had the role to provide considered advice to the government through the board on directions, priorities and funding issues relating to higher education. The Higher Education Council also had the important responsibility of monitoring the impact of HECS—the Higher Education Contribution Scheme—on participation in university education. It had done this through a series of reports tabled in parliament. In its sixth report, published in March 1992, the NBEET board said:

The Board noted the results of the Council’s commissioned research on the impact of HECS on the participation of disadvantaged groups in higher education.

It concluded from that research that HECS, as it was in 1991, had little effect on the decision of the educationally disadvantaged groups identified in the research to participate in higher education. So nine years ago the research, which NBEET had noted and which was carried out by the Higher Education Council, indicated that HECS, as previously introduced under the former Labor government, had little effect on the decision of the educationally disadvantaged to participate in higher education. The disadvantaged groups examined in the council’s research included students from low socioeconomic backgrounds, rural students, students from non-English speaking backgrounds, indigenous students and single parents.

It is interesting to compare the advice provided in March 1992 with the 12th and most recent report from the Higher Education Council which looked at outcomes for 1996 and 1997. It will not come as any surprise that the Higher Education Council said at that time, ‘Clearly, issues such as these are beyond the scope of the report on 1997 activity, but will be covered in future years.’ In other words, they could not provide an analysis or a comment on changes to HECS in 1997 because it was beyond the scope of the report but it could be covered in future years. Why was that? Because the changes to the HECS regime had been introduced only in 1996 and the Higher Education Council admitted in this report that it was not possible to assess those changes by 1997. But it had suggested, as was right at the time, that it would be covered in future years. Now, of course, they will not have an opportunity to do that, with NBEET being abolished and the Higher Education Council being disbanded. If this bill is passed, these issues will not be examined—an outcome many believe the coalition government will want to stop the Higher Education Council is so that it can survive. The Higher Education Council will do the same, almost pleading and begging that special consideration for additional funding to the board on directions, priorities and funding issues relating to higher education. The Higher Education Council admitted in this report but it could be covered in future years.”

The council’s commissioned report entitled The effects of the introduction of fee-paying postgraduate courses on access for designated groups, which was published in 1997, concluded that fees do have a deterrent effect on postgraduate enrolment by some equity groups, pushing them towards HECS based enrolment. Under the Labor government, fee paying postgraduate places were balanced by broad availability of HECS places as well. This has changed completely under the coalition, with a fall of around 40 per cent in Commonwealth funded postgraduate coursework places as a direct result of the coalition’s $840 million cut to the universities’ operating grants. The 1997 Higher Education Council report also raised the issue of cuts to university operating grants noting that, to the extent that universities have fewer resources, they have less capacity to undertake measures to improve equity and access. Since that report, universities have felt the impact of the major funding cuts announced by the Howard government in 1996.

The retention of a body like the Higher Education Council is crucial in this day and age because we have regional universities that are suffering greatly from the cuts to their operating grants. The Northern Territory University is now attempting its fourth or fifth round of staff cuts because it is not meeting its higher education targets in terms of HECS students. We have the then Minister for Education, Peter Adamson, going cap in hand to Minister Kemp. I assume that Chris Lugg, who has recently taken over that role, will do the same, almost pleading and begging that special consideration for additional funds be given to the Northern Territory University so that it can survive. The Higher Education Council could have played a role in assessing the relationship that the Northern Territory University has in its current funding crisis together with the impact that the government’s policies and cuts to operating grants would have on regional universities around...
the country. Now we have MCEETYA or ministers going one by one to the government trying to provide them with some advice or at least an overall picture of what is happening, as opposed to an independent advisory body such as the HEC.

In conclusion, let me just say that I think there is a very important role here for the federal parliament in considering this bill. If ever there were a greater need than ever before for advice from a body like NBEET, I think it is now because reducing access to vocational and higher education needs to be monitored and needs to be reported upon. Through this bill, the Howard government has shown not only that it does not understand the concept of linkages but also that it does not want to understand, it does not want to listen and it does not want to know what is happening out there from an independent source.

As far as NBEET is concerned, all the damage is done; it has been wound up and it no longer exists. The corporate knowledge of NBEET has been scattered about the country, its personnel have dispersed and the board exists practically in name only. When the Higher Education Council has been abolished, as it will be, there will be no statutory authority qualified to perform these functions. So, if parliament wishes to continue to receive annual reports on the education profile process, including the views of institutions, and the Higher Education Contributions Scheme—and, in fact, the impact that particular policy has on the higher education sector—we must defeat this bill.

It is important and a requirement, I believe, that the parliament should report on the proposed institutional allocations for the coming years, for each and every year, and provide information enabling an assessment of the efficiency and effectiveness of Commonwealth expenditure on higher education. But that is not going to occur. It is not going to occur because this government, as it has done with many other advisory bodies, has made an assessment that the advice it is going to hear is not advice that it wants to hear. So its answer is to just completely abolish the advisory body and the advice it may possibly get.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (4.16 p.m.)—I commend the remarks of the previous speaker on the second reading debate, the content of which I completely agree with—that is, the theory that this government needs cross-sectoral advice on education, employment and training issues more so than ever before but is probably more reluctant—and understandably so—than ever before to subject its policies and its funding mechanisms of those sectors to any kind of investigation or analysis simply because of the deleterious impact that this government’s policies have had on those very sectors.

The Employment, Education and Training Amendment Bill 1999 comes before us as a result of the government’s 1996 policy announcement that the coalition would abolish the NBEET and establish independent councils to advise on higher education and research. As we heard earlier today, not only was this a 1996 pledge but I believe this legislation was first introduced back in June of that year. Certainly it has been not weeks or months but years since this legislation was first drafted and considered, yet it has not made its way to this second reading debate until now. That, in itself, I think is a complete indictment of this government’s policies in relation to accountability, the transparency process and, quite clearly, democracy.

This bill also comes as a precursor to a bill implementing the recent research white paper’s foreshadowed restructuring of Australia’s research sector and the proposals for change to be made to the Australian Research Council, which I hope will be tabled in the near future. Other than the ARC, the councils and NBEET are no longer in operation. So, although we debate this bill today, there is almost no point in trying to alter this bill or to impede its passage because these measures have already been implemented by a government which clearly has an open and obvious disdain for democracy.

Of course, having said all of that, the Australian Democrats do not support the intent of this bill. We did support the Employment, Education and Training Act 1988, which established the National Board of Employment, Education and Training to provide the relevant minister with advice on matters relating to employment, education and training. The act established councils and provided for committees and councillors to be appointed to assist the board and the minister. Under the act, the Australian Language and Literacy Council, the Australian Research Council, the Employment and Skills Council, the Higher Education Council and the Schools Council reported to the minister through the board. This allowed both a cross-sectoral approach and for the information and advice provided to governments to be accountable, representative and for the process to be transparent—that is, people in the community could look at the reports in much the same way as any member of this chamber or the other place could.

So not only does the bill before us today seek to remove the ability of stakeholders within the sector to have a voice or for ideas and advice provided to the minister regarding the education and training sector to be scrutinised, but the bill also comes before this chamber not months but years after the implementation of the measures we are debating. As you have heard in this debate, NBEET has effectively been disbanded by this government without the debate that should have taken place in this place—certainly without the consent of the Australian parliament. The intent of this bill has effectively already been implemented by cutting the funding and by letting appointments to the various councils of NBEET lapse. Consequently, we are now left today with a farcical situation in debating this piece of legislation: we are effectively being given by this government a Hobson’s choice.

Certainly the Democrats do not support the abolition of a body that provides essential cross-sectoral advice to the government and other bodies on education, employment and training matters. This
government has chosen that particular course of action at a time when the need for cross-sectoral advice and a cross-sectoral body is probably more necessary than ever before. The bill comes at a time when cross-sectoral activity is both expanding and becoming more diverse. The boundaries between the education and research sectors, as we all know, are becoming increasingly blurred. With the VET sector now able to award postgraduate degrees and the very definition of what constitutes a university being a major point of confusion, particularly in light of the Greenwich University fiasco and greater collaboration taking place between universities and TAFE, we need that advice; increasingly we need advice that has a cross-sectoral approach. Indeed, this very fact was highlighted by one of the last HEC commissioned documents. Notably, the report was not to publish in hard copy—such is the respect given to independent analysis and advice on these matters by this government.

I recently attended the government’s Innovation Summit, and I note and support the Innovation Summit’s call for a doubling of expenditure on education as a proportion of GDP over the next 10 years. I note too that there were many people who felt excluded from some of the debates in that summit. I do commend the minister for industry on what I thought was a very productive debate over those couple of days. I just wish it had been a broader forum for debate because, of course, 60 per cent of all researchers in Australian universities these days are postgraduate students and a lot of those people were not represented, certainly not in a volume sense, at that event.

I also note some of the very positive recommendations that came out of the summit in relation to the funding of education and training and research and development in Australia and recommendations that business and industry heads, as well as representatives that were there from, say, the Australian Vice Chancellors Committee and in once case the National Tertiary Education Union, agreed on. So that was quite a positive outcome. I think it probably reflects the broad community support for increased recognition of and support for, in funding terms, education and training in today’s society.

It has been joked that there are ‘lies, damned lies and then there are government education statistics’—a joke increasingly doing the rounds. The Innovation Summit in some ways highlighted the way in which, largely as a result of the abolition of bodies such as NBEET, statistics regarding funding for education and research are becoming themselves a major point of contention. A media release issued from the summit and authored by several authoritative bodies—including the Australian Vice-Chancellors Committee, the National Tertiary Education Union and the Federation of Australian Scientific and Technological Societies—decried the fact that Australia’s investment in higher education had dropped by 13 per cent over the past four years. I note that the minister, Senator Minchin, was quick to criticise this figure, claiming it was misleading. And, after a reissuing of this media release, it was made clearer that this drop of 13 per cent was as a percentage of GDP.

Hypocritically, successive ministers under the Howard government have been consistently selective with the statistics they chose when it came to higher education and research funding. The statistics that this government has chosen or has used to claim the higher education and research sectors are healthy have been consistently misleading—and not just under the current minister. Ministers Vanstone and Kemp have consistently trumpeted the headline statistics that we now have more students in our universities than ever before and that this trend is somehow an achievement of this government. What they have been most reluctant to highlight is the fact that we have more students in the system, yet the government has systematically withdrawn public funding from those very institutions.

Recent figures indicate that the mix of public and private funding for our public universities is now the same as that for Australia’s private schools with around 44 per cent of university revenues coming from non-government sources. The Australian Vice-Chancellors Committee stated:

If we discount the Princeton, the Harvards and the Yales of the US system, the Americans actually have a public university system which is more heavily subsidised by Government than our own, with a significantly lower average cost to students.

So much for those people who say, ‘Let’s not head in the US style direction. Let’s not emulate their privatised university structure,’ even though it is something I suspect the minister for education would like to do. Forget that. We have already gone down that path. We have outdone the Americans at their own game. When it comes to a comparison of public funding for universities—and certainly when it comes to fees and charges for public universities—in America versus public institutions in Australia, we are certainly in a much more deleterious situation. Australian students are paying more for their education than ever before while this government is paying significantly less.

The Howard government HECS slug has more than doubled in three years. According to the Australian Taxation Office, in 1996-97 Australians paid $251 million in HECS repayments. As a result of this government’s reduction of the HECS repayment threshold to significantly less than average weekly earnings, the HECS slug has been shouldered by the just over one million Australians who contributed over $6 billion in HECS to government revenue last year. So we have seen a reduction in the rate at which graduates begin to repay their debt as well.

Ministerial proclamations of increased student numbers also hide the fact that in 1999 the number of full fee paying domestic postgraduate students increased by 15 per cent or that on the first census date in March last year the enrolments in excess of fully funded undergraduate HECS places numbered
Because of the Howard government's policy not to fund these so-called 'over-enrolments' at universities, that has effectively saved the government $270 million in the last academic year alone. That cynical policy of allowing those over-enrolments is, of course, saving the government money but not compensating institutions in a way that they need to be compensated for additional enrolments. That is $270 million worth of shirked government responsibility.

Some may remember in this place and in the community the claim by the former minister for higher education, Senator Vanstone, that university funding had increased. That was given great fanfare by the minister in her National Press Club address, so much so that the minister actually personally printed—or her department, I suspect, printed—a table showing the increased funds onto mouse pads for journalists at the luncheon. The government was so proud of its particular record in that respect. Most of the additional funding that is going into our university education institutions has come from students, not from government.

Coalition ministers have been quick to highlight overall enrolment numbers but slow to acknowledge the prohibitive increases—and they are prohibitive increases—to HECS in the 1996 budget which saw significant declines in the rate of applications to study. Applications nationwide fell by 3.3 per cent in 1997 and again by 2.8 per cent in 1998, and it is a trend that is only now reversing. Certainly in the previous speech we heard references to these statistics as well. This is a cause for grave concern and, were the operations of NBEET still intact, I trust that we would have seen greater concern regarding the drop in applications.

Presumably such a significant decrease is a direct result of the increased financial burden of higher education, an increase so great that we suspect many Australians simply decided they were not able to take this particular burden on despite their academic qualifications. Before the minister or others are quick to jump up and say, 'But we don't know that for sure,' that is precisely the point: we do not know. We will never know for sure perhaps why this trend has occurred because this government has not allowed for open analysis and debate of those particular policies through mechanisms such as HEC or NBEET.

Fundamental to the ethos of education and research is the search for truth, although under this government it is more the search for funds, and the tenet of academic freedom is one that some of us hold dear. It is curious that this government was elected in 1996 with its promises to allow for greater freedoms of speech in a variety of forums. We have not seen this government nurture free speech; in fact, we have seen this government systematically silence its critics. I have no doubt that this bill and the abolition of NBEET is simply part of that silencing. We have seen NBEET lose funds and staff. We have seen the defunding of the Australian Youth Policy and Action Coalition, a body which was equipped to research and advocate on behalf of young people in Australia. We have seen a vengeful and petty piece of voluntary student unionism legislation designed to stop students from controlling their own affairs. We have seen the Women's Electoral Lobby and others, such as pensioner groups, lose their funding after criticism of this government. We have seen the government resort to bludgeoning the education, training and research sectors into submission through actual and threatened budget cuts.

Former Minister Vanstone was at one stage very keen to take advice in brown paper envelopes from disgruntled staff through a program of 'dobbing in a don', as it was nicknamed. Yet this government refuses to take advice from those who were at the coalface of their budget cuts. While the current minister has promised a two per cent wage supplement only if the universities adopt the government's regressive industrial relations practices, it is reminiscent of the threats which enabled the passage of the 1996 operating grant funding cuts and increased HECS charges by threat of deeper cuts if the Senate block their passage. So, effectively, those reforms, so-called, went through because otherwise the government was threatening to hold up funding of operating grants to university institutions.

The advice that this government seeks is not open to the processes of this parliament or to the sectors involved. It is the stuff of leaked cabinet documents advising that HECS, for example, should be charged at real rates of interest on what seemed to be ideologically driven arguments. Again, before the minister or anyone else suggests that this was not adopted, that this was just a policy idea, those policies ideas are not being debated or discussed in an open and transparent manner. Certainly there is no inclusion or consultation with those within the sector who would possibly disagree with the government’s economic rationalist views. Rather than giving us freedom of speech, this government has silenced its critics and it has systematically silenced bodies providing research and advice which contradicts the very narrow philosophy of this government.

Last year, we saw this reach extreme lengths when the Australian Vice Chancellors Committee—the peak representative body of vice chancellors in Australia—had to resort to using freedom of information, FOI, laws to access advice and research in the area of higher education and research. The peak body of vice chancellors—as we have said before in this place, they are not necessarily the most radical lot—is very concerned about the state of quality of education today and has to use FOI to get the information that is so important to the daily running of institutions. Institutions which, I might add, require a degree of certainty for future funding choices, staffing decisions and, of course, curriculum decisions. The government’s approach to the issues facing us as we attempt to become a so-called ‘knowledge nation’ has not been constructive nor useful in addressing the challenges we face as nation.
While the Democrats welcome the Labor Party’s statement in their recent policy pronouncement that they will support research and advice which looks at the broader context of our education, training and employment potential—and I note the reference in the second reading amendment moved by Senator Carr to what a Labor government might do—I express the Democrats concern that the work force 2010 document assumption that this can be resourced through current mechanisms and that DETYA will be able to simply absorb this role within its current budget may not be achievable. I fail to see how this can be achieved without additional funding, given the massive cuts to the Public Service we have seen under the Howard government and the manner in which policy and monitoring activities have been starved of funds, staff and resources. I hope to see a commitment to funding independent, cross-sectoral and representative advice for the education and training sector in any future policy pronouncements of the opposition.

The recent history of higher education in this country has been marked by rapid change, massive upheaval and funding cuts, the nature of which has not been seen in this country before. We have seen an increase in fees and charges and the introduction of a three-tier HECS system. We have seen a reduction in the threshold at which graduates begin to repay their HECS debts. We have seen a failure by government to actually meet the needs for increased wages for academics and general staff in university institutions. We have seen, effectively, more than a $1.7 billion cut in operating grants which, I have no doubt, has affected the performance of institutions. Of course, it has also affected the quality of education provided by those institutions, not that, I might add, through any fault of their own but just through the sheer difficulty—some might say impossibility—of providing many services in departments and on campuses, especially those regional campuses to which Senator Crossin referred. It is incredibly difficult, almost impossible, due to the change in funding arrangements. These measures have been implemented by a government that has effectively abolished the mechanisms for monitoring their impact on equity and access to higher education, and the government refuses to listen to or acknowledge the devastation that it has created in this sector.

I lament the fact that decisions we make in this chamber today may not necessarily bring back the national board. I think for two reasons people should be very distressed by the legislation we are debating today: not just because it is basically confirming the abolition of that cross-sectoral advice in these sectors but the undemocratic way in which this has been pursued. I remember asking questions in Senate estimates of the former minister for higher education, Senator Vanstone, about what was happening with NBEET. The response seemed to be, ‘Well, if the Senate does not look like it will approve it, that is fine, we are cutting funding anyway.’ This effectively cuts people’s livelihoods and abolishes people’s jobs. Basically, it is a stagnating of the work of NBEET and its councils and committees anyway.

I think people have very good reason to be concerned about the undemocratic and unparliamentary way that we have dealt with this legislation. It is extraordinary that something that was effectively organised or drafted back in 1996 has only today reached the chamber and has reached the chamber in a way that presents senators with a Hobson’s choice. I certainly look forward to supporting the second reading amendment moved by Senator Carr on behalf of the opposition and add to it the Democrats condemnation of this legislation in the way the government has handled this process.

Senator ELLISON (Western Australia—Special Minister of State) (4.36 p.m.)—At the outset, I will proceed on the basis that the Democrat amendment has now been withdrawn in favour of the second reading amendment proposed by Senator Carr on behalf of the opposition. In looking at this legislation, it is necessary to place on record the history of this bill, because it is not a result of the management of the legislative program or any deficiency in the government’s handling of this matter that this bill comes before the Senate today. It is true that the bill was introduced into the Senate on 26 June 1996. It was then referred to the Senate Employment, Education and Training Legislation Committee for consideration and report. That it did later in 1996. There, of course, was a dissenting report from the opposition and the Australian Democrats to raise concerns about mechanisms of this proposed legislation. No further formal action was taken on the bill in the Senate at that time, and subsequently the bill lapsed when parliament was prorogued in August 1998. This bill now comes back before the Senate as a necessary requirement to reflect what has been in place for some time—that is, the abolition of the National Board of Employment, Education and Training—paving the way, if you like, for the Australian Research Council legislation which is to come before the Senate. That brings me to the first point of the second reading amendment, as proposed by Senator Carr.

The measures proposed in this bill are not superseded by the Australian Research Council bill. What we have here is necessary housekeeping, if you like, to reflect the abolition of NBEET and its other councils, and it sets the way for the Australian Research Council legislation then to be passed. The government, through its white paper ‘Knowledge and innovation: a policy statement on research and research training’, clearly set out its proposals, and it has been no secret what the government proposed in relation to the setting up and strengthening of the new structure for the ARC. This does not mean that the government is going to abolish any means of advice or consultation in relation to education. In fact, rather than just having one point of advice through NBEET, it paves the way for the government to seek advice from a myriad of sources, and the Australian Research Council is perhaps not the least of these.
As to other parts of Senator Carr’s amendment, I might say that the government agrees that education and training are of fundamental importance to Australia’s social and economic wellbeing, and that is reflected by the importance that the government has placed on education and training in its policies and the success that we see in the record number of undergraduate places and also in vocational education and training. Other aspects of Senator Carr’s amendment also require comment. The concern that is expressed that the dismantling of NBEET will result in a loss of cross-sectoral advice is, I believe, without foundation. The government’s process of obtaining advice and the process of consultation which it is undergoing at present are more than sufficient for significant issues in the education sector to be brought to the government’s attention.

The independent review that Senator Carr calls for in his amendment is not required either because we have an ongoing review, if you like, by the Department of Education, Training and Youth Affairs in relation to the monitoring of the impact of HECS. Information on HECS is collected and analysed by the department and published on a regular basis. In fact, a recent report by the department titled Does HECS deter? showed that there is no evidence that undergraduates are deterred from education by HECS, that there was no impact, in other words, on undergraduate places. This is an ongoing review, one which is much preferred over a one-off review or inquiry, as proposed in Senator Carr’s second reading amendment. The government, of course, relies on its record in relation to education and training, which is an excellent record and one which has benefited hundreds of thousands of Australians.

One comment by Senator Stott Despoja does need some attention—that is, the government is not funding overenrolments. This government is the first government to acknowledge the need to fund universities which enrol additional students, albeit on a marginal basis. But that is a first step. It is something which has not been done by any other previous government. This government provides funding for each student taken on by universities over and above their target level. I would just place that on record as yet another example of this government’s commitment to higher education.

This bill really is of no great moment. It reflects something which has been working now for some time. It is housekeeping more than anything else, and the concerns of the opposition and the Democrats really are without foundation. I commend this bill to the Senate and indicate that the government will certainly be opposing the second reading amendment, as proposed by Senator Carr.

Amendment agreed to.

Motion (by Senator Carr) agreed to:

That, pursuant to standing order 154, this resolution be communicated by message to the House of Representatives for its concurrence.

Original question, as amended, resolved in the affirmative.

Bill read a second time.

In Committee

The bill.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (4.44 p.m.)—I would like to ask the minister how many staff have been lost as a result of the effective abolition of NBEET. Could the minister outline what the budget savings have been as a result of this measure? I would also like to know how many departmental heads there have been and which ones have been sacked and which ones have been moved sideways.

Senator ELLISON (Western Australia—Special Minister of State) (4.44 p.m.)—I do not have any detail of that to hand. The officials will take that on notice. I will see if I can get information on that shortly, but I might just ask for clarification in relation to your question of how many departmental heads there have been and how many have been moved sideways.

Senator Carr—Staff.

Senator ELLISON—The first question was in relation to staff and then there was a question in relation to departmental heads. Perhaps Senator Stott Despoja could clarify that for me: do you mean departmental heads who were overseeing NBEET?

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (4.45 p.m.)—I should not have put ‘departmental heads’ and ‘staff’ together. I mean staff regardless of their position within the National Board of Employment, Education and Training—for staff generally—and departmental heads in relation to overseeing the work of NBEET but also specifically those people who were responsible for overseeing the work of the particular councils or committees.

Senator Ellison—We will take that on notice.

Senator STOTT DESPOJA—I must admit I am a little surprised that that information is not readily available, given we have all had about four years to prepare for this debate. What is the current status of the councils? Are there still any members left in any of the councils? For example, I understood there was an NTU member on the HEC, the Higher Education Council. Is it still the case that that representative is one of the two representative members on the Higher Education Council? When were the final meetings of these councils? Perhaps that could be outlined.

A greater concern, as most of us have outlined in our comments during the second reading debate, is where the government gets its advice from. In particular, I noticed that the minister mentioned more than one source, almost implying that NBEET did not really cover the extraordinary and diverse ground that it did. NBEET and its councils and committees allowed for the expression of views from a range of different sectors but also different advocacy and representative groups within those sectors. For example, you would have a representative of the National Union of Students
appear before the committees, and you would also have members of the student, research, academic or AVCC community represented on those boards and councils.

So these days where does the government get its advice from in relation to education and training matters, and what happened to consultation with those groups like the National Union of Students, the Australian Vice-Chancellors Committee, the Council of Australian Postgraduate Associations, the National Tertiary Education Union or the National Liaison Committee? When did Minister Kemp or Senator Ellison last meet with those groups? I am happy for that question to be taken on notice. I am sure Senator Ellison can respond on his own behalf, but I realise it requires some chasing up in relation to Dr Kemp. What contact has the minister had with those peak bodies and when was the last time he met with them, given that one avenue of meeting, discussing and consulting with those groups has effectively been denied them?

**Senator ELLISON** (Western Australia—Special Minister of State) (4.48 p.m.)—Dealing with that last point first, certainly none of those groups have met with me because I do not have responsibility for higher education or education other than to represent Dr Kemp in this chamber. I do understand that a number of those bodies have made representations to government and that some of them have met with the minister. They are free to make submissions to government. As to the detail of that, I will take that on notice.

In relation to the members of the councils mentioned by Senator Stott Despoja, I understand that, apart from the ARC, there are no members left. With respect to the last meeting of those councils, that is something I will have to take on notice.

**Senator STOTT DESPOJA** (South Australia—Deputy Leader of the Australian Democrats) (4.49 p.m.)—I mentioned in my speech during the second reading debate that some research was the subject of a freedom of information order made by the Australian Vice-Chancellors Committee last year. Is the government aware of the nature of that research and could the government tell me that research? Also, are there any outstanding FOI orders for further information in this area?

**Senator ELLISON** (Western Australia—Special Minister of State) (4.50 p.m.)—I am advised that there was some research commissioned by the department which was requested by the AVCC and provided to that body. I am not sure if that is the same research that is referred to by Senator Stott Despoja. Perhaps we could have some more description of the research that is the subject of the inquiry.

**Senator STOTT DESPOJA** (South Australia—Deputy Leader of the Australian Democrats) (4.50 p.m.)—I will chase that up for the minister shortly, but in the meantime perhaps the minister can identify the research to which he refers. It sounds like from his comments that the research that was requested by the AVCC that he makes mention of was not the subject of an FOI request. Are you suggesting that it was the subject of an FOI request?

**Senator ELLISON** (Western Australia—Special Minister of State) (4.51 p.m.)—This was not the subject of an FOI request. I understand it was given at the behest of the AVCC. As to the title of the publication, I do not have that to hand and I will get that and provide the Senate with it.

**Senator STOTT DESPOJA** (South Australia—Deputy Leader of the Australian Democrats) (4.51 p.m.)—Thank you, and similarly I will pursue what information I have in relation to the FOI order and how much the AVCC had to pay to obtain that information. On a different matter, in relation to the definition of a university, what advice has the government received regarding the definition of a university or what constitutes a university and the status of Greenwich University? What advice has the government had on that, and where does that advice come from these days?

**Senator ELLISON** (Western Australia—Special Minister of State) (4.52 p.m.)—There is a review in relation to Greenwich University. This was the subject of standard questioning by Senator Carr at the last estimates—

**Senator Conroy**—Incisive questioning—withering.

**Senator ELLISON**—Withering? Decisive? I think predictable is a better description of the questioning. That review is yet to report, I understand. In relation to the definition of university I will have to take that on notice.

**Senator STOTT DESPOJA** (South Australia—Deputy Leader of the Australian Democrats) (4.52 p.m.)—I am wondering whether the government is supportive of the West report’s recommendations that the ARC be given a greater role with enhanced transparency of its processes. Perhaps the government could outline its views on the ARC, given that it has made mention of that in the second reading speech, even if some of those other matters require clarification or need to be taken on notice.

**Senator ELLISON** (Western Australia—Special Minister of State) (4.52 p.m.)—As I stated in my reply in the second reading debate, the role of the ARC has indeed been enhanced. That has come about as a result of the white paper, *Knowledge and innovation: a policy statement on research and research training*. No doubt, those processes will be transparent.

**Senator STOTT DESPOJA** (South Australia—Deputy Leader of the Australian Democrats) (4.53 p.m.)—What about the West recommendation that a higher education ombudsman be established? Perhaps we could have the government’s perspective on whether that is even being considered and who would be advising the government on whether or not implementation of such a recommendation is a good thing or a bad thing.

**Senator ELLISON** (Western Australia—Special Minister of State) (4.53 p.m.)—I understand
that the government’s position is that that has neither been accepted nor rejected. As to where that is at, I will have to take some advice.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (4.54 p.m.)—I am wondering if the minister could tell us who provided the advice to Dr David Kemp, the minister, regarding proposals for HECS repayments at real interest rates. I am very curious to find out where advice is coming from on matters regarding the sector these days, if there is that lack of NBEET cross-sectoral advice. In particular, regarding the HECS repayments at real interest rates, I am wondering who provided the advice to the minister on that issue. Or maybe the minister came up with it himself, in which case did anyone seek advice on whether or not this was a good or a simply appallingly regressive idea?

Senator ELLISON (Western Australia—Special Minister of State) (4.54 p.m.)—As Senator Stott Despoja knows, this is not government policy. I fail to understand where Senator Stott Despoja’s question is going. As we have stated in estimates committees for some time now, the government does not disclose the source of its policy advice or the detail of it. Suffice to say though that the issue Senator Stott Despoja has raised is not government policy. We will not be instituting this and therefore it is irrelevant.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (4.55 p.m.)—I just remind the minister of the role that the national board and its councils and committees could play in the past—and that is actually debating and discussing policy notions and making recommendations that were not necessarily implemented, as well as analysing proposals for their impact on, say, access or equity in relation to education, training or employment. So I guess the minister has got to the very nub of where I was going, and that is: who does provide advice to government? There is some legitimacy in government having its own private sources of information and advice, but my grave concern and that of people who have spoken in this debate and of those in the sector is that at a time when we have this diversification of the sector and we have these cross-sectoral links we do not have the same overarching advice and policy mechanisms we had in the past and we certainly do not have the same level of transparency that we had in the past. We certainly do not have a guarantee, except through the parliamentary processes—the Senate or the House of Representatives committees—that groups involved in those sectors have an insight into or have a say in relation to not only the creation of policy but commentary on policy.

I remember as a student representative being able to sit in front of an NBEET committee or a council and have input into the processes of policy debate and discussion, albeit under the former government. It did not mean that the committee or council necessarily liked what I had to say or that it took on board the recommendations or that the government adopted those recommendations, but there was a transparency and an accountability the type of which we do not see any more in relation to these sectors under this government. So no-one is denying that the government can have its own private little discussions, meetings and advice on education and training matters, no-one denies that there is a role for the department presumably in providing that advice. But, in relation to something like a policy that may have been suggesting or at least putting forward as an option real interest rates in relation to HECS repayment, who analyses this? Who provides this information? Who analyses what Dr David Kemp’s or his advisers’ ideas for their impact on access and equity? So it is precisely because of that very secretive approach or the fact that the government do not want to tell us who is advising them that I raise this point. I do not think people quite understand the impact on the sector of the loss of a body like the national board and its various committees and councils, but it is certainly being felt out there in the relevant sectors, even if the government does not feel that it needs the same policy advice and analysis that previous governments had.

Senator CARR (Victoria) (4.58 p.m.)—In his second reading concluding remarks the minister indicated that the government has a more than adequate range of advice on cross-sectoral issues in education. Could he indicate to us what was meant by that, and can he detail which particular bodies he was referring to?

Senator ELLISON (Western Australia—Special Minister of State) (4.58 p.m.)—For a start, there is the whole spectrum of stakeholders in education. I have taken on notice a question as to the representations made by various bodies and organisations, some of which Senator Stott Despoja referred to in passing. That is always an area of advice and consultation for the government. The government takes policy advice, and that is not disclosed in the normal course of events. What we have here is legislation which paves the way for the Australian Research Council legislation which will provide for an enhanced role for the ARC. That we see as a very important body and an important source of advice to the government. But, Senator Carr, I think your question will be answered in relation to the question I have already taken on notice. You will see that the government has been consulting with various bodies and organisations and that the advice they give the government does not go unnoticed.

Senator CARR (Victoria) (5.00 p.m.)—Minister, I am sure you would be only too well aware that the opposition members also receive advice from a number of groups, and they are saying they are having increasing difficulty getting appointments to actually consult with governments. I know that, for instance, the Australian Council of Private Education and Training only recently secured an appointment after a considerable length of time, a considerable length of delay. And I suspect it may have something to do with the
amount of attention that certain issues that they have been pursuing have raised in the public arena.

The point I come to again, though, Minister is: while it is appropriate for governments to meet with individual lobby groups—it is important that they do meet with individual lobby groups—my question went to the issue of what cross-sectoral advice you are receiving. You said in your concluding remarks that there were ample opportunities for that to occur. You indicated that there was an adequate range of resourcing available to the government for that purpose. I have asked you to be specific, and I have yet to hear an answer on the question of cross-sectoral advice—not the advice that relates to the particular interest of a particular lobby group in their particular division but in regard to the whole range of issues that of course are now moving across any particular group of people.

I note you have referred to the issue here of the ARC. But what action had been taken in regard to schools policy and its relationship to TAFE and its relationship to universities? What sort of body would you turn to in that regard to provide you with the cross-sectoral advice which would go beyond the interest of any particular lobby group?

Senator ELLISON (Western Australia—Special Minister of State) (5.01 p.m.)—I will give an example. Senator Carr refers to schools. There is a variety of bodies that the government would look to in relation to advice and concerns that are being expressed about schools. There are the principals’ associations, both primary and secondary. They are a great source of advice to the government. In the private sector you have the independent schools association and the Catholic Education Commission. You have ACECI, which deals with the government sector. You have a number of other bodies which from time to time give advice to the government. All of these have a role to play. And I might say to Senator Carr that, as I understand it, ACPET did have an appointment with the department. And, in fact, when I was the minister I recall attending their conference in Queensland. It was an informative conference and one which was of benefit to all of us. You have mentioned that Dr Kemp is going to see ACPET. I think that proves our point that bodies are able to have access to the department and the government.

Senator CARR (Victoria) (5.05 p.m.)—It was clear that the government had made a decision to abolish the councils and the board, but at no point in the Senate inquiry or, to my knowledge—and this is where the opportunity arises for you to correct me—at no point has the government actually explained its rationale for its decision. I think we are entitled at some stage of this process to actually hear why the government had chosen to issue that directive, other than to say this was an election commitment. What was the rationale for the decision, other than the fact that it was an election commitment? What reasons had been given to explain the government’s actions?

Senator ELLISON (Western Australia—Special Minister of State) (5.06 p.m.)—I have just been really answering that point by describing how the government looks to obtain advice in this sector in the future, and that is by having a wider range of options available to it. Instead of having, say, a schools council, there are the bodies I mentioned previously and others which could well provide advice to the government. It is a more grassroots approach to getting feedback of what is needed, rather than having a single entry point for advice which deals with the whole sector.

Senator CARR (Victoria) (5.06 p.m.)—My understanding is that in the period 1997-98 the operating costs for NBEET were said to be some $3.926 million, which compares to $5.036 million in 1996-97. What is the current operating cost in terms of the appropriation bill from last year?

Senator ELLISON (Western Australia—Special Minister of State) (5.07 p.m.)—That figure is not readily available. I will have to take that on notice.

Senator CARR (Victoria) (5.07 p.m.)—I do not particularly wish to delay processes much longer, but I do find it extraordinary that the government has had some years to prepare for this discussion. The government seemed so poorly prepared when it put this matter before the chamber. I would have thought it would not have been too difficult for the government to predict that these sorts of questions may well be asked. They are simple issues about what sorts of expenditure have
been used for the operation of this body and what are the numbers of the staffing allocations that are required to run it.

It is an issue that has been pursued in estimates in recent times. I know I have been obliged to ask a few questions on this matter. The last annual report I saw of NBEET said that the bill had been held up in the Senate as a result of opposition from the Labor Party, whereas we have heard today that this was a bill that was not proceeded with by the government in the last parliament through the actions of the government itself. It never actually went into the chamber after the consideration of the Senate committee report in 1996. So we do know that there are officers who have been responsible for the operations of NBEET, despite its having been wound down. I think we are entitled to know what it has been costing the taxpayers to have these officers undertake their duties. I would have thought the government would have been better prepared when it brought a proposition like this before this chamber.

The alternative suggestion, of course, is to say that the government really has not got a serious legislative program to speak of and it has brought this bill in to waste time and to fill the airwaves while it is waiting for more serious pieces of legislation to come on. Minister, I am sure you will be able to refute that suggestion, but all the evidence would point in that direction.

Senator ELLISON (Western Australia—Special Minister of State) (5.09 p.m.)—All the evidence does not point in that direction, of course. I refute what Senator Carr says. This is a piece of housekeeping legislation as I have described it. We know only too well that this sort of legislation comes before the Senate from time to time. If the opposition is supporting it, then it could have gone through with non-controversial legislation and it could have been dealt with in less time and with all the more efficiency. It is always open to the opposition and to other parties to agree to that form of approach. But I see the opposition and Senator Stott Despoja have taken the opportunity to ask questions, questions which one would find at an estimates committee. I do not think they are inappropriate here, but I do reject the assertion that the government is not prepared.

Senator Carr—you haven't been able to answer the question.

Senator ELLISON—There have been questions answered and there have been questions which have been taken on notice. That is not extraordinary, and I can say to Senator Carr that we will endeavour to obtain the information as quickly as possible.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (5.11 p.m.)—Senator Carr, I suspect you might be about to pick up some similar points, and that is that the reason a lot of these questions have been necessarily asked at estimates is that this legislation has not been brought to the chamber where it should be openly, accountably and democratically discussed. We have resorted to getting the information through the estimates committee processes. We should have been debating this in the first place.

The opposition, and certainly the Democrats, had concerns about this legislation. The Democrats opposed this legislation, which is the very reason that the government did not bring it here. It was worried that it would not be able to pursue its policy of the abolition of NBEET so it went ahead and did it anyway, without legislative backing. That is the problem that we should be discussing here today. If the government is prepared, I would like an answer to the very basic question. It is not a housekeeping question; we are talking about people's jobs. I would like an answer today from the minister as to how many jobs were lost, how many staff have been lost, as a result of the abolition of NBEET. Even if that is a basic comparison between staffing levels in 1996 and staffing levels in 2000, we deserve a response and we should have known it today.

In the same way we should have known what were the budget savings as a result of this measure. I cannot believe that the government does not have this information at its fingertips, not only because it has had so long to prepare for it but because these are basic and obvious questions that would have arisen at any time that we debated this legislation, whether it was back in 1996 or whether it was indeed today. The difference between the debate we are having today, the committee process in the chamber today, and what would have occurred earlier is simply that the government has gone ahead with this agenda anyway. It pursued this agenda when Senator Vanstone was the higher education minister and, instead of waiting for democratic or some kind of legitimate parliamentary support for the legislation, it basically did it by stealth, and that is by removing staff and removing funds and effectively abolishing a body that I do not believe should have been abolished. But today we are presented with little choice.

So it is not a case of the opposition or other parties obfuscating or trying to delay this debate. We just want basic questions answered. The most basic question would be how many staff were lost as a result of the abolition. I cannot see why I do not get information today.

Senator ELLISON (Western Australia—Special Minister of State) (5.13 p.m.)—As I have indicated to the Senate, we are endeavouring to obtain this information as quickly as we can. I do not foresee any problems obtaining that information. Of course, back in 1996 we could not have given an answer as to the savings because the question that we have been asked today concerns the savings over the period 1996 to the year 2000. That is something we can only answer today after the effluxion of time. I might also point out that the effluxion of time has vindicated the government's position and that the course of action it has taken has resulted in runs on the board.

Senator CARR (Victoria) (5.13 p.m.)—Minister, you really do find it necessary to gild the lily here. You have a situation where you have, by executive fiat, cut the funding and the staff to this
You have without due parliamentary process—and, I might say, technically in breach of the act itself— instructed that moneys and staff be withdrawn from this body. Then you say that this is an example of the government being able to claim that it has runs on the board. Now, four years after the event, you bring the bill into the parliament because you have nothing else to discuss and you say, ‘Of course the bill will pass because we will be voting for it.’ You also say that if we undertook our responsibilities and allowed this bill to go through on a non-controversial basis then these matters would be proceeded with more efficiently. What a preposterous proposition that is.

For a start, bills which are the subject of second reading amendments cannot be dealt with in the non-controversial section of the legislative program, as you well know. But we constantly hear this nonsense being peddled by Tory ministers. They say that if only we agreed with the government then of course the parliamentary process would be more efficient. I am afraid that is not the way the system actually works. I would also suggest to you that we are voting for this bill today because we have no choice but to vote for it. The fact is that you have gutted this organisation. You have behaved in an appalling way. You have undertaken an act of vandalism which this country is the poorer for. Nonetheless, we cannot say that the body ought to continue in existence when it has no staff and no money to operate. What we are saying is that, when we get back into government, we will re-establish an independent source of advice to government on a cross-sectional basis to repair the damage that you have undertaken in this particular area. But it is complete nonsense for you to suggest that this is an example of how the government has made some stunning success. This country is the poorer for the actions that this government has taken.

Bill agreed to.

Bill reported without amendment; report adopted.

Third Reading

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

ENVIRONMENT AND HERITAGE LEGISLATION AMENDMENT BILL 1999

Second Reading

Debate resumed from 31 March 1999, on motion by Senator Hefferman.

That this bill be now read a second time.

Senator BOLKUS (South Australia) (5.17 p.m.)—I rise to speak to this bill. In doing so, I carry on the theme that Senator Carr was pursuing a little while earlier. This has been an amazing period in Senate process. We were here two weeks ago for one week, and we are here on day one in March, and it has to be said that the government’s legislative program is very thin. When we sat some two weeks ago we actually went through at a very fast rate legislation which in the normal course of events would, after discussion among government, opposition and minor parties, be classified as non-controversial. But the government has to pad out the program. The government has to find legislation with which to consume the Senate’s time. As a consequence, legislation such as what we are discussing now—legislation which in normal consultation would have led to some agreement between government and opposition and been classified as non-controversial—appears on the agenda for debate. That in a sense is a good thing because it gives us a chance to go through some of this legislation.

What it does reflect, though, is the fact that legislation which would have been down the batting list in the parliamentary process finds itself on the agenda on day one of a parliamentary sitting. It is quite amazing. It is not just the Prime Minister who has run out of ideas, as we have seen over the weekend detailed in the national newspapers; it is the whole government that seems to be dumb struck in terms of ideas and legislation. It is the whole government that has itself sitting on the railway lines like a bunny facing the headlights of the GST coming fast down the track. As a consequence, it is not focusing on the continued reform that is necessary for the Australian parliamentary process and the Australian system. This is a government that so early in its history has run out of ideas for the Australian public. I think it is a real pity that as we embark upon the year 2000, when so much rapid change is confronting the world and so many new ideas are about the place, this government is finding itself not receptive of any of them.

I turn to this legislation. Can I say, as I implied a little while earlier, that the aims of this bill are to be commended. The bill implements the 1996 protocol to the London Convention and increases penalties for contraventions of the sea dumping act through amendments to the Environment Protection (Sea Dumping) Act 1981 and Sea Installations Act. These are positive and important developments in the environmental protection of our oceans.

The purpose of the bill is essentially twofold. The first purpose is to amend the Environment Protection (Sea Dumping) Act 1981 in order to: implement the 1996 protocol to the London Convention and increases penalties for contraventions of the sea dumping act through amendments to the Environment Protection (Sea Dumping) Act 1981 and Sea Installations Act. These are positive and important developments in the environmental protection of our oceans.

The second purpose of the legislation is to amend the Sea Installations Act 1987 in order to remove the prohibitions on issuing and varying a permit that is, Commonwealth waters adjacent to state coastal waters. As I say, the aims of the bill are to be commended, but there are some relatively minor but
nonetheless important weaknesses in the legislation as it currently stands which our proposed amendments seek to address. These primarily relate to the application of the precautionary principle and the definition of artificial reefs.

For thousands of years, humans have viewed oceans as vast dumps for domestic and industrial garbage. Since the Environment Protection (Sea Dumping) Act has been in operation, over 100 million tonnes of sediments have been dredged from harbours and waterways. Three million tonnes of industrial waste, 20 vessels and 1,500 tonnes of munitions have been dumped. A number of materials were licensed for dumping which are now considered unacceptable, such as munitions, car tyres, concrete, asbestos and industrial waste. These materials may never become evenly diluted into a weaker mixture, and ocean processes may even concentrate some materials.

We have realised over the years that the impacts of sea dumping include stress on the marine mammals from loss of seagrass from smothering, death and disease from dumping of contaminated materials and loss of mollusc reproduction from contaminated sediments—all these and more. Australia has not been short of its problems emanating from sea dumping. The costs of dumping materials at sea are not generally borne by those who dump. They are borne by the fishing industry and the community at large. Recent decades, however, have seen a remarkable shift in international attitudes to the dumping of waste at sea. This shift has been characterised by a move from an assimilative capacity approach, where the dilution effects of the oceans was thought to be adequate to mask the detrimental effects of waste, to the precautionary approach, where waste should not be discarded when there is the risk of serious or irreversible damage.

Concern for the health of oceans has led to a number of international agreements which restrict the dumping of waste and indeed the movement of hazardous waste. The London Convention was the first international convention to address ocean dumping and was ratified in Australia in 1985. The sea dumping act incorporates the convention into Australian law. The London Convention aimed to prevent the indiscriminate disposal at sea of wastes liable to create hazards to human health, to harm living resources and marine life and to damage amenities or to interfere with other legitimate uses of the sea. The fundamental principle of the convention is the prohibition of dumping of certain waste, the requirement of a specific permit prior to dumping of other waste and the demand for a general permit for the rest. The first two categories are determined by annexes to the convention. Although it was, and continues to be, an important development, the convention has been limited in scope. It applied only to waste from ships or aircraft and did not cover material dumped from a land source or the operational discharges from ships. Similarly, the offshore processing of seabed resources is not covered by the convention or the domestic legislation.

The waters surrounding Australia’s coastline are also threatened by pollution from waste dumped at sea which Commonwealth laws seek to control. Some materials, such as those produced for biological and chemical warfare and radioactive material, cannot be dumped in Australian waters under any circumstances. The 1996 protocol to the London Convention has considerably strengthened the provisions of the convention. In addition to a more restrictive list of substances which can be dumped, the protocol requires contracting parties to explore alternatives to sea dumping. We welcome the increasing rigour applied to the protection of the world’s oceans through this protocol. The protocol also retains the objective of the convention and has captured the essential measures propounded by the convention to prohibit dumping in the sea. However, it does so while taking into account developments in technology for waste management that have occurred over the years along with those anticipated for the future.

Although the protocol discourages as far as possible any dumping at sea, incineration at sea for the deliberate disposal of waste or other matter via thermal destruction is prohibited. Environmentally preferable land based alternatives are largely encouraged in order to avoid unwanted disposal of waste or other matters at sea. However, the protocol does recognise that current technology does not permit the disposal of certain categories of waste or other matters on land and that certain small island states lack the landmass for land disposal facilities. In this respect, dumping may be allowed but, before such a decision is made, candidate wastes or other matter must first undergo a thorough assessment, including evaluation of a waste prevention audit, waste management options and identification of waste characteristics.

Turning to the bill, we recognise that the bill also extends the area to which the restrictions apply from the outer edge of the Australian fishing zone to Australia’s exclusive economic zone—such extension including also Australia’s exclusive economic zone around Antarctica, which is an important extension. The bill has a number of weaknesses in its current form. There are a few inconsistencies with the London protocol, which we will seek to rectify via an amendment. Of more concern is the bill’s treatment of the precautionary principle and the placement of artificial reefs. We believe the precautionary principle is critical in the area of oceans policy, where scientific data is often incomplete. We believe the bill needs to recognise the application of such a principle as set out in article 3 of the protocol. It should be noted that Senator Hill has stated that the protocol incorporates the precautionary principle and that, if there is any concern that the substance may harm the environment, it will not be dumped until testing has proved otherwise. We believe this is not currently embodied in the bill, and we believe the bill should be amended to do so.

The creation of artificial reefs is an issue as well. The creation of such reefs is not considered dumping
as recognised in the convention. There is a possibility that dumping might be proposed under the guise of reef creation. This should be recognised in the definition of the artificial reefs, which should limit artificial reef placement to the dumping of controlled materials as defined under the legislation. So we will be moving some amendments in the committee stage, and I have given some notice of those, but the opposition supports the aims and objectives of the bill.

Whilst canvassing the question of the marine environment and the subject area of this legislation, it should also be recorded that we are concerned that the government has not implemented a substantial part of its oceans policy. We believe such implementation needs to proceed as a matter of priority, and we urge the government to look at the recommendations of the government’s oceans policy advisory group and to quickly start to implement such recommendations. There is a whole raft of recommendations which the government has proudly from time to time invoked as reflecting concern about coastal policy. But there has to be concern not only that those recommendations are not being implemented substantially but also that the position of head of the oceans policy office has not taken up his position some 15 months after his appointment was announced by the minister. As we saw once again in the press over the weekend, a person was announced to take the position of director of the oceans policy office but—and this is a matter that I want to pursue during the committee stage—that person has not been appointed, and it seems as though the government is now seeking another person for that particular office. There is concern in the community and in the opposition that an oceans policy which has been announced by government has been slow in its implementation and an office which was announced very widely by the minister—and the director for the office announced by the minister some 15 months ago—has also not been filled over that period.

Going back to the bill, I do not think there is much more to say other than to once again indicate that we are talking about legislation which, with just a cursory degree of discussion between government, opposition and minor parties, could have seen amendments accepted by the government that would have saved the Senate time and would have seen some consensual outcome. But it seems as though we have to go through this particular process in the chamber. The opposition looks forward to moving amendments which we hope at least the Democrats will support.

**Senator BARTLETT** (Queensland) (5.30 p.m.)—I rise on behalf of the Australian Democrats to speak about the Environment and Heritage Legislation Amendment Bill 1999. I will not go into great detail about the content and purposes of the bill as Senator Bolkus has done that reasonably well in the contribution he has just concluded. The minister’s second reading speech also outlines it in detail. In very general terms, the purposes of the bill are clearly a positive improvement. The bill’s main activities are to amend the Environment Protection (Sea Dumping) Act 1981 and the Sea Installations Act 1987 and to improve the regulation of dumping at sea. It links into changes that have been made to the protocol that covers this area: the protocol for the London Convention. Those changes are positive and for that reason the Democrats are supportive of them. We will examine the issues that Senator Bolkus has raised about some of the perceived loopholes or inadequacies in the bill and potential improvements when we get to the committee stage. We will be interested in listening to any views put forward at that time about the value of the additional amendments that Senator Bolkus has circulated.

I think the committee stage is probably the better stage to go into the detail of some of the issues that Senator Bolkus has raised and some of the suggested improvements and amendments that he is going to put forward. Suffice it to say, this bill has been around a little while now. It was introduced into the Senate not much less than a month ago—that is, at the end of March last year—and it has already been to a Senate legislation committee for examination. The committee did not receive a significant degree of submissions. As that committee report indicates, the general thrust of the bill is positive. Despite the fact that it is a positive bill, that does not mean there is not scope for improvement. We will examine those issues when we get to the committee stage.

**Senator ELLISON** (Western Australia—Special Minister of State) (5.33 p.m.)—I thank senators from the opposition and Senator Bartlett for their contributions and I commend the bill to the Senate.

Question resolved in the affirmative.

**Bill read a second time.**

**In Committee**

**Senator BOLKUS** (South Australia) (5.33 p.m.)—As I said during the second reading debate, we feel there are some gaps in the legislation and this is one important gap. Amendment (1) inserts a reference and a definition for the Antarctic Treaty. It is probably best to say that amendment (1) is tied to amendment (7). I seek leave to move amendments (1), (7) and (8) together.

Leave granted.

**Senator BOLKUS**—As I said, amendment (1) inserts into subsection 4(1) words as follows:

Antarctic Treaty means the Treaty concerning Antarctica, to which Australia is a party, done at Washington on 1 December 1959.

Note: The text of the Treaty is set out in the Australian Treaty Series 1961 No. 12

Amendments (7) and (8) are the important operative parts here and those amendments go to the question of dumping, particularly the question of the Antarctic. Item 7 extends the definition of ‘Australian waters’ to include, as amendment (7), the exclusive economic zone. The practical effect of this amendment is that the exclusive economic zone around Antarctica will be covered by the sea dumping act, allowing licensed dumping of
controlled substances in that area. We believe dumping in this area should not be allowed unless it is consistent with Australia’s international obligations under various Antarctic treaties. We believe this should be explicitly stated in proposed changes to subsection 19(8A). As I say, amendments (1), (7) and (8) ensure that if dumping is to be allowed, as it is under the legislation, it should be allowed only in accordance with our obligations under the Antarctic Treaty. We think the legislation as it now stands has this particular loophole which could lead to excessive dumping in Antarctica. We believe that if any dumping is to take place there it should be done in accordance with treaty obligations. As a consequence, I move opposition amendments (1), (7) and (8):

(1) Schedule 1, page 3 (after line 10), after item 1, insert:

1A Section 4(1)

Insert:

Antarctic Treaty means the Treaty concerning Antarctica, to which Australian is a party, done at Washington on 1 December 1959.

Note: The text of the Treaty is set out in the Australian Treaty Series 1961 No. 12.

(7) Schedule 1, item 35, page 18 (after line 12) after paragraph (8A)(b), insert:

(ba) the Antarctic Treaty;

(8) Schedule 1, item 35, page 18 (line 14), at the end of paragraph (c), add “or to Antarctica or Antarctic resources”.

Senator ELLISON (Western Australia—Special Minister of State) (5.37 p.m.)—It is important that we have Senator Hill here to deal with the amendments moved by Senator Bolkus. He is on his way to the chamber. I understand that the amendments are unlikely to be of significant practical effect. Perhaps we could deal with the next amendment and hold these three in abeyance until Senator Hill arrives. Perhaps that would be a way of doing it. We could cover some ground in dealing with opposition amendment No. 2.

Senator BOLKUS (South Australia) (5.37 p.m.)—I could do that, but I think it is fair to say in respect of all the amendments—we are talking about some 10 amendments—there is not a great need for protracted debate. Senator Hill has just arrived. It is good to see him belatedly enter the chamber. I will take my seat now and let him respond to amendments Nos 1, 7 and 8, hopefully by indicating that he is in a position to support them.

Senator HILL (South Australia—Minister for the Environment and Heritage) (5.38 p.m.)—I have been persuaded by Senator Bolkus’s argument. Amendments agreed to.

Senator BOLKUS (South Australia) (5.39 p.m.)—Maybe the minister would like to go for another walk and then he might be persuaded in respect of the rest of them. Amendment No. 2 addresses the potential loophole that exists under the definition of “artificial reef”, a loophole that could see dumping of material other than materials allowed under the protocol. Item 4 inserts a definition of ‘artificial reef’ into the Environment Protection (Sea Dumping) Act. The concept of an artificial reef is not included in the London protocol but has been defined by the government under this bill. Regulations under the legislation may prescribe what does and does not constitute an artificial reef, and we believe it represents a loophole for the dumping of material not allowed under the protocol yet defined under the regulation. I believe that the definition needs to be amended to close this loophole and to limit the placement of artificial reefs to controlled material. This is consistent with item 19 where ‘matter or thing’ is replaced by ‘controlled material’. In essence, this is a minor amendment which seeks to close a potential loophole. I move opposition amendment No. 2:

(2) Schedule 1, item 4, page 4 (lines 28 and 29) omit “matter or thing”, substitute “controlled material”.

Senator HILL (South Australia—Minister for the Environment and Heritage) (5.40 p.m.)—Regrettably, I did not find that argument as convincing as the last. I will see if I can explain to Senator Bolkus why I think he may be mistaken. It is based on what I understand to be the distinction the drafter has made between describing substances that may be placed for the purposes of creating an artificial reef, which are referred to as ‘any matter or thing’ and those that may be dumped, incinerated, loaded for dumping or incineration, or exported for dumping or incineration, which are all activities regulated under the protocol and which are referred to as ‘controlled material’. The reason for this, I am advised, was to maintain the distinction between the terminology in respect of creation of artificial reefs which are not prima facie regulated under the protocol and the other activities that are, such as dumping, incineration, loading for dumping or incineration, or exported for dumping or incineration. We think there is merit in retaining that distinction and would wish that to be the case.

Senator BOLKUS (South Australia) (5.42 p.m.)—The short question is: why does the minister want to retain that distinction? Why not control the establishment of artificial reefs in a matter which the protocol applies in other areas? What does he anticipate being allowed to happen under this legislation that the protocol does not allow in respect of other dumping?

Senator HILL (South Australia—Minister for the Environment and Heritage) (5.42 p.m.)—I do not know that we are looking forward and have anything in particular in mind. It simply recognises a distinction between the creation of something which is not prima facie regulated under the protocol and something which is. Within a scheme such as this, it seems to be sound drafting to retain that distinction for that reason. I suspect that there may not be any practical significance, but that is the way the draftsman has drafted it for the reasons I have set out. I have not heard a persuasive argument to suggest to me that it should be changed.
Senator BOLKUS (South Australia) (5.43 p.m.)—In the absence of the minister being able to tell us what he anticipates being able to be done in the establishment of artificial reefs under this legislation extra to what the London protocol allows to be dumped in respect of other matters, I am also not persuaded by the minister. We are using the protocol as a starting point. We want consistency with it. Recognising that the creation of artificial reefs over the years has not always worked to the protection of the marine environment, we would argue that the establishment of such reefs under the legislation should be consistent in terms of what can be dumped with other matters under the London protocol.

The minister has not been able to tell us what he anticipates would be allowed under the regulations which would not otherwise be allowed under the protocol in respect of other dumping at sea or the establishment of other structures at sea. In the absence of that, I do not think there is an argument put up by the government as to why we should not be pursuing a more rigorous approach in terms of the establishment of reefs than the one that is anticipated in this legislation. The minister says, ‘Well, the London protocol does not accommodate it, therefore we are not going to do it.’ But I would like to hear some good reason as to why we would not do it when the objective here is not anything other than to ensure that, in a sense, we make up for lost time in terms of marine damage.

Senator HILL (South Australia—Minister for the Environment and Heritage) (5.45 p.m.)—I have made the concession that it may be that there is not likely to be any practical significance, but there are certainly concerns by one if not more states that, by blurring the two, there could be a practical significance—and I understand in particular in relation to prefabricated concrete, which is utilised within some artificial reefs, which would not be prima facie prohibited under the provisions of the protocol. This is why, in the development of this legislation, it was decided to provide a separate definition so that these matters can be distinguished. I can see no downside, no liability in that. If the clarification therefore gives comfort to one or more states in that regard, I do not see any reason why it should not remain in these terms.

Senator BOLKUS (South Australia) (5.46 p.m.)—I suppose we have the answer—that is, that one or two unnamed states for essentially unnamed reasons, other than maybe the use of concrete in creating artificial reefs, do not want us to pursue the London protocol and, therefore, we will not be following the protocol and applying some consistency in terms of dumping. I do not really care which state it is, Minister, but I do not know whether that is a good enough reason.

Senator Hill—It would be a Labor government. Does that help you?

Senator BOLKUS—There is a fair chance it would be.

Senator BARTLETT (Queensland) (5.47 p.m.)—As I said in my brief contribution in the second reading debate, the bill itself has been around for nearly a year and this amendment, and perhaps all of the amendments, have been around not quite so long. So, to that extent, approaching this on behalf of the Democrats from the point of view of listening to the arguments, if you like, and seeing and assessing the propositions that have been put forward, I think in relation to what the minister has said—and I guess it would probably apply to all of the amendments that are here—unless there is a particular reason why a particular amendment may detract from the operation or purpose of the bill, then I would be inclined to want to support any amendments that are put forward. If they are ones that are not likely to have any real practical effect, as the minister suggests in this case, then I cannot see any reason why it would therefore be problematic to support them.

As I understand the protocol, it lists some categories of wastes or other matter that may be considered for dumping at sea. I thought that included bulky items such as iron, steel and concrete. I cannot see why specifying ‘controlled material’ as being what artificial reefs must be comprised of would somehow or other prove problematic in terms of the operation of the act. It was also my understanding that the act or the amending bill does go a bit beyond components that are in the protocol and, indeed, artificial reefs themselves are not in the protocol. So there is no specific need to stick precisely to the terminology that is in the protocol, as far as I am aware. For those reasons, I cannot see why it would be problematic to adopt the amendment that has been put forward.

Senator BOLKUS (South Australia) (5.50 p.m.)—I suppose the best way to handle this is that, if we were to accept this amendment, at the end of the debate we could either defer this until later on in the day to address those points that the minister raises in respect to consequential amendments or maybe even come back to the legislation tomorrow morning. But we may need a chance later on to see where the minister anticipates the need for consequential change and pick that up.

Amendment agreed to.

Senator BOLKUS (South Australia) (5.51 p.m.)—I move opposition amendment No. 3:

(3) Schedule 1, item 14, page 6 (after line 6), after paragraph (a) of the definition of seriously harmful material, insert:

(aa) material that exceeds relevant upper levels established in an action list developed under Annex 2 of the Protocol; or

This amendment inserts a new definition of ‘seriously harmful material’ into clause 4(1) of the sea dumping act. ‘Seriously harmful material’ is defined to include radioactive material and material
that is proscribed by the regulations for the purposes of this paragraph. Under the protocol, each nation is required to establish an action list, under annex 2, which establishes upper limits of concentrations of substances which are said to avoid acute or chronic effects on human health or sensitive marine organisms representative of the marine ecosystem. It is not clear whether the ‘seriously harmful material’ list will be the same as the action list. As there is no mention in the explanatory memo or the second reading speech, there is a clear need for consistency between the lists to be clarified—and I think to be clarified now, not after the legislation is proclaimed.

I suppose we can proceed with this amendment. If the minister were to say that he agrees with it in principle though he does not see the need for an amendment, then that may meet the purposes of the Acts Interpretation Act. But we do believe that it is important to require that ‘seriously harmful material’ be consistent with the action list under the protocol.

Senator HILL (South Australia—Minister for the Environment and Heritage) (5.52 p.m.)—We oppose amendment No. 3. As Senator Bolkus said, ‘seriously harmful material’ is defined to include radioactive material and any other material prescribed by the regulations to be seriously harmful material. Item 77 provides a limitation on the power to make regulations to prescribe material as ‘seriously harmful material’. This limitation is that before the Governor-General makes a regulation prescribing material as such the minister must be satisfied the material is capable of causing serious harm to the marine environment. Senator Bolkus is seeking to amend the definition to insert ‘material that exceeds relevant upper limits established in an action list developed under annex 2 of the Protocol’. I cannot really see exactly what the Labor Party are trying to do, whether they are trying to pre-empt the judgment of the minister in this regard by suggesting that if it fits within that description the minister may still not think that it is seriously harmful material. I ask Senator Bolkus to make it a little clearer than he has so far.

Senator BOLKUS (South Australia) (5.54 p.m.)—We are trying to apply the benchmark that applies under the protocol in respect of the action list for what ‘seriously harmful material’ will be. We believe that that action list benchmark should be consistently applied by Australia in defining what ‘seriously harmful material’ is. That benchmark under annex 2 establishes an upper limit of concentration of substances. Those upper limits are set to avoid acute or chronic effects on human health or on sensitive marine organisms within the marine ecosystem. Minister, what we are concerned about is that, by not applying the annex 2 benchmark in respect of the action list to what material could be defined to be seriously harmful material under your legislation, there is a capacity or potential for material which the legislation would not deem to be ‘seriously harmful material’ to be material which would be precluded from under annex 2 of the protocol. We think it is important to maintain consistency and to adopt the principles of the protocol in defining what is ‘seriously harmful material’.

Senator HILL (South Australia—Minister for the Environment and Heritage) (5.56 p.m.)—I understand that the problem is the list is yet to be developed. There is no doubt that it will be ultimately developed. Just for clarification, annex 2 of the protocol requires contracting parties to develop an action list inter alia to provide a mechanism for screening materials which may be considered for dumping at sea and the management of such disposal and be used to trigger mechanisms for further waste prevention considerations. As I said, that list is yet to be determined.

I am advised that it is likely to include matters that would be considered as ‘seriously harmful material’ but it may go beyond that and include matters that would not fall within that description. Therefore, it is unnecessary and unwise to be trying to incorporate that now, in effect, within the definition of ‘seriously harmful material’. I hope I have made myself clear. If there were a list of materials, we would have the benefit of having the characteristics of the particular materials before us and we could then discuss whether or not they would be reasonably described as ‘seriously harmful material’. We do not have the list, but I am told that it is likely in the development of the list to go beyond what normal people would regard as what falls clearly within that definition, on a precautionary basis.

Senator BOLKUS (South Australia) (5.58 p.m.)—We may be able to attack this through an assurance from the minister rather than a formal amendment. Can you give us an assurance that the benchmark in annex 2, the benchmark that establishes an upper limit of concentrations, will at least be met? I suppose what you were implying was that that will be met but there may be other materials that are not precluded under that benchmark that may also be met. If you could give us an assurance that at least those materials that are precluded through the action list under annex 2, those concentrations, will not be included under the definition of ‘seriously harmful material’ but that you may preclude other materials that do not meet the requirements of that action list, then that may satisfy it. Are you saying that it will be at least that?

Senator HILL (South Australia—Minister for the Environment and Heritage) (5.59 p.m.)—I do not think we can because that is the very point. Until we have a list it is difficult to give an assurance of that type. In fact, the guidance I am receiving is that there may be items I presume that are above the benchmark in terms of annex 2 of the protocol but which, it could be argued, still do not fall within what is described as ‘seriously harmful material’ and that is where the precautionary approach comes in. That is why we think it is unnecessary and a mistake to seek to prescribe the definition in this way.

Senator BOLKUS (South Australia) (6.00 p.m.)—Although the minister says that there might be instances above the benchmark, I would like an assurance that, in all instances below the Annex 2
benchmark, the material will not be categorised by the government under ‘seriously harmful material’ and allowed. The minister says that there might be some above the benchmark. We accept that and that is welcome, but can we get an assurance that, for material below the benchmark concentration, they will not be allowed. It needs to be pointed out that the amendment actually does allow for the contingency that the minister is talking about. I do not know that that is an argument against the amendment; the amendment does allow for independent nation states to exceed the requirements of the benchmark.

Senator HILL (South Australia—Minister for the Environment and Heritage) (6.01 p.m.)—I think in part it relates to the linkage to the penalties. The penalty in the dumping of seriously harmful material is up to 10 years imprisonment.

Senator Bolkus—That will be the day when that is enforced.

Senator HILL—That is what we are talking about; we are talking about a very serious criminal outcome. That is why there should be this careful consideration of what items fall within that. Thus we have this obligation placed on the minister to give advice to the Governor-General before the regulations are made. As I said, the minister must be satisfied that the material is capable of causing serious harm to the marine environment. I think I can see what Senator Bolkus is seeking to do: that is, in effect, without that consideration, require anything that is subsequently determined not just by us but by contracting parties to automatically fall within the definition of seriously harmful material and thus really limits the minister in making that ultimate judgment. Again, he is asking about circumstances where the list does not exist. It is probably fair to say that the approach we have taken is a more cautious approach than what Senator Bolkus is advocating. The argument I am putting is that, in view of the very strict penalties and high potential imprisonment involved, the caution we are displaying in the drafting of this is warranted.

Senator BARTLETT (Queensland) (6.04 p.m.)—The Democrats’ approach to this amendment is that we need to be convinced that somehow or other it would weaken the intent or operation of the bill. The minister seems to be implying that a future action list, which the government is required to develop under the protocol, may contain items that are not seriously harmful. I am assuming that the minister is saying that it may include additional items beyond those that might be seen as seriously harmful. I just want to clarify that that is what the minister is actually suggesting.

In that context, if he could perhaps outline what the actual purpose of the action list is, because it seems to me that the purpose of it is to require each nation to establish a list which indicates an upper limit of concentration of substances which are set to avoid significant harmful effects. It seems quite appropriate to me to have the list automatically included under the definition of seriously harmful material. My first question is: what is the purpose of the list if it is not to produce or highlight concentrations of material that are seriously harmful? My second question is: what is the problem with this amendment being adopted? It may be less cautious than the minister would like, but I cannot see why it would be problematic to have it included in the act.

Senator HILL (South Australia—Minister for the Environment and Heritage) (6.06 p.m.)—The argument, as I understand it, is that we have provided a more cautious approach. If the minister certifies, as I have said, that it is causing serious harm to the marine environment—and the Governor-General then makes the regulations—the penalties could be up to 10 years imprisonment. But we allow that, where the minister is not so satisfied that it falls within that description, yet it is being included on the Annex 1 list—in other words, the judgment of other parties—there could be a penalty of up to two years imprisonment.

So we have placed an extra burden on the executive in this instance that simply reflects the very high penalties that are included within the legislation. To do otherwise, to adopt what Senator Bolkus has been suggesting, without the list having been developed, we would argue would be poor legislative practice. In particular, it would be contrary to Commonwealth criminal law policy because it is not providing certainty in respect of which substances could attract the most serious criminal sanctions under the sea dumping act—10 years imprisonment. It is likely to breach principle 1(a)(i) of the Senate Standing Committee for the Scrutiny of Bills terms of reference by trespassing unduly on the personal rights and liberties of individuals. It is an inappropriate power to delegate and to determine which substances should attract the maximum criminal sanction, and it is inappropriate to remove it from the legislature and instead grant it to a departmental officer. It is defining potential liability to serious criminal sanctions by reference to criteria yet to be determined.

I know that there are some within the Senate who lack confidence in the executive, but executives change from time to time. I would have thought it would be most unwise to lock into law a provision that applies a serious criminal penalty to an action that is not known at the moment—it is not even listed yet—and is not to be solely determined by an Australian authority. It is certainly not in the best interests of this parliament to carry it.

Senator BARTLETT (Queensland) (6.09 p.m.)—In terms of this action list, which is specified in this amendment, could I ask Senator Bolkus rather than the minister whether that is a list that each nation has individually. As I understand it, each nation under the protocol is required to establish an action list. Does that mean that you have a whole lot of separate action lists or is it one collated action list that is agreed upon or added to by differing nations, and would that leave us in a situation where another country may add a substance or a concentration to that list without necessarily the agreement of the Australian government or department?
Senator BOLKUS (South Australia) (6.10 p.m.)—My information is that, under the protocol, each nation is required to establish an action list, a list which establishes an upper limit of concentrations of substances. So each nation has the capacity to do that. I think that is the short answer to your question, Senator Bartlett.

Senator HILL (South Australia—Minister for the Environment and Heritage) (6.11 p.m.)—If the numbers are here to carry this amendment, the practical effect will be that Australian governments will be much more cautious in determining the ultimate composition of the action list. Activities that might be more appropriate to a lower penalty are unlikely to be included and, therefore, the outcome would be counterproductive to the objectives that the Labor Party is promoting, which I sense the Democrats are supporting. That does not seem to me to be a smart way forward. I would have thought the answer was a stronger argument to allow for this gradation of activities with appropriate penalties attached to it. Why one would want to limit that and achieve the outcome of lesser activities not being included, I really cannot see. But it is up to the numbers in this place and, if the numbers demand it, so be it, and we will decide what to do with it elsewhere.

Senator BARTLETT (Queensland) (6.12 p.m.)—Flowing on from that and getting back to a question I asked initially, Minister, leaving aside this amendment for a moment, is it likely that an action list would include more materials than those that might be seen as seriously harmful?

Senator HILL (South Australia—Minister for the Environment and Heritage) (6.12 p.m.)—That is my understanding. That is why we have sought to provide a range of penalties, one for an action that is described as seriously harmful and one for a separate penalty, not as great but still significant—up to two years imprisonment—for the next level of activity.

Senator BARTLETT (Queensland) (6.13 p.m.)—Perhaps the minister as part of that might then indicate what the actual purpose of the action list is under the protocol if it is not to list materials that are seriously harmful. It seems to me from my understanding of the definition that setting a limit of concentrations of substances, which are set to avoid acute or chronic effects on human health—I think they were Senator Bolkus’s words—seems rather equivalent to ‘seriously harmful’. But, if it is not, what is the purpose of the list?

Senator HILL (South Australia—Minister for the Environment and Heritage) (6.14 p.m.)—I am given the example of a minor contamination of a dredge spoil, which may not appropriately fit within the seriously harmful; nevertheless, it is an activity which you would wish to provide some disincentive for within the legislation.

Senator BOLKUS—How do you say you would bring that disincentive in, Minister?

Senator HILL—By providing for a lesser penalty.

Senator BOLKUS—Through inclusion in the action list or through some other provision in the legislation?

Senator HILL—By inclusion in the action list, but not necessarily defining it as seriously harmful material.

Senator BOLKUS (South Australia) (6.15 p.m.)—So you are then arguing that the benchmark for inclusion in the action list is less than the benchmark for inclusion under the definition of seriously harmful material. What we are trying to do is to ensure that the benchmark provided in the action list is at least the base benchmark for seriously harmful material. So in those circumstances, I do not know that you would have a problem. If it is in the action list on the one hand, that attracts certain penalties, but we are concerned that what is in the action list is at least the benchmark for seriously harmful material.

Senator HILL (South Australia—Minister for the Environment and Heritage) (6.16 p.m.)—I do not think there is much point going on, because if I have not persuaded Senator Bolkus by now, I will not in another half an hour. The point is, yes, you could do it his way, but the practical effect will be that you will have a more limited list. In developing the action list, if the activities that are listed relate to seriously harmful material and the consequence of that is imprisonment of up to 10 years, then only the most serious activities will be included. What we are suggesting to the Senate is that there is an argument that these provisions should go beyond that, and that is why we provide a range of penalties for lesser activities—activities that should nevertheless be discouraged but are not necessarily attached to a penalty of up to 10 years jail.

Senator BARTLETT (Queensland) (6.17 p.m.)—Having listened to the arguments put forward in detail, as I read it the bill puts forward a mechanism for the government to decide what materials come under the definition of seriously harmful and also, via the action lists, a mechanism for identifying material and providing a penalty which is lesser. I do see the argument that, if the action list is equated with seriously harmful, you will simply remove that ability for gradient of offence and lead to governments simply ensuring that the action list equates with what they would put under seriously harmful anyway. So it could well mean a lesser list of things on the action list, which I do not think is the intent. Given that the government decides what goes on both lists as I understand it—the action list and the seriously harmful list—either way we are putting our faith in this and future executives as to what they list where. Retaining those distinctions would have some value, so in this instance I am persuaded by Senator Hill’s arguments and would vote accordingly.

Amendment not agreed to.

Senator BOLKUS (South Australia) (6.19 p.m.)—I move opposition amendment No. 4:

(4) Schedule 1, item 25, page 10 (lines 30 and 31), omit “, otherwise than in accordance with a permit.”.
Opposition amendment No. 4 is a pretty simple amendment. It goes to item 25 of the legislation, clause 10B, and the question of what can be incinerated at sea. Clauses 10A to 10F, amongst other things, permit loading exported material for incineration of waste in Australian waters or from an Australian vessel. Under article 5B of the protocol, the incineration at sea of wastes or other matter is not allowed. Under 10B of the government’s legislation, such handling of material for incineration is allowed in accordance with a permit. What we are seeking to do by this amendment is apply the protocol and not allow permitting of such handling of material for incineration at sea.

Senator Hill—He has got me bluffed now. Which amendment are you on?

The TEMPORARY CHAIRMAN (Senator Chapman)—Amendment No. 4.

Senator BOLKUS—What we are seeking to do is to delete the words ‘otherwise than in accordance with a permit’. By doing so we would make this clause consistent with the protocol, which amongst other things does not allow incineration at sea of wastes or other matter.

Senator HILL (South Australia—Minister for the Environment and Heritage) (6.21 p.m.)—I think there is some linkage with amendments 5 and 6 as well, isn’t there? In any event, the way we read it is that the amendments—the one we are talking about now, plus Nos 5 and 6—seem to be motivated by a presumption that the protocol outright prohibits incineration at sea. However, whilst article 5 of the protocol provides that contracting parties shall prohibit incineration at sea of wastes or other matter, article 8 provides emergency situation exceptions to this general rule.

Items 25 and 26 of the bill recognise these exceptions respectively by, firstly, recognising in the primary incineration at sea offence provision and the primary loading for incineration at sea offence provision that a permit may be issued by Australia which authorises incineration at sea and, secondly, providing a defence for incineration at sea on an Australian vessel outside Australian waters and a defence for loading for the purposes of such incineration outside Australian waters where incineration was conducted in accordance with a permit issued by a contracting party other than Australia to the protocol.

So if I have understood Senator Bolkus correctly—and he will presumably clarify it—and the purpose of his amendment is to ensure that incineration at sea does not occur, then it would seem that that is in fact inconsistent with the protocol itself. Perhaps he might further clarify.

Senator BOLKUS (South Australia) (6.23 p.m.)—In the same way that I seem to have persuaded the minister in respect of the first batch of amendments, he has persuaded me with respect to amendments 4, 5 and 6, so I will not be pressing those amendments.

The TEMPORARY CHAIRMAN (Senator Chapman)—So amendment No. 4 has been withdrawn and amendments Nos 5 and 6 are not being proceeded with. We move to amendment No. 9.

Senator BOLKUS (South Australia) (6.24 p.m.)—Item 76 inserts a clause 40A which protects against legal action in relation to an act or an omission by an official in relation to an artificial reef even if that act was negligent. Our proposed amendment seeks to remove the exemption in cases of negligence. I move opposition amendment No. 9:

9. Schedule 1, item 76, page 26 (lines 19 and 20), omit “This section applies to the act or omission whether or not it was negligent.”, substitute “This section does not apply to the act or omission if it was negligent.”.

Senator HILL (South Australia—Minister for the Environment and Heritage) (6.24 p.m.)—I am opposing the amendment but I am just trying to work out exactly why—other than that it is proposed by Senator Bolkus. There is a presumption in that that is probably not quite adequate. I think I can recall a similar argument under another piece of legislation in terms of protecting departmental officers from liability, I think it was probably the legislation dealing with enforcement of NEPMs. I argued that, consistent with long-held practice and the sort of advice that Senator Bolkus would have received from Attorney-General’s when he was a minister, it is normal to exclude that liability. In the last instance I lost because the numbers were against me: nevertheless, I repeat the argument here. In order to demonstrate confidence in our officials I think that the provisions we have included should remain.

Senator BARTLETT (Queensland) (6.27 p.m.)—Whilst I was not the Democrat representative in that debate I do recall some of the arguments there. As the minister indicated that he lost on that occasion, unless he has new additional extra information as to why adopting it on this occasion may lead to somehow undermining the purpose of the bill as a whole, I think he might lose again, because I am certainly inclined to support Senator Bolkus on this amendment.

The TEMPORARY CHAIRMAN—The question is that amendment No. 9 be agreed to. Those of that opinion say aye—

Senator HILL (South Australia—Minister for the Environment and Heritage) (6.27 p.m.)—Can I have a last attempt. You had not quite got to the vote, had you? I just wanted to remind Senator Bolkus that the provision we have at the moment does require the official to have acted in good faith. So it is possible to be negligent but still acting in good faith. In fact I do not think we had ‘in good faith’ in the other piece of legislation, so we have introduced—as I recall it, compared with the last occasion—an extra obligation on the official to be saved by this clause, and that is that they must have acted in good faith. I wonder whether that extra requirement we have included might persuade either Senator Bolkus or Senator Bartlett to reconsider their attitude. Public servants have a hard job, Senator Bolkus, and I think they need encouragement and support. This chamber taking an
unreasonably hard position with them does not encourage a demonstration of confidence in them.

Amendment agreed to.

Senator BOLKUS (South Australia) (6.29 p.m.)—The next amendment basically applies the precautionary principle to the minister’s exercising of his or her judgment as to what ‘seriously harmful material’ might be under this legislation. My amendment was defeated earlier on—probably for good reason, the Democrats voted against it—but, before a minister can make a judgment as to what is ‘seriously harmful material’, what is proposed is that the minister must be satisfied that the material is capable of causing serious harm to the marine environment. What we would argue is that those words are inappropriate and the precautionary principle should apply. As a consequence I move amendment No. 10:

Schedule 1, item 77, page 27 (lines 3 and 4), omit “must be satisfied that the material is capable of causing serious harm to the marine environment”, substitute “must apply the precautionary approach contained in Article 3 of the Protocol”.

Sitting suspended from 6.30 p.m. to 7.30 p.m.

Senator BOLKUS—Just before the break I was explaining amendment (10) to the committee. Essentially what we are talking about here is an amendment to clause 77 of the legislation. That clause provides for section 41(3) of the legislation to read:

(3) Before the Governor-General makes a regulation prescribing material for the purposes of paragraph (b) of the definition of seriously harmful material in subsection 4(1), the Minister must be satisfied that the material is capable of causing serious harm to the marine environment.

As I said earlier, this mechanism is one that we discussed earlier on in respect of one of the opposition’s previous amendments, amendment No. 3, which related to what material would be classified as ‘seriously harmful material’ and what material would be on the action list under Annex 2. In that debate the Australian Democrats did not support the opposition amendment and, as a consequence, we do not have that correlation between what is required on the action list and what is defined to be ‘seriously harmful material’. However, we have a different aspect of the problem now, and that is the aspect of what the minister must take into account before he or she is satisfied that the material is capable of causing serious harm to the marine environment. As I said, the government’s provision is that for the material to so qualify:

... the Minister must be satisfied that the material is capable of causing serious harm to the marine environment.

The amendment from the opposition seeks to delete that provision and to replace it with an embodiment of the precautionary principle. As a consequence, we would change those words to read:

... the Minister must apply the precautionary approach contained in Article 3 of the Protocol.

We think that is the safest way to go. In doing so we recognise in what circumstances the precautionary principle is applied, and we think those circumstances make it even more compelling for the principle to be stated here. We also think it is more compelling that it be stated here because, one, it is the principle that is enunciated in Article 3 of the protocol, which states:

1 In implementing this Protocol, Contracting Parties shall apply a precautionary approach to environmental protection from dumping of wastes or other matter whereby appropriate preventative measures are taken when there is reason to believe that wastes or other matter introduced into the marine environment are likely to cause harm even when there is no conclusive evidence to prove a causal relation between inputs and their effects.

So we would maintain that by this amendment we are in fact incorporating in this domestic legislation the principle embodied in the protocol.

We also think it is important to hold the government to its word. Senator Hill has stated:

The protocol incorporates the precautionary principle—if there is any concern that a substance may harm the environment, it will not be dumped until testing has proven otherwise.

That is the minister’s own statement. And it should be said that this approach is not the approach embodied in this legislation, particularly this critical aspect of the legislation in proposed section 41(3), which in essence will govern, will dictate, what material can or cannot be dumped. So, for those reasons—for a true reflection of the protocol, to keep the government honest, and also to take the safe approach in respect of the marine environment—I urge that the Senate support this amendment.

Senator HILL (South Australia—Minister for the Environment and Heritage) (7.34 p.m.)—If Senator Bolkus is actually successful in this, we will end up with something that is less consistent with the objectives that he is seeking than more consistent. This is because, if you take out the obligation to be ‘satisfied that the material is capable of causing serious harm to the marine environment’, you take out the test—that is, the test that the minister has to apply in deciding whether it has serious consequences and, therefore, can incur penalties up to 10 years of jail.

So you could take that out and you could substitute it with a different test. But that is not really what Senator Bolkus has put in his amendment. All he has said is that what you must do instead is exercise the precautionary principle. The precautionary principle, expressed very loosely, is basically that if you are going to err, err on the side of incorporating more actions or more materials than otherwise. That is, firstly, inconsistent with the concept of the high penalty that attaches to ‘seriously harmful material’.

So, firstly, that is inconsistent, because with regard to a penalty of 10 years you certainly want a material that is clearly going to be seriously harmful, not that might be seriously harmful. It would be very poor legislation, I would have thought, if somebody potentially can commit an offence subject to a jail penalty of 10 years if the material is something that might be harmful but the minister is not quite sure so he adopts Senator Bolkus’s precautionary principle and includes it. It is a wrong principle in that regard.
Secondly, it is wrong because it does not provide any specific category against which the minister must judge the material. It just says that the minister must exercise the precautionary principle in making his or her judgment. So it seems to me that it is doubly wrong and, in fact, may not include the materials that Senator Bolkus would be wishing to include. Surely what Senator Bolkus is wishing to include is materials that are capable of causing serious harm to the marine environment, which is exactly the test or obligation which the government has included within the bill that is before the Senate tonight. It is a similar approach to the one Senator Bolkus took with some earlier amendments when he said, ‘we want a more expansive list rather than a less expansive list.’ We would argue that we have accommodated that by including penalties in relation to lesser products that may not be a serious material risk. In other words, there may be a lesser risk, and that is less certain—arguably even unworkable and unpredictable—but also something that is less certain, leaving in the requirement that the minister be satisfied but requiring the minister to apply the precautionary principle in reaching that satisfaction? The problem there is that the wording of the particular section as it exists says that the minister ‘must be satisfied that the material is capable of causing serious harm’. Would it be better to amend that to say that the minister ‘must be satisfied that the material may be capable of causing serious harm’ and applying the precautionary approach contained in article 3? I think this would incorporate the beneficial components of both phrases—having the precautionary approach in there whilst still specifying the serious harm component. Hopefully I have made some sense in trying to get the best possible outcome with the legislation we pass.

The TEMPORARY CHAIRMAN (Senator Crowley)—Senator Bolkus, do you wish to answer this now, or shall we hear from Senator Brown?

Senator BOLKUS (South Australia) (7.43 p.m.)—I think I can answer it now, and it might be an appropriate time to do so. I suppose it is a bit rich to suggest this but, in listening to the minister, I suggest that he does seem to be all at sea in respect to the arguments here. I say that because I did try to follow you, Senator Hill, and you raised a few points. The first point was essentially ‘what is the precautionary principle? Aren’t you trying to implant something which is vague and uncertain?’ Senator Hill, we only have to look to your words and to the protocol to see what the precautionary principle is. You are on the record as saying that the protocol incorporates the precautionary principle, and if there is any concern that the substance may harm the environment it will not be dumped until testing has proved otherwise. The words ‘if there is any concern that the substance may harm the environment’ are a reflection of the precautionary principle, as you have already stated. The protocol also states it, and it is worth repeating what is in the protocol. It states:

In implementing this Protocol, Contracting Parties shall apply a precautionary approach to environmental protection from dumping of wastes or other matter whereby appropriate preventative measures are taken when there is reason to believe that wastes or other matter introduced into the marine environment are likely to cause harm even when there is no conclusive evidence to prove a causal relation between inputs and their effects.

So you have it there as well. You then go on to argue that under the precautionary principle we may in fact be excluding substances which would otherwise qualify under the ‘seriously harmful material’ definition in your clause. Under your clause, the minister must be satisfied that the material is capable of causing serious harm to the marine environment. That is a much more difficult, much higher benchmark to reach than the one reflected by the precautionary principle. The precautionary principle says it is when there is reason to believe that they are likely to cause harm, even when there is no conclusive evidence. There is a broad discretion for the minister to include matters. It does not limit what can be included under your clause. In fact, it encapsulates all that. Let us face it, if there is reason to believe that the materials are likely to cause harm, even
when there is no conclusive evidence, that must cover the terms and implications of what you want. The minister must be satisfied that the material is capable of causing serious harm. If the minister must be satisfied, as the minister is satisfied, then you qualify and you reach the prerequisites of the precautionary principle in article 3.

I do not think you are saying to us that we are in a sense making it more difficult to list by incorporating the precautionary principle, that principle being more limited than what you are proposing. I do not think that stands the test. I say in respect of that that the impact of this particular provision that we are proposing is to give the minister more flexibility in cases of uncertainty. It is not beyond question that a ministerial decision, that exercise of discretion, to include something in the list by regulation or whatever may be challenged. Basically, that is what the test is there for. It must be satisfied. It provides a benchmark, a criterion against which the minister’s judgment and discretion are exercised. It provides that benchmark in cases where it may be challenged down the track.

You might say that its challenges may not be successful, but the court system has incorporated concepts of reasonableness and concepts of what is appropriate in all the circumstances to basically exercise ministerial discretion against. What we are saying is that, if you allow the minister more discretion in terms of what is covered by the legislation, then the minister has more latitude and the minister’s decision is legislatively more capable of successful defence in court by a particular vested interest that might be trying to challenge the ministerial inclusion of a particular item on the list. We are giving a minister more protection and more discretion.

Senator Bartlett, you ask, ‘Can we do both?’ I say to you that by incorporating the precautionary principle in the legislation you are covering what the government is seeking to include here for the reasons I explained earlier. If the minister has the benchmark of the precautionary principle to be judged against, then that benchmark does cover circumstances where the minister must be satisfied. If the minister is satisfied that the material is capable of causing serious harm to the marine environment, then that is itself covered by the precautionary principle. I say to you that we do not need both because the precautionary principle is all embracing. I say to Senator Hill, you have told us how the precautionary principle would operate in these circumstances. I think it is a bit rich for you now to come into the chamber and say, ‘I wouldn’t know how it would operate. It’s too vague and uncertain,’ when you are on the record as saying that the protocol incorporates it and as going on to say how it would operate.

Senator BROWN (Tasmania) (7.49 p.m.)—Yes, I think the minister might be at sea too, but I am not going to dump on him. I do want to follow up on what Senator Bolkus had to say because he is absolutely right. The precautionary principle, as outlined in this protocol, says, ‘If it’s not safe or you don’t know it to be safe, then don’t let it be dumped.’ This is actually a protection mechanism for the minister for the environment who means to protect the environment. It puts the onus on the dumpers, the people who want to discharge into the oceans, to show that material they want to discharge is not going to be harmful. It emboldens the minister to protect the environment by saying, ‘I have a duty to show this is safe. I transfer that duty to you, the person who wants to discharge into the ocean.’ It is a very simple mechanism. It does empower the minister. Any minister for the environment worth his or her salt would be backing this up. Indeed, the Minister for the Environment and Heritage was using this terminology just before the dinner break to argue another point. I will be asking some questions shortly about Basslink which are of course bringing in the precautionary principle too. I think it is odd, to say the least, that the minister for the environment of this nation of ours would not be wanting to entertain an amendment which not only brings in the precautionary principle but strengthens his hand in ensuring that the environment is looked after.

Senator HILL (South Australia—Minister for the Environment and Heritage) (7.51 p.m.)—I do not think that that is really the point, with respect. The starting point is really the regime of offences that we have set out in the bill. The highest category of those is where the material is, in terms of the bill, seriously harmful material, which, as I said before, can incur a penalty of up to 10 years jail. It is a very serious offence. Not surprisingly, therefore, there is a relatively limited prescription of what material is included. It is only relatively limited, I have to say, because the test of the minister being satisfied that the material is capable of causing serious harm to the marine environment is still relatively general in its terminology. Nevertheless, that is a clear obligation on the minister to be satisfied of that before he gives the advice to the Governor-General and before the regulation is made that causes that material to fall within the description of ‘seriously harmful material’, the dumping of which can incur a penalty of up to 10 years jail.

We are now being asked to replace that test with something that is far less precise than that and that is very general in terms. If one looks at article 3 of the protocol, it is simply where there is ‘reason to believe’ that the wastes are ‘likely to cause harm even when there is no conclusive evidence to prove a causal relation between inputs and their effects’. The attitude of the government is that, if you are going to attach a criminal penalty to an activity, it would be unwise to pick up that as the test that a minister must apply in determining whether or not the offence is of such a nature that that very serious penalty attaches to it.

To some extent, I do not think it has anything to do with the commitment to protect the environment. If Senator Brown looks at the offence provision, he will find there is a range of offences for differing activities. We are saying that the most serious of those offences that incur the potential of such a substantial jail period must be defined in terms of a very serious activity. To expect the minister to be
satisfied that that activity will cause serious injury to the marine environment is the minimum that one should expect. That is why we have drawn the bill in those terms. Despite listening carefully to the argument that has been put to the contrary, I think it would be most unwise in the extreme to seek to water it down in the way that has been suggested.

Amendment agreed to.

Senator BOLKUS (South Australia) (7.55 p.m.)—On list 1722, there are seven amendments which are consequential to the agreement by the Senate to amendment No. 2. These were the amendments that Senator Hill signalled earlier on as been necessarily consequential to the Senate passing that previous amendment. I seek leave to move them together.

Leave granted.

Senator BOLKUS—I move opposition amendments Nos 1 to 7 on sheet 1722:

(1) Schedule 1, item 12, page 5 (lines 27 and 28), omit “matter or thing”, substitute “controlled material”.
(2) Schedule 1, item 52, page 20 (line 16), omit “matter or thing”, substitute “controlled material”.
(3) Schedule 1, item 58, page 21 (line 11), omit “matter or thing”, substitute “controlled material”.
(4) Schedule 1, item 62, page 21 (line 22), omit “matter or thing”, substitute “controlled material”.
(5) Schedule 1, item 64, page 22 (line 16), omit “matter or thing”, substitute “controlled material”.
(6) Schedule 1, item 64, page 23 (line 26), omit “matter or thing”, substitute “controlled material”.
(7) Schedule 1, item 76, page 26 (lines 21 to 25), omit “matter or thing” (wherever occurring), substitute “controlled material”.

Senator BARTLETT (Queensland) (7.55 p.m.)—Given that these are consequential to amendment No. 2, which was passed earlier, the Democrats would support them. I did not speak to the other one in the interests of moving the debate along, but there was some credence in the distinction between ‘serious harm’ and ‘harm’ that the minister was trying to highlight. The value of incorporating the precautionary principle in the act is something that the Democrats believe is worth pursuing at this stage. The amendments we are debating now go to the issue of controlled material and specify a bit more precisely that it deals with controlled material. We have made an amendment already relating to that, dealing with artificial reefs. To ensure consistency, these ones are also required. Indeed, it was the minister who suggested that they be required so, unless he leaps up and suggests they will now trash the purpose of the whole bill, the Democrats would be wishing to support them.

Senator HILL (South Australia—Minister for the Environment and Heritage) (7.57 p.m.)—I have acknowledged that, having lost the debate before the dinner break, we need these consequential amendments to complete the package.

Amendments agreed to.

Senator BROWN (Tasmania) (7.57 p.m.)—At this stage, I want to ask the minister about page 5 of his second reading speech and the reference there to Basslink, which is the cable proposed to link the mainland with Tasmania’s hydro-electric system and to have the flow of electricity in both directions. The chamber might know that, just a week or so ago, the tender was let to National Grid International of London to construct Basslink. That is referred to as pending in the minister’s second reading speech but now has become a matter of fact. On behalf of many people in Tasmania, and a good few in Gippsland as well, I am concerned about the impact on the environment, the economy and the social fabric of people living on both sides of Bass Strait.

There appears to be inherent in these amendments to the Sea Installations Act a smoothing of the way for Basslink. From the minister’s speech, I understand that is to secure the trigger for environmental impact assessment. But I am intrigued by that, because the press reports say that an environmental impact assessment is already under way and that the company—that is, National Grid International, which is based in London—is simply going to take up that impact statement insofar as Aurora Energy, the Tasmanian hydro-electric commission, has taken it and to continue from thereon. I would first like to know the status of National Grid International in the go-ahead for Basslink and in doing the environmental impact assessment and where that environmental impact assessment is up to.

Senator HILL (South Australia—Minister for the Environment and Heritage) (8.00 p.m.)—The governments of the Commonwealth, Victoria and Tasmania agreed to a joint cooperative process through a memorandum to assess all environmental aspects of the proposal. Now there is a preferred proponent, that process will go ahead and out of it there will be advice to government about the environmental consequences.

Senator BROWN (Tasmania) (8.00 p.m.)—The minister maybe did not quite hear what I asked. I asked: who is going to do the environmental impact assessment and at what stage is it? I have read the press reports stating that it is already under way. I understand that the hydro-electric authorities in Tasmania, now called Aurora, have been over it. Some are looking at the Gordon Splits and the Gordon Gorge, where there is a very big potential environmental impact if Basslink proceeds. The minister will know that there has been nothing short of a furore in Gippsland over the prospect of 50 kilometres or more of power cable extensions across the countryside. There are indeed questions about the impact on Bass Strait itself. In short, my questions are: at what stage is the environmental impact assessment and who has been doing it; if National Grid International is to take it up from here, what is NGI going to study; and what are the parameters of this environmental impact assessment?

Senator HILL (South Australia—Minister for the Environment and Heritage) (8.02 p.m.)—The memorandum was signed some time ago. The designation took place in June last year. On 23 June
Basslink Pty Ltd was designated under the EPIP Act in anticipation of a Commonwealth action under the Sea Installations Act. On 21 August 1999 I determined that an EIS was required under the EPIP Act on the Basslink proposal. As I said a moment ago, a joint process of assessment was negotiated involving the three governments because that struck us as sensible practice. For a link that is going to start in Tasmania, end up in Victoria and pass through areas of Commonwealth responsibility, it struck us as sensible practice to have the three governments cooperatively involved in the process. That memorandum, as I recall, was signed some time ago. I would not have thought there would have been a lot of work done under it so far because the preferred proponent and the details to be ultimately assessed have only just been announced. There may well have been preliminary work done. Certainly, as I recall, the memorandum provides for the setting up of an advisory group, which I understand has already been set up because I had to agree to the Commonwealth representative on that group. That representative is an able and experienced person who was appointed by us for that purpose. I have not seen—I think I am correct in saying this—any preliminary results. All I have seen so far is basically the structure and process, but that is what I expected. I did not expect detailed work to be done until the preferred design was out there to be assessed and until the preferred proponent had been named. I will check and see if it has progressed any further than that, but I would not expect it to have done so.

**Senator BROWN** (Tasmania) (8.04 p.m.)—I thank the minister for that. I now ask if the guidelines for the environmental impact assessment are publicly available and, if so, whether the minister would make those available; whether the impact on the World Heritage Area in Tasmania is a component of the environmental impact assessment; if the minister is aware of the provisions in World Heritage legislation vis-à-vis projects outside the World Heritage Area which impact on the World Heritage Area; and what the situation is with such projects given that Basslink will impact on the World Heritage Area in Tasmania.

**Senator HILL** (South Australia—Minister for the Environment and Heritage) (8.05 p.m.)—As I understand it—and again I will check this and I am happy to come back to you; there are no secrets in this—the draft terms of reference are being prepared at the moment, so the full coverage of the EIS process will evolve from those terms of reference. I understand that the plan is for the draft terms of reference to be put out for public consultation. Certainly my expectation was that aspects of the World Heritage properties would fall within the inquiry that is to take place. One of the issues concerns changes in the holding regimes of the various lakes that feed into the system because, as I understand it, with the full utilisation of Basslink the water management practices would be significantly different from what they are at present. But, as I said, if I am correct in saying that the draft terms of reference should be available soon, we will all be somewhat enlightened as to what is proposed. If we think they need to be further expanded, we will have sufficient influence to ensure that that occurs.

**Senator BROWN** (Tasmania) (8.07 p.m.)—I thank the minister again for that answer. I take it from his comment that the draft terms of reference are not yet available that, in fact, the real environmental impact assessment process is not under way as yet. I ask him to comment on that. I ask if he has at least a rough outline of the time line for this environmental impact assessment. I also ask whether the impact assessment simply looks at amelioration of environmental damage that may come from Basslink or the assessment is to see whether or not Basslink is tenable itself—that is, if there are environmental reasons as to why it should not go ahead at all.

I am concerned that the tender has been let for this quite massive operation costing $½ billion or more for a 600-megawatt cable. That seems to be a pretty far advanced process, but the environmental assessment is not yet under way. We all know that if you are going to have environmental probity then you ensure that you know what the environmental impact is before you proceed with a project. In short, the question that then arises is: is the environmental assessment dinkum as we have had the tender let out for a project before the environmental assessment even gets under way?

With regard to the world heritage area in Tasmania, the committee would want to know why this cable which was mooted to be 300 megawatts has now been expanded to 600 megawatts. The reason for that is not immediately obvious, because there is not going to be a requirement for 600 megawatts to flow from the mainland to Tasmania. We have hydro-electric potential to meet our needs. The only reason for this could be 600 megawatts flowing from Tasmania to the mainland to meet peak needs. That draws up the question of what is going to happen at Lake Pedder and at Strathgordon and in particular at the Lower Gordon Scheme where there are three turbines that have been there since the scheme was opened in May 1979 providing an annual average of 184 megawatts of power through the turbines being opened and the water flowing from the dam down into the Gordon Gorge system to meet Tasmania’s needs. There is provision underground in that station for another two turbines. It would appear that this configuration of 600 megawatts is clearly aimed at implanting the extra two turbines so that, when Melbourne needs a rush of power on cold winter mornings or when people are going home at night to cook their dinners, all five turbines can be turned on to meet that peak load.

There is no disputing that that would have a massive impact on the most spectacular riverine gorges in Australia—the Gordon Splits below Abel Gorge and below Gordon Gorge—not only in terms of a massive flood surge going down the river twice a day with the river being basically dry the rest of the time but also in terms of the water that comes from the dam that will go through those turbines. It is deoxygenated and very cold, high in sulfur and...
deadly to the ecosystem of the river. From the turbines that are there at the moment, there has been death to the ecosystem below the dam for some kilometres. But this will push the risk of destruction of the ecosystem much further down the river. It is called thermal toxicity or thermal pollution; it is quite deadly to ecosystems.

Moreover, this new change of flow in the biggest flowing river in Australia, the Gordon, will very likely have an impact right down the river to its mouth in the Macquarie Harbour upon which one of the biggest tourist industries in Tasmania—that coming out of Strahan—relies. We have known since the days of the Franklin blockade that the impact of fast moving cruise boats on the lower river has been very detrimental to the river. In fact, the minister will know that the management plan for the world heritage area prevents these vessels from moving at more than seven knots at the moment because of the potential damage. But it was always known that the fluctuation in the river caused by the dam upstream releasing water and then holding it back—in other words, artificially creating a greater number of flood surges going downriver—had compounded that problem with the riverbank and the washaway of the riverbank along this majestic tourist attraction. Obviously, there is going to be a need for a very big assessment of the impact of Basslink on that.

There are in the forests adjacent to the Gordon River some meromictic lakes, including perch lakes. These are away from the river and at a different level, but they depend very much on the level of the Gordon River and its historic flow and on the salinity coming up the Macquarie Harbour in the summer months as well as the washout that occurs during the wetter winter months. There has been quite a bit of work done on those lakes and their salinity and on the rare organisms that grow in them, but the impact on those lakes will need to be known as far as Basslink is concerned.

I raise this before the committee and the minister because it is London to a brick on, but nobody has even thought about it, nobody has looked at it. Potentially, these are complex but massive environmental impacts on the world heritage area which the minister company-manages with his Tasmanian opposite number. It is very important that we be well informed about how clearly and how well this environmental impact assessment will proceed. I understand that the environmental impact assessment will not be done by the federal government, nor will it be done by the state government who might be seen to have some independence. It will be done, in fact, by the proponent—that is, the London based National Grid International. That of itself would concern me and many other environmentalists around the country greatly.

**Senator Hill**—But that is the scheme of the eco impact. It is always the case.

**Senator BROWN**—Yes, the minister says that it is always the case, and it is something that has always needed changing. One of the things wrong with environmental impact assessments in this country is that the person who is about to create the damage does the assessment. It has never been satisfactory. It always should have been the case that that assessment had to be put in the hands of an independent study group and paid for by the proponent of the scheme.

On the other side of Bass Strait, it is perhaps better known that farmers and environmentalists in Gippsland are enormously worried about the visual and other impacts of the power cable going across the landscape from where it emerges from Bass Strait to its link-up with Loy Yang and the brown coal power generating system in Victoria. That in itself will require a lot of assessment. But Mr Vertigan, who has had control of the Basslink board thus far, has said that Basslink will not meet the requirements of the farmers and other people in Gippsland by putting the cable underground. It is not that that is not possible, it is just that it is expensive—and the expense would count Basslink out, according to Mr Vertigan. But you see, Chair, here we get to the crunch: are expense factors making the environment dispensable? On the face of it, the answer is yes, as far as the cable is concerned. We have to ask where that process will stop.

I have some particular concerns, however, about what goes on in the middle—that is, what goes on in Bass Strait itself. I ask the minister whether he could confirm to the committee that this will be a monopole cable—that is, a single strand. That is very important to the environmental impact on the Bass Strait environs through which this cable will flow because, if that is the case, there will be many more significant impacts—for example, on the shark fisheries of Bass Strait and on other wildlife in Bass Strait. I want to know what the assessment of impact is on whales in Bass Strait in a monopole situation where the electric current comes back through the ocean against a two-way strand where the electric current comes up one way in the wire and goes back in another. I am being very discourteous to the Chair in trying to make that a very simple explanation. I do not mean to be rude, but that is all I understand about it, Chair. But the minister will know a lot more than I do and will be able to correct me where I have oversimplified that. I would ask the minister also to confirm whether the EPBC bill, in so far as it relates to marine areas, will also be a trigger for the environmental impact assessment.

**Senator HILL** (South Australia—Minister for the Environment and Heritage) (8.19 p.m.)—Chair, that was an interesting speech but, with respect to Senator Brown, it was largely premature. Whether or not his somewhat alarmist scenario is justified will be apparent through the process and outcomes of the environmental assessment process. Some of us believe in not prejudging these processes, otherwise there is no point in having them. It is true that this is being done in the way in which thousands of other environmental assessments have been done within the structure that is set up under the Commonwealth legislation. That is that the proponent is responsible for the environment
assessment statement and that that document will include the full details of the scheme and any environmental consequences that will attach to the scheme—and this is subject to the terms of reference. But I would expect the terms of reference to be sufficiently broad as to cover any issues relating to changes in water flow, any issues relating to additional turbines—and this is the first time I have heard that suggested—exactly how it would operate, the form of cable that is being assessed and the method of transmission across Victoria. All of this has to be set out on a factual basis in the EIS document, and then it needs to include an analysis of the environmental consequences of all relevant activities.

The answer to Senator Brown’s concern that the person who prepares this document has a vested interest is that the document is not the end of the process. What I would expect is that the document would then be put out for a period of public consultation. Through that, there obviously would be community input and the sorts of concerns he is addressing would be publicly raised. It is also assessed by my department and, obviously in this instance, assessed particularly under the joint arrangements that have been set up and that this joint body will commission whatever independent work that it requires.

That will be incorporated, I would expect, within an initial response which the proponent would then take into account as the proponent will be invited to again address the draft and then come back with a final report. That final report would then be assessed by the joint process and recommendations will be made to governments. The purpose of the whole exercise is to ensure that the full environmental consequences of the project are properly understood and therefore can be properly taken into account in the final decision making processes of government. So Senator Brown, I would respectfully submit, is premature. He would do better to wait until the draft document is available when the full detail of what is proposed, as opposed to the detail that was incorporated within the tender documents, will be publicly stated by the proponent and a full environmental assessment can then be made of the proposition.

In relation to the application of the new Commonwealth legislation which will come into effect after July, I would need to take the question of interpretation on notice. I think that the transitional provisions within that legislation will come into play and it will not require a new process, rather it will be a continuation of the process that had commenced under the old legislation before the commencement of the new. What I would propose to do, in case I have misled Senator Brown in any way tonight, is to have these various matters clarified overnight and, if there is anything that I should put on the record to expand or clarify what I have said without notice tonight in relation to the environmental assessment process itself, I would put that on the public record at some convenient time, probably after question time tomorrow.

Senator BROWN (Tasmania) (8.25 p.m.)—I thank the minister for that. I remind him that I have asked also about whether the world heritage provisions of the new legislation would be involved in the triggering of this environmental impact assessment as well as the marine provisions. I would add to that a request that the minister look at whether the greenhouse impact of Basslink is going to be incorporated in the assessment and whether there is a plus or minus there, a benefit or a detriment, as far as Tasmania is concerned.

Just to go back to the impact on the Gordon River world heritage system, the minister may also be interested to learn that there was a proposal some time ago that there be coffer dams built below the middle Gordon dam so that when the water is released in a great rush to meet Melbourne’s peak needs it is stored in the coffer dam, pumped back up in baseload using thermal power coming back down the cable, and then released again, as happens in a good many power systems around the world. You use the off-peak power to help top up peak load times. Both the Premier of Tasmania, Mr Bacon, and the chief officer of the Hydro Electric Commission or Aurora, Mr Rae, have in recent days, certainly in recent weeks, ruled out coffer dams below the middle Gordon scheme. These would have to be built within the world heritage area and that would lead to some concern in itself.

We are left with an assurance that they will somehow be able to manage a flood surge from five turbines suddenly turned on at 6 o’clock and turned off at 8 o’clock, morning and night, which cannot be done. We are left with an enormous environmental question hanging in the air, and I do not believe it is a soluble environmental question at that. That brings me back to the minister’s reassurance that at least some of us—I believe probably he meant people not of an environmental inclination—do not believe in prejudging the processes. But this process has been prejudged. A tender has been let to a company in London, which is the finalist out of three entries, to go ahead with this scheme and to do an environmental impact assessment along the way. I ask the minister: can he give the committee the circumstances in which this environmental impact assessment will stop Basslink going ahead?

He is not going to say there are any. That is because this is fake environmentalism. When the minister says to us that this assessment will look at the full environmental consequences and assure us (1) that they are properly understood and (2) that they are fully taken into account, you wonder what the point is. You do an environmental impact assessment to make sure the environment is not damaged by a project like this, but there is none of that from the minister. Right from the outset, it is to properly understand and take into account—read ‘greenwash’. This is an environmental impact assessment process which is nuisance value to the proponents, to the Bacon government of Tasmania and to the Howard government here in Canberra. It is not dinkum.
It has been done after the tender has been let with much razzamatazz. That is not the way responsible environmentalists believe governments should act. If I am wrong, the minister might come back tomorrow with an outline of the circumstances in which an environmental impact assessment is going to stop this project from proceeding. One of those I believe should be the sort of impact I have outlined on the fabulous Gordon River system. I do not have faith in this process. It will set me back on the road towards having some faith in it if the minister can give an outline of the impacts that would cause him to give the thumbs-down to this project.

I should just say that there is much more than the environment at stake. The London based corporation, National Grid International, which has now been given the go-ahead for this project, will know what it is going to get for the cost of power coming out of Tasmania and what it is going to sell it for, and vice-versa: the cost of the power coming from the mainland and going to Tasmania. It is in this because, sensibly, it is in the business of making money. It will not have entered into Basslink unless it knows what its costs are and what it can make out of it and unless it feels confident that it is going to make a profit. It knows what the figures are.

The Bacon government in Tasmania is not being open and honest with the Tasmanian consumers—the half million Tasmanians who have a stake in this issue. It is refusing to give those figures. I ask the minister here to provide this committee with those figures or to undertake to do so: that is, the pricing of the electricity that is in the proposal put forward by National Grid International. I will tell you why those figures have not been given: the price is going to be way below the cost of electricity charged to Tasmanian farmers, shopkeepers, tourist operators and householders. It is going to get power dirt cheap, subsidised by the people of Tasmania, and sell it at a premium—calling it ‘green power’—onto the mainland market. That is where the profitability of Basslink is.

It is going to be a regressive move for the Tasmanian economy which can ill afford it. The money is not going to stay in Tasmania. The profits are going to go to London. This corporation is eyeing off part of the grid system in Victoria. It is doing so because it wants to complement the Bass Strait cable and it wants to make money out of it. In Tasmania, the thing that compounds this is, looking at hydro-electricity, you accept that hydro-electricity is clean, green power. I never did because the flooding of river valleys means suffocation of whole ecosystems behind them, but once that is done it is water falling from the skies, going down rivers, turning turbines and then flowing through to the sea. At least you do not get as much atmospheric pollution, although quite a lot of greenhouse gas comes out of these storage lakes as the massive amounts of vegetation underneath slowly rot and bubble to the surface.

Tasmania desperately needs the image of clean and green for its food produce, for its designed based goods and for its tourism. And here we are selling it on the altar of the cargo cult: ‘Bring in Basslink and it will fix all our woes.’ It will not. We are now going to be importing dirty thermal power—the villain of global warming—into Tasmania in exchange for this premium label: clean, green power being sold onto the mainland market at a profit by a foreign multinational. The whole thing is bad for Tasmania, whichever way you look at it. I do not want to misquote Mr Vertigan on this, but he has said, in effect, that Basslink of itself creates no jobs, so you cannot even use that argument. What it will do is lose jobs for Tasmania because it is going to mean, as I said earlier, Tasmanian businesses subsidising this multinational selling cheap power onto the mainland grid. We do not have the political clout to fight against that in Tasmania. It is a big economic, social and environmental mistake for Tassie, my home state.

We are going to hear a lot more about this as we go down the line, but I would equate this project as being another bulk power user coming into Tasmania, using the resources and sending them out, along with the profits. It is Comalco arriving 40 years down the line. It is going to get this power at a bulk rate, and so far it is secret—the same as Comalco, Pasminco and North, the woodchipping corporation—and it is going to sell it at a premium. The last people to find out about this are the shopkeepers in Launceston, Devonport, Queenstown and Hobart, who are paying 16c or 17c a unit for their power while the bulk consumers get it for 2c, 3c or 4c a unit.

Whichever way you look at this, it has enormous penalty clauses for the people of Tasmania. What has happened here? The Howard government, the Bacon government and this multinational corporation based in London have got together and the tender has been let with no public debate and no explanation of the ramifications to the people in Tasmania, let alone the people worried about the environment in Gippsland. We are going to hear an enormous amount about this project before it is through. I think the power of the two governments and this multinational can force it through before the public awakens to the detriment that is going to occur. In my role as a Green senator for Tasmania, it would be irresponsible to do otherwise than to try to awaken people to the problems with this project, and I will take every opportunity that I can to do so.

That said, I understand that the minister has perhaps not looked at this as closely as I have, but in good faith I ask him to do so. I am grateful that he is going to at least supply some more information to the committee or to me as a result of looking at this overnight, and I would be very happy to talk with him further about the ramifications of this project as I see it. I do hope that the environmental impact assessment, for what it is worth, will cover all the matters that I spoke about tonight and, indeed, go much further than that. I finally say to the minister: if this is to be a dinkum proposal, he will know where the bottom line is and he will know what the parameters are that will cause this project to fail if it is against the interests of Tasmania.
Senator HILL (South Australia—Minister for the Environment and Heritage) (8.38 p.m.)—There were a number of issues raised within that speech, but the concept of selecting a preferred tenderer before the environmental impact assessment process takes place is not at all unusual. I presume that the tender document has within it the obligation to accept the environmental assessment structure and process as had been previously agreed by governments and, in fact, as had been set up before the preferred tender was let. Obviously that would be the case because that is the way in which it has been structured. As I said, governments agreed the best way in which to conduct the environmental assessment process some time ago.

The EIS process was always recognised as a critical component of the total development, and I can remember a previous Tasmanian government coming to us and making that clear a long time ago. The environmental assessment process, as I said, has the objective of giving advice to governments, and the advice may be that modifications are required. In extreme circumstances, an EIS process can lead to a bottom line that there is an environmental downside so great that the economic benefits do not outweigh that environmental damage. But it is simply premature to speculate at this stage on the outcome of a process which is only just commencing.

But everything I have seen and everything I have been a party to evidences that this will be a comprehensive process. It will be a transparent process. I know some of the experts that have been brought in to assist the process and they are the best available in Australia. I have great confidence that the environmental issues to be addressed will be clearly set out within the final environmental assessment documentation, and then, of course, decisions have to be made on that basis.

I understand that Senator Brown, as a Greens senator, would be concerned that there might be environmental detriments. We are all interested to ensure that the full environmental consequences are properly understood before final decisions are made. I am sure that there is nothing in the tender process that in any way undermines that responsibility. Nothing has a consequence of overriding the discretions of government to make final decisions in relation to the environmental consequences when they are fully understood.

I was surprised to hear Senator Brown’s assessment of the total process because we the Commonwealth saw merit, in principle—in principle, I stress—because it seemed to us from a national perspective to be potentially a more efficient usage of the energy that is available. Contrary to what Senator Brown said, as I understood it, it was basically Tasmania selling its green power into a period of high demand—the peak loads in Victoria—and, therefore, getting a premium price for it rather than a discount price and buying in the cheaper base load from Victoria to complement that and thus ending up with the two states having a more efficient energy outcome. But all of that will become apparent through the EIS process. I do not know the pricing structure or what has been made public on pricing structure, but I will inquire and see if there is anything I can provide in that regard.

Certainly, as I have conceded to Senator Brown, I am expecting water management issues as they affect the world heritage area to be included within the assessment process, and I would certainly expect greenhouse consequences to be included as well. Whilst recognising Senator Brown’s concerns, I would urge that judgment be left until we have all the information on the table and can therefore reach more informed conclusions than are available at the beginning of the process, which is where we really are at the moment.

Senator BROWN (Tasmania) (8.44 p.m.)—I ask the minister if he would provide the Senate with the tender documents and if he would provide the Senate with the successful tender and the document that outlines that successful tender.

Senator HILL (South Australia—Minister for the Environment and Heritage) (8.44 p.m.)—I am happy to provide whatever I can. There may be aspects of the tender document that are commercial-in-confidence. Senator Brown probably knows that from his Tasmanian connections better than I do, but I will inquire as to what can be made publicly available.

Bill, as amended, agreed to.

Bill reported with amendments; report adopted.

Third Reading

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

YOUTH ALLOWANCE CONSOLIDATION BILL 1999

Second Reading

Debate resumed from 27 April 1999, on motion by Senator Ellison:

That this bill be now read a second time.

(Quorum formed)

Senator CHRIS EVANS (Western Australia) (8.48 p.m.)—In rising, I first apologise to the listeners of radio 5DN in Adelaide for leaving quickly to attend the chamber. I wish to speak tonight to the Youth Allowance Consolidation Bill 1999. This bill contains technical changes of a mildly beneficial nature and serves to incorporate three pieces of subordinate legislation from the 1998 youth allowance legislation package into the Social Security Act 1991. While the opposition is broadly supportive of this consolidation exercise, we are seeking to amend those provisions which lower the benefits available to some young people and place further financial pressure on their families.

The opposition is concerned to ensure that this bill does not disadvantage youth allowance recipients and further shift the burden of support to the shoulders of low income families. Under the guise of mutual obligation, the government continues to build a tougher world for young people undertaking education and training or engaging in the difficult search for work. We are opposing.
changes in the bill that tighten the screws further still.

I turn to the specific issues in the bill. Three of the bill’s five schedules seek to incorporate into the Social Security Act youth allowance provisions currently contained in two disallowable instruments and one set of regulations dealing with aspects of Austudy. The opposition has always argued that, for the sake of clarity, these measures should be included in the one act so we support the thrust of this move.

Schedule 1 will allow easier access to fair concessions, a provision the opposition supports. Schedule 2 repeals the social security financial supplement scheme 1998, a disallowable instrument, and replaces it with similar provisions in the act. The scheme allows tertiary students who receive youth allowance, Austudy or the pensioner education supplement to exchange some amount of their benefit for a loan of twice that amount.

Schedule 3 transfers the family actual means test regulations into the act. While the schedule leaves the means test largely unaltered, there is one change that may be unfair in our view in practice. The family means test applies to students who are not deemed to be independent of their parents. In such cases, the means test is usually applied to the parents’ taxable income. However, in certain cases, such as where a parent has an interest in a company or is self-employed, taxable income may not reflect the family’s true means and the actual means test may apply. The actual means test assesses total savings and expenditure of the family.

Under schedule 3, the question of whether the actual means test should apply is determined by reference to the base tax year—that is, the last tax year—regardless of whether this is the year during which the actual means are to be assessed. Although this proposal reflects the old Austudy regulations, the opposition is concerned it could prove unfair in the following circumstances. For example, the parents of a youth allowance applicant might have owned a company until January 1999 when they sold that interest. Under the proposal, they would be subject to the actual means test in 2000 on the basis of an interest in a company they have not had for 12 months even if they have been assessed on their expenditure in the 1999-2000 tax year. The opposition intends to move an amendment to restore the status quo so that persons in these situations will not be disadvantaged.

I note there have been some discussions with the government late this afternoon regarding our concerns about schedule 3 of the bill and that the government argues that those are unfounded. We have flagged this issue since the debate in the House of Representatives in March last year, and we have not as yet had a chance to fully understand the government’s objections but, with the cooperation of the minister, I have arranged to have some further discussions about that before we move into the committee stage. I think that might help the Senate transact the business more effectively than we perhaps have on some recent bills when we have been arguing about what we mean rather than about the principle. So I appreciate the minister’s cooperation in that, because we are anxious to have the debate about the principles involved rather than any misunderstandings we or anybody else might hold about the effect of changes.

Schedule 4 makes it easier to establish independent status for young job seekers. The opposition supports this measure. However, this schedule also seeks to make changes to the benefits of young people with disabilities by aligning the disability support pension with youth allowance rather than the Newstart, which is the situation at present. Some people would gain from this change but others would be disadvantaged; and we intend to move amendments to ensure that no-one is made worse off. In particular, I am concerned about disability support pensioners between the ages of 18 and 21 who have dependants. Again, we are happy to discuss that measure with the government before we move into the committee stage.

The opposition will also seek to amend the provisions in schedule 4 that change the family allowance income test. Currently, family allowance begins to taper out once income reaches $23,550 per annum plus $624 each for every child who is deemed to be a family allowance child. This bill would stipulate that only children under 18 years of age could be so deemed for the purposes of the income test. We think this is another example of the government’s harsh treatment of families who are forced by the youth allowance system to support their adult children.

Schedule 5 would also cause a loss of benefits for some young people. The objectionable provision concerns payments made under the Farm Household Support Act 1992, exceptional circumstances relief payment, and the restart income support payment. Again, this schedule would align these payments with youth allowance rather than Newstart for persons of youth allowance age, resulting in a reduction in entitlement.

In terms of Labor’s attitude to the Democrats’ amendments I wanted to flag in the second reading debate that we only received those amendments very late and have not had a chance to consider them in detail. We would be happy to have a bit more of a consideration of those amendments. But we are inclined to not make major changes to the broad social security approach in a minor technical sort of bill. We do not see that this is the vehicle for some of the changes that are being proposed. Some of the amendments proposed by the Democrats are supported by Labor’s general position and will be taken up as part of our broader approach to reforming both the welfare system and putting in place our Knowledge Nation policy framework. However, we would rather do those in our own time rather than in the context of what is a largely technical bill. Indeed, we are concerned that some of the Democrats’ amendments do not take into account the full financial impact, the precedents they may set or the inconsistencies that might arise in terms of other areas of the social security system. So I want
to emphasise the point that our rejection of some of these amendments in no way signals an intention not to address some of the issues they raise but that we are concerned that this may not be the place and we may need to make our approach to some of these issues in a much broader way than merely looking to amend this bill. As I say, I will have a broader discussion of that during the committee stage, and I would also like to have some time to have a closer look at the Democrat amendments which I received only this afternoon.

I do not want to lose sight of the fact that the current form of youth allowance is a product of the coalition government’s obsession with reducing costs at the expense of all other goals. Labor is committed to achieving the best system for students and young people—one that is considered and therefore effective. The opposition intends to move to amend provisions in this bill to prevent any reduction in benefit. As I said, we are prepared to have further discussions with the government to ensure that there are no unintended consequences and that we are agreed about the impact of amendments so that, if there are in-principle issues about which we cannot agree, we debate those issues rather than get caught up in a debate about what particular amendments mean or what unintended consequences may be caused by particular amendments.

I wish to conclude by noting that the government’s youth allowance legislation package provides important lessons about what we do not want to see in the government’s welfare review. If the youth allowance changes were to be used as a prototype, then welfare reform will be shorthand for reduced payments, punitive measures and a withdrawal of government responsibility for the education and training of young Australians.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (8.57 p.m.)—I preface my remarks on the Youth Allowance Consolidation Bill 1999 by acknowledging the comments made by Senator Evans in relation to the Democrats’ amendments, but I do wish to point out for the record that we did contact the shadow minister’s office on Friday with the intention of explaining what we were going to do with our amendments, and we received the ALP’s amendments this morning. But having said that, I still think we would all benefit from time to analyse some of the proposals before us. I think that is a consequence of this bill coming on a little earlier than was anticipated.

I also acknowledge Senator Evans’s comments that in some ways this is a technical, perhaps housekeeping bill. But that still does not stop us from using this opportunity to correct some anomalies that may be part of this legislation or to make the schemes fairer in a way that this bill does entitle us to do. In an attempt to achieve that purpose the Democrats have signalled that we will be moving certain amendments, some of which have been around for a while now, given that some of the debates we will have during the committee stage on this bill mirror those we had during the introduction of the legislation in relation to the youth allowance.

This bill makes a number of minor amendments to the Student Financial Supplement Scheme, fares allowance and the family actual means test concerning youth allowance, Austudy and the Student Financial Supplement Scheme. In 1997 the youth allowance merged all income support for young unemployed people under the age of 21 years and full-time students between the ages of 16 and 24 years into one payment. This concept was seen as having some benefits, and certainly in many cases it has been pleasing—and the Democrats certainly acknowledge this—to see a more streamlined approach. And in some cases positive measures, such as some categories of students being able to access rent assistance, have been welcomed by the Democrats and of course by young Australians who have been able to access those entitlements.

This bill completes the transition of student income support legislation from the DETYA legislative practice to the DSS legislative practice. It incorporates two disallowable instruments and one set of regulations dealing with aspects of Austudy into the Social Security Act 1991. The Democrats welcome the incorporation of the practices of the DSS to ensure that legislation regarding social security is presented in plain language and does not rely unduly on delegated legislation. Certainly one of the failings that we would have nominated quite clearly with the Austudy and students’ assistance legislation prior to the introduction of the common youth allowance was that heavy reliance on regulation.

This bill has been described as a housekeeping bill, as I mentioned, with few real amendments. However, the Democrats do believe that there are many issues that we need to address before the youth allowance house is put in order. These include anomalies such as the student age of independence, which we believe is set at a ridiculously high level of 25 years. It has placed an undue burden on families of students who are treated by this government as dependent upon the parental income to support them throughout their studies. We do not support—we never have supported—the notion that students can or should be dependent upon their parents until the age of 25. Once again, the Democrats will seek to lower the age of independence. That is one of our amendments. Indeed, we have tried a number of times, without success, to achieve that.

One of the government’s claims is that under the common youth allowance students are the big winners, yet this legislation fails to recognise—and I think the government has failed to recognise this—that one of the most vocal campaigns for students on Austudy has been for them to access rent assistance. Under youth allowance students can qualify for rent assistance, but the anomaly is that under Austudy the same rules do not apply. The Democrats will move an amendment to allow students on the Austudy payment to access rent assistance. Students under the age of 25 on youth allowance can access rent
assistance, yet those of more than 25 years of age on Austudy payments cannot. I fail to see how the government can justify what appears to be a double standard.

The Democrats note that the concessions to full-time students provided under the previous Austudy scheme have not been transferred to the youth allowance with regard to the definition of full time in relation to concessional rates and special circumstances. Again, we will be moving amendments to this bill to recognise that, for a variety of reasons, students may need to undertake less than a full-time study load. These reasons of course can include personal circumstances, disability, illness or academic requirements.

Under the previous and current Austudy scheme two concessions—66 per cent and 25 per cent—were provided so that students who met certain requirements continued to be seen as full-time students. Under youth allowance these students are no longer regarded as full-time students. As part-time students they may retain eligibility for youth allowance and may even receive exemption from completing other activities. However, they lose the additional benefits that come with being a full-time student—for example, the higher income free area, the income bank and access to the supplement loan. The loss of these benefits may disadvantage some students, particularly those who are restricted by their course structure and, through no fault of their own, are unable to maintain a full-time load.

I note that there are cases where the lack of defined concessions for students are of benefit and this has allowed Centrelink to be more flexible to those students who are studying just under two-thirds so that they can maintain payments. Certainly that is something we recognise and support. However, this flexibility needs to be built upon for all tertiary students not just those that are under the age of 21 years.

Another inconsistency between the youth allowance and Austudy payments which has come to our attention and which the Democrats again will seek to rectify are the progress rules. The Austudy payment has retained what are known as the time spent rules—that is, the period of study a student can undertake and maintain eligibility for assistance. This is usually the minimum length of the degree plus an additional semester and has traditionally, I think, been extremely harsh for many tertiary students who may start a course that for a variety of reasons they are not suited to or for whatever reason they are unable to complete. Many students have found that they lack income support for their final semester of their degree. Some students have consistently overloaded in order to reduce their time.

The youth allowance has a more acceptable approach to this issue. The current guidelines state that there are no legislative limits on the number of courses that can be undertaken at any one level, and this has been of enormous benefit to students under the age of 25. Again, the Democrats recognise that as a positive aspect. However, there may also be students over the age of 25 who are in receipt of Austudy payments who still find themselves facing no income support in the same scenario.

I note that currently under youth allowance it is possible for some studies towards a masters or a doctorate to be incorporated into an activity agreement. Again, this highlights the new divide in student financial assistance based solely on age. The inaccessibility of Austudy for students undertaking masters courses has long been a source of frustration. This frustration is compounded by the fact that students who are undertaking masters coursework studies are ineligible for scholarships. For example, at the Flinders University in my home state of South Australia Australian postgraduate awards with stipend and Flinders University research scholarships are only allocated to students undertaking higher degrees by research. Yet many masters qualifications are required as a minimum qualification to enter into a specific profession. With rising employer expectations students are typically discovering that they require these qualifications just to be competitive in the market, even if a masters level is not a direct prerequisite for a particular position. Many mature age students who may have gained qualifications some time ago are also faced with the prospect of having to re-skill or update their skills to remain competitive.

Currently, tertiary courses are grouped into four levels—A, B, C and D. The Democrats will seek to amend this to include a further level, a level E, for masters studies to be incorporated for Austudy payment and youth allowance. This would ensure that students would be able to access assistance for masters studies regardless of their entry pathway, whether they have come up through an honours year or, for example, a postgraduate diploma. It is in recognition of the increasing credentialism of our nation, and I am presuming that is a credentialism that the government supports and promotes and something that certainly all sectors—business, industry as well as the parliament—would be keen to promote in such a way that people not only are told to go out and get more credentials but also are supported while they are doing so.

This government’s record on youth allowance and Austudy is not a proud one. In 1997 we saw the Howard government raise the age of independence from 22 years to 25 years for students and at the same time cut over $400 million in unemployment benefits to 18- to 21-year-olds. That was not a proud year, budget decision or policy decision. As many people in this place will recall, the passage of these measures was gained through the support of Senator Brian Harradine in exchange for a deal—and this was very transparent; it was discussed quite openly in this place—whereby families adversely affected through the implementation of such a high age of independence would receive compensation through a tax deal.

I note that that deal this government made with Senator Harradine was never adequately honoured. While the youth allowance legislation cut the total income for Australian families by $150 million per annum, the budgeted tax concessions for families
amounted to only about $48 million and a further cut of $12 million has been made to family allowance since the passage of the youth allowance. It was like a mugger leaving these families—and perhaps Senator Harradine—a tip. I look forward to his comments on this measure. Certainly he has raised concerns on this in the past.

Senator Newman—The youth allowance was an expenditure measure, not a savings measure.

Senator STOTT DESPOJA—I acknowledge Senator Newman’s interjection, which I caught the second time. She was suggesting that the common youth allowance was not a savings measure. I think we should be examining the impact of the streamlined approach—an approach that we supported—on particular families. There are many cases, many examples, where families have missed out on benefits—in some cases hundreds of dollars per annum and in some cases thousands of dollars—or lost their benefits completely. There is no doubt, if you examine the impact of the government’s reforms in relation to student financial support and support for the unemployed, that many families have missed out. Certainly this was a concern, specifically in relation to the age of independence and families that would miss out as a consequence of raising that age level, raised not only by the Democrats and by some opposition members but by Senator Harradine. He did a deal. He got the measures through, but the deal was not adequately honoured. I look forward to seeing that deal honoured some time in the future. I look forward also to hearing Senator Harradine’s comments on the bill before us.

This is despite the fact that in 1996 Australia ranked 24th out of the 29 OECD countries in terms of taxation as a proportion of GDP—figures that we all know well in this chamber now—with only Mexico, Korea, Turkey and Japan collecting a lower proportion of tax. I note that it has also been estimated that, if the rate were brought up to the OECD average, it would have delivered an additional $40.9 billion in the 1999-2000 financial year. That money could have gone a long way towards support for higher education and research.

I have just come back from a very brief visit to the AusIndustry dinner this evening. Many of the people who went to the function today were talking about the themes that have emerged—themes that were certainly mirrored in the Innovation Summit discussions—that business and industry are calling for more money to be set aside for research, for development and for the education and training sectors. It is money worth investing in our nation. Similarly, ensuring that people have the support so that they can undertake these kinds of studies is important. So clearly that is where student financial support plays a key role. I do not think the government has made adequate recognition of that fact. I think that is a glaring anomaly we are dealing with in relation to the common youth allowance—and I will say positive things about the concept of streamlining and various incorporations of the DSS practices later.

We have an age of independence that is defined as 25 years, which I think has little precedent and certainly does not match many other pieces of legislation we deal with in this place. Certainly when it comes to the government spending money you find that the age of independence gets higher and higher. But when it comes to the government stopping or getting money back from families, you find the age of the family and the age of independence much lower than that. In stark contrast to the options adopted by other OECD nations, this government since 1996 has decreased the proportion of Commonwealth revenue being spent on social security and welfare, and family and community services from 36.4 per cent in 1995-96 to 31.9 per cent in 1999-2000. Clearly, we have a government that is not as serious as it should be about helping Australian families or assisting our young unemployed and students. Unfortunately, we have a government that has not kept its deals with either members of the Senate—and one member in particular—or Australian families. I look forward to the minister’s response to the suggestion that the deal with Senator Harradine was not adequately honoured. I think it is a very brave government that argues it has fulfilled the promises it made to Senator Harradine back in 1997.

I once again urge the Australian Labor Party to consider the Democrat amendments. Once again I urge the ALP to support a reduced age of independence. Most people recognise that it is ridiculous to define independence for Australian students at the age of 25. I think that is widely recognised by all sectors in the community, including quite a few constituents of the Labor Party. Certainly peak bodies—whether it is the National Tertiary Education Union or the National Union of Students—are very concerned about what effect this has had on their members. Similarly, the postgraduate representative organisations are concerned about some of the problems I talked about in relation to the master’s qualifications and the lack of income support that accompanies those. I hope the ALP will consider the amendments put forward by the Democrats. I look forward to discussing this bill further in the committee stage of the debate.

Senator BARTLETT (Queensland) (9.14 p.m.)—I thought I would also make a few brief comments in the second reading stage of this particular piece of legislation which deals with the youth allowance payment and various components of it. The issues that my colleague and Deputy Leader of the Democrats, Senator Stott Despoja, has outlined relating to the amendments that we are planning to move and to some of the related issues need emphasising and reinforcing. We are in a year where, according to statements made by a number of government ministers, a major priority of this government in terms of future directions will be in the welfare area. The so-called welfare reform agenda, which is still to be finalised and revealed in the second half of this year, has the potential to affect millions and millions of Australians. We have had a lot of shift and rhetoric in recent years in relation to welfare payments and income support
payments, moving away from the idea of entitlement and meeting need and moving towards a rhetoric of obligation.

Whilst nobody would deny that everyone in society to varying degrees has obligations to other people in the community in terms of how they behave, it is important that we do not let the priorities get out of order. The basic fundamental priority of an income support system is to ensure that basic needs in the community are met and that there is not an increase in inequality or, more importantly, an increase in deprivation, need and poverty. These are some of the issues that the Democrat amendments go to.

I think I heard Senator Evans mentioning the length of time in which these amendments have been circulated. I would have to say that the particular piece of paper may have gone around earlier today, but the amendments contained within it and the issues contained within it have been around for a long time. The Democrats have been bashing on about some of them, in particular the one relating to the exemption of farm assets, for a good 10 years. It is certainly one of the earlier things I can recall when I first got involved in the party around a decade ago. The issues that are raised here, including the ones relating to age of independence, were raised at the time the youth allowance was brought forward. The exemption from activity test and the inapplicability of masters degrees have been around for a significant length of time. To suggest that they are appearing out of the blue is a bit disingenuous. I would hope that the issues raised in the amendments are considered on their merits.

Getting back to the fundamental issue of the basic purpose of a social security system, which is addressing poverty and need, I think the issue that I would like to highlight specifically, which was also mentioned by my Democrat colleague, is that of rent assistance and the inapplicability of that payment to Austudy recipients over the age of 25. As I said at the time the youth allowance measures were introduced, it was a major positive that the government extended rent assistance to a number of students who did not have it before, but the fact remains that there is still a significant group in the community that does not have access to that. That is a significant indicator in relation to poverty and need—one that is quite blatant, open and undeniable. There is no rational reason why that particular group of people should be denied access to rent assistance, particularly when we are often going on about the need to encourage older people to retrain, to get into reskilling and to increase their education levels. There is no reason to provide such a massive disincentive as that.

I have had individual constituents in this specific circumstance who have been unable, because of their inability to access rent assistance, to afford to switch across to undertaking education. It is a blatant area where there is a clear need and one where, if we are going to have any meaningful examination of improving the adequacy of our welfare system, there needs to be action. It is one that I would particularly like to strongly reinforce on behalf of the Democrats. Housing costs and housing issues have fallen down the agenda at federal level over a number of years, stretching back to when Labor was in office. A lot has been pushed back onto the states in that area, yet in something as fundamental as one of the few remaining areas of direct Commonwealth involvement in housing assistance, which is through rent assistance, we have a major gap. It is an area where something clearly needs to be done. I very much hope that we are able to address that through this bill or through the welfare reform process later in the year.

It also comes back to the issue of consistency, which was one of the strengths of shifting to the common youth allowance. It tried to streamline and provide some consistency between different payments. A lot of progress can still be made in that area, and I hope that is addressed through the welfare reform process. This is an area where there is clearly a major inconsistency and gap in terms of poverty, and it very seriously needs to be addressed. I hope that when we get to those amendments all senators will give full consideration to them. There are a number of important issues that need to be examined as part of income support payments. Some of them are appropriate for this legislation; some of them are perhaps appropriate for a broader debate at another time. But it is always important to re-emphasise what we are dealing with in legislation such as this, which is about ensuring that basic needs are met and that people have the opportunity to participate fully and productively in wider society and at least have the limitations of lower income reduced in terms of enabling them to contribute effectively. I think it is important to keep that principle in mind when we debate some of the issues that are involved in this bill and some of the amendments that will be dealt with in the committee stage.

Senator NEWMAN (Tasmania—Minister for Family and Community Services and Minister Assisting the Prime Minister for the Status of Women) (9.22 p.m.)—I thank honourable senators for their contribution. I make it clear that the Youth Allowance Consolidation Bill 1999 follows on from the 1998 youth allowance package of legislation, and it does meet the government’s commitment to parliament to move the provisions in the package’s subordinate legislation into the Social Security Act 1991. The bill has two main purposes. The first is to incorporate in the Social Security Act the provisions currently contained in the three major pieces of subordinate legislation that are part of the package. Those are the Social Security (Fares Allowance) Rules 1998, a disallowable instrument, the Social Security Student Financial Supplement Scheme 1998, also a disallowable instrument, and the Social Security (Family Actual Means Test) Regulations 1998.

The other main purpose of the bill is to deal with any technical issues identified during the implementation of the youth allowance package. That is something that senators need to focus on—
that that is the other main purpose of the bill. It will also make consequential amendments to the Social Security Act and to relevant tax, data matching and farm household support legislation to reflect the new placement and structure of the relocated provisions and as a consequence of the commencement of youth allowance. So, in a very real sense, we are dealing with a technical bill, a housekeeping bill, as Senator Stott Despoja said.

As a general principle, the provisions are being moved without any change being made in their effect. Those provisions themselves were originally set up with the intention of preserving the effect of the pre-existing Austudy provisions so that students did not suffer any disruption to their payments because of the youth allowance changes—which, if you recall, happened halfway through an academic year. The only changes in these provisions are either for technical or drafting reasons or minor changes that are either beneficial or neutral in nature.

The schedule of technical amendments to the Social Security Act will essentially finetune the large and complex youth allowance package. The amendments make minor drafting clarifications and technical refinements to ensure that the package operates in line with the original policy intentions, including the alignment, where appropriate, with the pre-existing Austudy provisions—that is, the amendments are either to refine provisions in line with original policy intent, for necessary alignment with other programs and provisions, to close technical loopholes or clarify the operation of the existing provisions, or to make minor technical corrections and drafting refinements.

This legislation is not about policy change. Having listened to Senator Stott Despoja speak about her dissatisfaction with the ALP over the exchange of draft amendments between their two parties, I would like to point out that, although the Democrats’ general principles were given to the government on Friday, we received the Democrats’ amendments only just now, and some of them are not ones that were included in the distribution on Friday. Because of the complexity of social security legislation, just like tax legislation, it is really not fair to, (a), those who have to administer social security legislation and, (b), whose entitlements depend on that legislation. It is not fair to have amendments essentially taken on the run in a debate.

Senator Stott Despoja—What about the ones we gave you early last week! You had them before the ALP!

Senator NEWMAN—Senator Stott Despoja, you have had your chance. You can have it again in the committee stage. But I have listened to you. It should be recognised by Senator Stott Despoja that this particular piece of legislation is not an appropriate vehicle for the sort of major policy changes that are being proposed in most of the Democrats’ amendments. Senator Stott Despoja should also acknowledge that the youth allowance is currently being evaluated by a rigorous process of evaluation which was promised when the legislation went through the Senate. If the Democrats have wishes to attempt to make substantial policy changes to the youth allowance—and, I must say, at extreme cost to the taxpayer—it is appropriate that that sort of consideration be given when the report is received on the evaluation. I do not think it is unreasonable to suggest that at all, especially as the Democrats clearly cannot have much idea about the sort of bill they are sending the taxpayer with some of the amendments that have been distributed this evening. I have heard both Senator Stott Despoja and Senator Bartlett give credit to the government for streamlining the payments.

Senator Stott Despoja—We won’t waste our time next time!

Senator NEWMAN—I find it fascinating that that is what the Democrats appear to think was the purpose of the exercise. I would like to think that you might focus for a bit tonight, as you go to sleep, on the reasons the government introduced this. Firstly, we had too many young people who were jumping school early into a climate where skilled jobs are available and unskilled jobs are not. We had too many young people who were presenting into a work force where they had no skills to offer. The importance of the youth allowance was to ensure that fewer of our young people were left disadvantaged in the job market. That, surely, is a commendable purpose. It has achieved significant results in that regard already with young people who have returned to the education system, having dropped out, since the introduction of youth allowance.

Secondly, we had a situation, which we inherited when we came into government, where the taxpayer was paying more to young people to be unemployed than they were to be students of any age. What a nonsense that is, and what an important thing for Australia’s young people that the benefits for students were raised to reach the level of the benefits that were being paid to the young unemployed. Surely, any adult with commonsense and concern about the future of our people would want to see students on benefits that are the equal of those of the unemployed. I am glad to hear Senator Stott Despoja acknowledge that rent assistance has been a beneficial measure. When the Democrats are talking about the lack of rent assistance for people on Austudy, it is pretty reasonable to put on the record that there was no rent assistance for students of any age until we came into government and introduced the youth allowance.

We introduced rent allowance for the very good reason that it was one of the measures to equalise the treatment of young unemployed people and young students. Those people who are on Austudy are mature age students—I recognise that—and many of them have saved to study. They are people who one might have expected to have had some more put by in order to undertake studies. In a tight financial circumstance it was therefore logical that the young people who were looking for support from the taxpayer would be the first priority, and that has been government’s position. I do not think it is an
I think there are some ideological barriers in the way for Senator Stott Despoja—I cannot think it is otherwise. I must say that the taxpayers seem to be pretty satisfied that this is a fairer system to help finance young people to stay in school longer and acquire skills; that it is a fairer system to give the same sort of financial support to young students that was always given to young unemployed people; and that it is a fairer system to ensure that parents take responsibility for their young to the extent they are able before that family, including the young person, turns to the taxpayer for assistance. I will be interested to see what proposals finally come to the Senate after the discussion that is to take place tomorrow. I appreciate Senator Evans being prepared to have a closer look at some of the proposals that he was interested in putting forward. It can be a time wasting exercise for the Senate to have people disagreeing on what amendments actually mean. If those sorts of issues can be cleared out of the way before we meet again in the committee stage, it could be that this essentially technical measure could go through as originally proposed by the government. Certainly this is not a bill which sets out to diminish people’s entitlements. As I said, the only changes in the provisions are either for technical or drafting reasons or they are minor changes that are either beneficial or neutral in nature. I commend the bill to the Senate.

Question resolved in the affirmative.

Bill read a second time.

Ordered that consideration of the bill in the Committee of the Whole be made an order of the day for the next day of sitting.

IMPORT PROCESSING CHARGES AMENDMENT (WAREHOUSES) BILL 1999

CUSTOMS AMENDMENT (WAREHOUSES) BILL 1999

Second Reading

Debate resumed from 21 June 2000, on motion by Senator Ellison:

That the bills be now read a second time.

Senator BOLKUS (South Australia) (9.35 p.m.)—In speaking about this legislation I will provide some background first and then put the opposition’s position. When we talk about manufacturing in bond we are talking about a scheme that was utilised in Australia by a limited number of manufacturers until 1988. It was abolished as a result of the Industry Commission 1987 report. It was suggested for reintroduction in The Australian iron and steel industry: report to the Minister for Industry, Science and Tourism by the parliament committee inquiring into the steel industry in 1997. In December 1997 the government announced ‘Investing for growth’. That contained both the MIB and the Tradex initiatives. Manufacturing in bond is a provision to allow the manufacturing of goods in a Customs licensed warehouse. A firm with MIB approval will be able to import dutiable goods into a licensed warehouse free of duty and sales tax. If these goods are subsequently re-exported, either in their original or manufactured form, no duty or sales tax liability is incurred. Imports brought into the warehouse and subsequently entered for home consumption—that is, sold on the domestic market—incur a duty and sales tax liability at the time they leave the warehouse.

Benefits to manufacturers in these circumstances are similar to those of free trade zones, such as deferral of duty until products are sold into the domestic market, duty payable on goods released onto the domestic market being the lesser of the amount payable on the input goods to that applying to the finished product, and duties not being payable on inputs imported into the zone and then re-exported without the domestic market. The objectives of MIB is to facilitate trading operations by streamlining the administration of imports which are subsequently re-exported, whether processed or in their original form. The broader objective is to generate net additional economic activity and employment within Australia.

As I stated earlier, the government announced the Manufacturing in Bond scheme in December 1997. However, the success of the scheme has been severely limited because of restrictions within the scheme and also as a result of the processing
arrangements made by Customs. The most important problem identified so far has involved the problems with Customs. A cost recovery charge of $22.80 was applied by Customs on each and every imported component. That is, the manufacturer of a product who imported 100 components would face an additional cost of $2,280 from this cost recovery charge so-called. Up until now operators of MiB warehouses were subject to import processing charges and fees that were introduced in 1997 to recover the costs incurred in processing what are known as ‘customs entries’. Currently, a charge applies to entries lodged to allow imported goods to be moved into and, if goods go into Australian commerce, out of Australian warehouses.

A parliamentary committee report identified that industry has claimed that these charges and fees make the operation of MiB warehouses uneconomic and serve as obstacles to attracting international manufacturing and investment to Australia. The Minister for Justice and Customs, Senator Vanstone, stated on 29 April 1999:

These changes being announced today are in response to industry’s representations that removing the processing charges on imports entering Manufacturing in Bond facilities would improve the ability of the scheme to attract international manufacturing and investment to Australia.

That was a principle repeated by a most unlikely partner of Senator Vanstone—that being Senator Minchin—in a press release of the same day. There are some questions emanating from the government’s response. Why did take such a long time for the government to look to resolving this problem? The government said it was talking to business but it seemed to have been talking to business forever. The government has been aware of this problem for a long time and one has to ask: why so slow in responding?

The other concern to the opposition is that the amendments do not directly resolve the issue. The Import Processing Charges Amendment (Warehouses) Bill 1999 before the parliament today does not really do what Ministers Vanstone and Minchin stated that it would do. For instance, it is up to Customs to ensure that only one cost will apply to a completed product rather than one for every component. Customs has told business that it will apply the cost recovery duty this way but has not confirmed this in writing. One explanation for this failure by the government was addressed in the Bulletin magazine by Fred Brenchley in January 1999 where he stated:

Despite meetings and pressure from then industry minister John Moore’s office through 1998, Customs refused to budge. Cost recovery had been foisted on it by the Finance Department and was a major source of the agency’s own revenues.

We now have a situation where what the government has given is not what industry wants and it is also not what the opposition seeks to support. Industry has stated its position quite publicly: it is concerned that an MiB should be treated as an export destination for Australian domestic manufacturers and suppliers; it is concerned about the removal of duty paid on consumables using the production process; and it also wants a single licence/multiple user application. Business does not believe that the necessary attention is being placed with this issue and that the response of the government is inadequate.

Further, I am informed that the actions of government in the eyes of industry demonstrates a substantial and fundamental problem in that it really does not understand the problems associated with running businesses with an MiB framework. The shadow minister for customs, Duncan Kerr, has quite explicitly enumerated the concerns that the Labor opposition has on this issue. Our starting point is that we have to be a competitive and innovative economy in a global economy and, for that principle to be achieved, ideas such as the MiB need to be developed fully. But they need to be done correctly. We believe that the government has managed to completely wreck a potentially good idea and has wasted some 2½ years of this potential in the meantime.

Labor has looked into various aspects of the issue: we looked at duty paid on consumables before the production process; we looked at duty paid on capital equipment; we looked at the costs imposed on this process by Customs and the best methods required to reduce them to the smallest possible level; we looked at the current high cost of obtaining a manufacturing in bond licence; and so on. At the end of the day, we are not proposing to micro manage the government’s failed industry policy through this bill. We believe that this bill addresses a small, albeit important, aspect of this industry but we do intend to move the amendments circulated in my name.

Labor’s amendments do not alter the tariff regime put forward by the government in the bill. They simply move the setting of tariff and treatment of MiB goods that enter the Australian market for home consumption out of the act to be set by regulation. In proposing this amendment we recognise the flexibility that may be required and that industry has suggested strongly will inevitably be required from time to time in addressing the changing need and different circumstances. Not to have this regulatory flexibility would also, we believe, unnecessarily inhibit our capacity to attract new investment in Australia.

In conclusion, I stress that the amendments Labor is proposing maintain the government’s ability to protect local industries but they also provide we believe the flexibility to encourage manufacturing by lowering input taxes where appropriate. I commend to the Senate the foreshadowed amendments that I will move during the committee stage. I do not think I need to say much more at this particular stage of the debate other than to reiterate that we are talking here of an initiative which is 2½ years in the making and that, in a sense, is half-baked.

Senator RIDGEWAY (New South Wales) (9.45 p.m.)—I rise on behalf of the Australian Democrats in support of the general principles behind the Import Processing Charges Amendment
and I will expand on that further.

Australia is a nation that has seen itself as a domestic manufacturer for domestic markets. As a result, our Customs systems have been designed to reflect this. During the 1980s and especially in the 1990s, our industries were being outdone by imported products and manufacturing continued to decline. Although, generally speaking, our manufacturing and our exports were matching our imports, this was more as a result of primary products exports than adequate levels of exporting within the manufacturing sector itself. Australia is the second largest domestic market behind Japan and, if we combine this with what is considered a safe investment area, it has reasonably low infrastructure and wage costs. You then have the potential for greater export investment in manufacturing through such schemes as trade free zones or manufacturing in bond warehousing.

The proposed amendments to the Customs Act to formally allow for manufacturing in bond are, I believe, the result of a good working arrangement and cross-support from the different parties that have been involved. I believe that this is a fundamental approach to policy making in this area so that existing and potential investors in this area are provided with the necessary levels of confidence and political stability to continue to invest, irrespective of changes in government. I also understand that the changes that are contained in these amendments represent a change of thinking for the Customs administration and the manner in which Customs warehouses may operate in the future.

Just on that particular matter, I refer to comments of the honourable member for Newcastle, Mr Allan Morris, where he sees MiBs as the start of the process of having companies operating what he describes as ‘virtual bond stores’. In time, these bond stores will make use of improved technology as the medium for information exchange. In this regard, it is unlikely that bond stores will be limited to site specific locations. However, such technological changes will more than likely have a positive effect by reducing red tape, removing the disincentives for existing companies to extend their operations and to provide a better climate for new companies to invest in the sector. Just specifically on that matter, not having to pay import duties on goods unless they enter the domestic market is, in my view, a significant step forward in opening up opportunities for companies that wish to use Australia as a base for item assembly. This in its own small way will promote jobs growth and create niche markets for local manufacturers to supply support inputs into such processes—an opportunity that will arise as a result of the proposed amendments, I believe.

At this particular point I would like to foreshadow, on behalf of the Australian Democrats, support for the opposition amendments relating to removing from the act the manner in which import duties are placed upon imported components and to instead have them dealt with by regulation. This will add flexibility, I believe, to the application of import duties.

It is the belief of the Australian Democrats that the issue of charges was not dealt with in a manner that was acceptable so as to be convincing in the economic committee’s report into this bill, and I make reference to sections 1.48, 0.49 and 0.50. The report states:

The Committee notes the apparent anomaly identified by DHL under which Australian manufacturers of computer equipment pay import duties on components. These local manufacturers operate in apparent disadvantage compared with companies importing computing equipment as a finished product duty free.

It went on further to say that, ‘while the legislation referred to the Committee is not intended to address anomalies of the type identified by DHL, the Committee urges the government to resolve this issue as soon as possible to ensure that Australian manufacturers of such equipment are not disadvantaged’. Yet the committee concluded that ‘the committee recommends that the bills be passed in their current form,’ without addressing that particular issue.

The amendment that is proposed by the opposition will in some way address the issue that the committee itself raised yet failed to address. I say this with the understanding that there is a need to provide reasonable protection to our own domestic manufacturers rather than expose them to an uncertain future. Nevertheless, where there are components that are not manufactured domestically and they are imported into a MiB warehouse and the final item that is produced, if imported, does not attract an import duty, we would agree that these components ought not attract an import duty.

Debate interrupted.

**ADJOURNMENT**

**The PRESIDENT**—Order! It being 9.50 p.m., I propose the question:

That the Senate do now adjourn.

**Dame Roma Mitchell**

**Senator VANSTONE** (South Australia—Minister for Justice and Customs) (9.50 p.m.)—This afternoon I gave notice of a motion on behalf of myself and Senators Crowley and Lees to recognise the life of Dame Roma Mitchell. The motion is formal and appropriately highlights the achievements of Dame Roma. But I think it is worth reflecting for just a few moments on what they really mean. Of course, they were all important milestones for women but they are even more important for what they actually tell us about the person, Dame Roma, herself. They tell us about intellectual skill—and that is nothing new; I am not surprised to announce that; we all knew that—about determination, about commitment and about hard work.
Dame Roma commented recently that she had led a charmed life, almost as though these achievements and milestones simply fell her way. That kind of humility hides very clearly all the determination that is needed, all the commitment and the skill and the hard work that went into making it a charmed life. The plain facts are that she earned each of those achievements and milestones. Such humility and good grace—which, if I may be slightly disparaging of her own profession, is not particularly common in either of these houses—is a part of what made Dame Roma so special—absolutely so.

The American poet Edna St Vincent Millay would hopefully not mind a slight alteration of one of her poems as a description of Dame Roma, the hard worker, the achiever and the charmer—an absolute charmer, Madam President, as I know you know well. The poem, slightly altered, goes something like this:

She burned the candle at both ends;
It finally met the night;
But ah, her foes—
very few I hope—
And oh, her friends—
It burned a lovely light.

I do not know if Dame Roma ever read, as I suspect she did, Theodore Roosevelt’s speech about advocating a principled and strenuous life. It was actually written in 1899 but still holds true today. But whether or not she did does not matter because in many ways—in fact, probably in a large portion of her life—she certainly lived a principled and strenuous life. We should all note, however, that her achievements came from a person who was almost relentlessly charming, another skill sadly not found in that proportion in either house, unless a secret has been kept from me.

Only once in about 35 years did I hear her speak with a hint of malice, just a hint, about someone else. Like all of us, Dame Roma liked some people and liked others less—I would say disliked—and one was certainly left in no doubt as to her views. She was a very articulate woman. But such was her skill that her view was, to my thinking, only once in a while—certainly from a politician’s perspective, acutely—moderately. She was not a person who was just admired by many—who is just admired by many, because admiration stays on—but she was genuinely loved by people whether they knew her particularly well or not, odd as that might seem. She had and used freely that magical skill—very magical skill not available to all of us, certainly not available to all of us frequently—of making other people feel special.

Twenty-five years ago in 1973 or thereabouts there were not too many judges who would happily hold an animated and friendly discussion with a 21-year-old retailer on whether or not we should have a bill of rights because judges would in the end be the decision makers on a bill of rights. Gareth Evans’s article in the Australian Quarterly in 1973, citing the track record of a few nominated High Court judges always making decisions that leant one way or the other for the workers or bosses, for the Commonwealth or the states, prompted just such a discussion with me. I still remember her enthusiasm for the discussion and the web of interest that she wove, as opposed to simply nominating a position and standing for it. She always encouraged people, especially younger people and especially women. She was a giver in life, not a taker.

We were talking quite latish one night prior to one of her many, many much loved overseas trips—she was a born traveller—and her cat, as cats often do, chose to sit on the visitor’s lap and was very much enjoying having its back stroked. To my horror, when I looked down I saw that there was a very large collection of soft cat’s hair at the back of the cat. Experienced cat strokers, as I believe the Deputy Clerk of the Senate may be, will understand that, when you stroke an animal backwards, if it is moulding a quantity of hair collects at the back of the animal. Not only was this a quantity of hair; it was not sprinkled but laden—and I choose my words delicately here out of respect for Dame Roma; laden is the nicest description I can give—with cat’s dandruff building up on its back. I looked down and saw this in horror. Here was this collection of nastiness descending from the cat onto my clothes. Dame Roma, in a very matter-of-fact way, which is a typical description of her, said, ‘I’m very sorry about all that, but the vet had said it’—the condition—‘would only improve if the cat’s diet improved.’ And as the cat was nearing the end of its life she had no intention whatsoever of being so unkind as to deprive it of its nightly bowl of ice-cream, which it liked. So I put up with the hair and the dandruff.

On that night I gave her a key ring I had made in the shape of a shamrock for good luck. I am not in the habit of denigrating my own skills, but I do not think it is any secret that Hardy Brothers and Tiffany’s have not been seeking my services as a jewellery designer or a silversmith. Sadly, that offer has not come my way. But it did not worry Dame Roma one bit that the shamrock was not as good as it otherwise might have been. In fact, it was not really very long ago—I cannot remember how many months—that something she said about the key ring occasioned me to really start to worry. She was joking with me that she had nearly lost it because she had left her keys in the letterbox and she only discovered this when a neighbour returned them to her. I thought at the time that that was an ominous sign.

As a judge, she opened my first business premises for me when I was 23 or 24 and seemed embarrassed by the suggestion that she should choose a silk-screen or a lithograph from my stock to commemorate the occasion. As I recall, I thought a lithograph for a Supreme Court judge of a woman with birds’ nests and birds coming out of her bosoms seemed a rather odd choice, but she seemed particularly happy with this item, and so I was happy. What does this story tell us? That she had an appreciation of far more than simply things legal. She was extremely good in the legal area but,
because she was extremely good in that area, it is a mistake to look at just that.

Recently, she and I had gone to a few movies. I had been told by a member by my staff that there was a movie called Go that I should go to see. He rightly deduced that my experience was such to indicate I had not been to a rave movie. (Extension of time granted) The movie was about a rave ecstasy party, and my staff member had rightly deduced that I had not attended such a function and, as the Minister for Justice and Customs, I had thought it was inappropriate. So as I was not prepared to attend one, a movie would be second best. Roma initially declined to attend this but then, pursuing her change of heart, she rang my office to point out the date she was available, and off we went. It was a shocker! The volume was loud; it was disjointed; it was very druggie-odd. When my husband picked us up after the movie and asked what it was like, she said in that very nasally way, 'I might go back and look at it again just so I can see your face, but I think we will go to dinner instead.' So off we went to dinner. I am sure she has dined out on that story, but the point is she endured the movie and said she enjoyed it. As I said, she was a real charmer.

Last but not least, I think I should mention the last meal I had with her which was when she was in hospital. She and I, one of her executors and another friend had a picnic—such as one can have in hospital—of oysters. I presented her with a present. It was not beautifully wrapped; it was in a David Jones bag actually. It was two pairs of bedsocks. The present was not diamonds, but it was practical and, as bedsocks go, quite elegant. I made the mistake of apologising that they were not washed. That in itself was not the mistake; it was adding that it was not as if it was a cup or a plate from which one could eat and catch a disease. She sat up to her full height and allowed me to enjoy one of the typical Roma remonstrations. She fixed me with her eye and said, 'Don't you remember the Australian Knitting Mills case?' I think it was Grant and Australian Knitting Mills: some poor sucker bought some underwear that gave him eczema. With a sparkle in her eyes, I said, 'I might go back and look at it again just so I can see your face, but I think we will go to dinner instead.' So off we went to dinner. I am sure she has dined out on that story, but the point is she endured the movie and said she enjoyed it. As I said, she was a real charmer.

Nobody has ever suggested that Roma was other than worthy of all those appointments. These could never have been called affirmative action of the negative sense. They may well indeed have been affirmative action, but they were clearly based on merit. I would certainly say that all good affirmative action is. I still find it, as I said, quite shocking that it is in such recent history that we have such firsts. I also am delighted that it was a person such as Roma who was so appropriately able to carry those honours and distinctions. She did so with this very curious blend of qualities. She was so dignified. She conveyed. We each have the opportunity to tell the story of this remarkable woman in slightly different ways. I am not going to run through the litany of her achievements. They are well known and they are a series of firsts that are remarkable. It is still to me quite shocking that it is so recently that we had such firsts as the first woman QC, the first woman district court judge, the first woman governor and all those other things that she was.

I talk about the people I meet and my sons, for some reason, wanted to meet Roma. It is interesting that, although I am not sure what I said or what they knew about her, they wanted to meet her. So when the opportunity presented itself at some dance or theatre performance, they got to say hello to Roma and immediately were engaged in a most interesting
interest and enthusiasm about them. Roma engaged everybody: young, old, fat or thin. She was so interested and enthusiastic about them.

Ever after, until the very end, Roma would ask me about my sons by name and about what they were doing. ‘How is that son of yours who dances? What about those who are studying?’ I met somebody not too long ago who said, ‘That Roma Mitchell is amazing. She asked about my sons by name.’ I would say that that is a story that everyone would say. She had a remarkable memory, and it even went to the names of her friend’s children, friends who were closer—

**Senator Vanstone**—And their dogs.

**Senator CROWLEY**—As for dogs, I must say I had not engaged in that conversation, Senator Vanstone, but I am quite sure that is true. She had a warmth and a real interest, and there was never a pretence about being really interested in whom she was talking to and about what she was talking.

I once flew with Roma quite a few years ago, possibly 20 years or so, and I was asking her about affirmative action and her view on it. I can only paraphrase what she said to me because I did not write it down. She had not really thought affirmative action was necessary in the early part of her career but she had in her 70s or so come to realise the necessity of it, the importance of affirmative action. She said that she had changed her mind, that she had learnt about it and the need for it for many people, particularly those people who did not have the advantages of education, of good health and of opportunities that she had been provided with or somehow had achieved.

In fact, her comments reminded me quite a lot of Kathy Sullivan’s speech in this place on the sex discrimination bill. She made an excellent speech that I regularly quote, and she said, ‘You do need positive sex discrimination legislation because not everybody has what I had—parents who thought I was important and gave me a good education, good health and good opportunities.’ Roma seemed to say the same: that, if you did not have those things, it is necessary for a caring society to make sure that those opportunities are presented.

I love her quote that is around everywhere: ‘I think any new appointment for a woman is a good thing in that it is one more recognition of the fact that nothing should be barred to a woman.’ It was elegantly expressed. We should be allowed to do it all, some of us might say, but not Roma. She put it much more elegantly, and there is power in that line that was said after her appointment as governor in 1991.

Like my gran, I also had the opportunity to fly from Adelaide to a US aircraft carrier that was too big to come into Port Adelaide. I am not sure whether it was the *Tobruk*, but we had to fly down into the Southern Ocean to land on this carrier. We got into a nice little plane that flew along gracefully but, when it hit the deck, it was stopped by one of those rubber catches. That was exciting enough but taking off they said, ‘Just hang in there. You’re going to go from nought to whatever in 10 seconds.’ We were flattened into the back of our seats. We all coped. It was interesting to observe that Roma coped with all of this beautifully too, but she was well into her 80s, and it was just a measure of this wonderful woman. ‘I’ll have no trouble. Certainly I can land and take off from an aircraft carrier. It’s something nice. It’s exciting. I’d be happy to do that.’ Of course, we all had a wonderful time. I must say I was very impressed with Roma yet again.

I learnt another trick from Roma Mitchell, and it was at the launching of one of the submarines very early on. At the end of the official ceremony, Roma just opened her bag, took out her lipstick and applied it. I was aghast and said, ‘How did you do that without a mirror?’ She said she had been aiming at that face for about 80 years and she had a fair idea of where things were, which I thought was a particularly lovely comment. I have to say that, in memoriam, Roma, I went home and practised and I can now do it too—with my face, not hers.

**Senator Vanstone**—And you’re not 80.

**Senator CROWLEY**—Thank you—resist any temptation. Somebody asked me recently who did I think might want to speak on behalf of Roma Mitchell. I certainly wanted to say that I did. You could take a litany a mile long of people who would be appropriate to talk about Roma. But I said to them, ‘I think it would be best to take a hand-held microphone and go into Rundle Mall and ask the people there what they think of their one-time governor Roma Mitchell.’ She was much loved by the people of South Australia, and I think the people of South Australia will grieve for her in a very special way.

There was something wonderful about her. Even though she did not speak to every South Australian, I think most South Australians knew of her and knew of her with affection, warmth and great pride in her achievements and the way she held that office. I do believe that it would be a good thing to ask the people of South Australia what they would say about this woman, who now is forever enshrined in bronze at the entrance to Government House.

I do not suppose I could do even passing justice to this great woman—a woman who honours South Australia, who honours our country and who in fact I think stands by comparison internationally. I love too that, in the end, Roma was proud to call herself a feminist. This was not a word that had an odium for Roma. She was a feminist, a proud achiever of things for women and a very proud supporter of all human rights, but in particular equalities of opportunity for women. She celebrated with all of us, and I would certainly say with me, the achievements that I and other women have made in our lifetimes. Something about that combination of her warmth, her intelligence, her dignity, her joy in other people’s achievements and her passionate commitment to human rights and to equality of opportunity for us all will perhaps be the best memorial for Roma. But, on behalf of the people of
South Australia, I certainly think that we have lost a very great representative.

Senator LEES (South Australia—Leader of the Australian Democrats) (10.14 p.m.)—I feel privileged tonight to be one of the three senators, along with Senator Vanstone and Senator Crowley, who are moving this motion in recognition of what was an extraordinary life. It is a motion that acknowledges the passing of Dame Roma but it is also a time for us to celebrate in a way this extraordinary woman.

Later this week, women across the world will be celebrating International Women’s Day, a day when we can look at some of the problems we still have but also reflect on what has been achieved and the progress we have made in all spheres. Here we have a woman who has done so much as a woman. She was one of the greatest advocates, indeed one of the greatest achievers, and therefore I would say very strongly one of the greatest Australian role models.

Today and I am sure for the rest of this week and for the months to come, there will be many, many obituaries—as well there should be. She is described in one as ‘Roma the First’, as she was the first in so many, many things. She was a trailblazer for women; indeed she was a role model for all of us at a time when, particularly in those early years, all the leading role models were men. She was that one very clear exception.

At all times she forged her own path with dignity, integrity and grace. To this day, her legacy is one of the country’s leading legal pioneers and it is one that has changed the face of the Australian court system. I want to mention a few of her many achievements.

She was appointed the first woman Queen’s Counsel of Australia in 1962, and in that year she was instrumental in changing legislation that allowed women to sit on juries. When first appointed a Queen’s Counsel, Dame Roma’s wish was that one day such fuss would not be made of either the gender—the fact that that person was a woman—or the age upon entering the profession.

Dame Roma was appointed Australia’s first female judge in the Supreme Court in 1965, a post she kept for 18 years. In 1972 she became the first woman deputy chancellor of a university, that was at the University of Adelaide. She later went on to be elected chancellor of the university in 1983. That was not just the first in Australia. Outside the royal family, it was the first in the Commonwealth—she was the first woman to be a chancellor of any university in the Commonwealth.

She was the founding chair of the Human Rights Commission from 1981 to 1986 where she earned the reputation of being both fair and controversial. She later said that the commission, which became the Human Rights and Equal Opportunity Commission, was one of the most important bodies she had ever served on.

In 1991 Dame Roma was the first woman made a state governor. She held the position in my home state of South Australia until 1996. The man who made the appointment, former South Australian Premier John Bannon, said he did not offer Dame Roma the position on the basis of a pioneering decision but because she was the most eminent person in the state. It was in this role that I first met Dame Roma, and my impression of her was as one of the most active, vibrant, energetic governors that a state, indeed a nation, could possibly have. Wherever you went and whatever you got an invitation to, the chances were that Dame Roma would be there, would be speaking there or would be out talking with people and enjoying the time she spent in the community.

Her final accolade came only a short time ago when the Governor, Sir William Deane, presented her with the Commander of the Royal Victorian Order, as announced in the Queen’s new year’s honours list. Had she lived in another time, a time that some of us have worked hard for, she would have been Australia’s first president.

Amongst Dame Roma’s list of achievements and virtues was that she always led by example. Many of her admirers, including me, saw Dame Roma as a champion activist in many areas, including the rights of Aboriginals, the aged and the disabled. Dame Roma recognised that the fight for women’s equality would not happen within one generation. In 1982 she said, ‘Better opportunities for women do not mean that they should relax. Results of past discrimination are going to take a long time to reverse.’ Her foresight was quite remarkable. Almost 20 years later, that sentiment certainly rings true.

For me, one of Dame Roma’s most enduring qualities was her indomitable spirit and lifelong commitment to the community. After retiring from the bench, she worked with Meals on Wheels for three years. I note that she was still a keen surfer into her 70s—there is hope for some of us yet—and a keen fossicker along her beach at Carrickalinga. Certainly she proved that age was no barrier to enjoying life to the fullest.

Dame Roma Mitchell’s extraordinary life will be celebrated for decades to come in Australia’s cultural, legal, historical and academic life. On behalf of my colleagues, tonight I acknowledge her hard work, her compassion, her dignity, her determination, her humility, her integrity and her charm. She was kind, generous and very popular, and we thank her for the enormous legacy she leaves us all.

Senator Warwick Parer

Senator HILL (South Australia—Minister for the Environment and Heritage) (10.20 p.m.)—I want to say on a happier note a few words in recognition of the contribution to Australian politics, to the Senate and to my political party, the Liberal Party of Australia, of Warwick Parer, who retired from the Senate during our last sitting week. Warwick joined us in 1984 after a distinguished career in the mining industry, and he brought to us a great deal of practical experience in that industry which balanced the many theorists that we have in this place. He was always willing on the basis of his experience to perhaps not so much correct us but to
guide us in the right direction in relation to natural resource management in this country.

When Warwick joined the Senate he was put next to me. I had been here just three years—obviously, very experienced! I can recall that the Deputy Clerk had helped me in my early days, and I was supposed to pass this on to Warwick, someone who was 10 years my senior and who no doubt had much greater life experience; nevertheless, as these things go I was to be his mentor. I suspect I taught him little. In fact he often lamented that, whenever he wanted assistance from me, I was never there, but that was perhaps a passing phase of my political experience and he learnt quickly.

Warwick, like some of us, had chosen his period in politics when for many years we were in opposition. In fact he came in about a year after we got into opposition, so he experienced another 12 years; I capped the full 13 years of it. For somebody who had come in with the life experience that he had was a bit of a pity. I hope that the Labor Party will also learn that life in the wilderness is just that and that they will have the chance one day to lament their lost years as well. Warwick, like all good senators do, took it as it came and made a major contribution to the work of the Senate during those years through the many Senate committees he served on. He would be the last to want me to relate them to honourable senators tonight, but I do remember the leadership role he took on a number of them. The aircraft noise in Sydney committee was one in which he became very authoritative. He was a shadow minister in that area, as I remember, and in fact served in our shadow ministry in a number of different portfolios, so that when we came to government he was well qualified for the ministry and in fact was given the portfolio in which his qualifications were greater than those of anyone else in the parliament—the resource area.

Not surprisingly, being the environment minister I worked closely with him as the resources minister. Perhaps to the surprise of some, because we were not always seen as coming from the same sort of philosophical bent of the Liberal Party, we found that we worked very well together—complementing each other’s skills and experiences. I have to say that on the rare occasions that I was out of the chamber and he had to represent me I was always confident that he would do so not only ably but with the sensitivity that is necessary to manage environment matters in this country.

I do not know that we were always that helpful to him. Unfortunately, I was not here when this experience occurred, but my staff used to keep a file for question time that was described as ‘hot issues’, and a humorist in my office had inserted on the inside of the cover a photograph of a scantily clad woman. This was given to Warwick Parer as his guide for question time. Of course he had not opened it until he got into question time, was asked the question, opened it and was totally aghast—and it was there for the press gallery to see. For once in his life there was a stunned silence from Warwick. I was telephoned wherever I was in the world to be told how appalling it was to tease Warwick in this way. But he took that with his usual good sense of humour, and we had a good laugh when I got back.

In fact Warwick has been involved in more than one slightly amusing event. I do not know that it was amusing at the time, but many will recall the occasion in this place when too much of his cigar ash was repositioned in a large ashtray and it set off the fire alarm systems in this place. Smoking was always one of Warwick’s weaknesses—he did not show guidance to the young generation in that aspect. But it was very much part of his lifestyle. More than most, Warwick was always prepared to lean back with a pipe or some other apparatus such as that and relate with you regarding the important issues of the world.

When I worked with him on issues like forest policy, fishing, and mining issues like mining and regional forest agreements—quite complex and difficult issues—he was not only always well informed but, in my view anyway, always sound in his judgment and always offered a practical commonsense solution, which is sometimes wanting in this business. Particularly in that regard, he was helpful. I can remember his commitment to our challenge to conserve the Patagonian toothfish in the southern oceans. I would not have thought that was necessarily Warwick’s particular interest, but conservation of our natural resources was important to him and, to him, it was consistent with sustainable exploitation of those resources in the creation of wealth and all the benefits that can come to the community with that wealth. Having said that, I point out that as resources minister he was very committed to that sector. Where there were ways in which he could advance their interests consistent with the overall goals of the government and principles of sustainable development, he did so without fear and was often very successful. Removal of outmoded licensing requirements for a number of different resources was one instance that I can recall that benefited his industry, reduced costs and had no detrimental effect in terms of environmental outcomes at all. He was therefore, in my view, a very good resources minister. With no disrespect to his successors, I wish he had been able to stay in that portfolio for a lot longer, because he was good for the nation.

The last issue he tackled that I particularly wanted to mention is one that I think will be remembered by all of us who do regard these issues seriously. That was the way he tackled the tuna negotiations with the Japanese under the southern bluefin tuna convention when the Japanese were being , in this instance, unreasonable and were demanding a take, under the guise of a scientific take, that would have put this very carefully balanced stock in jeopardy. As resources minister Warwick said, ‘Enough is enough’ and dug in in a way that is somewhat rare for a minister. Despite all the bureaucratic and other advice to compromise, Warwick said, ‘No, this is wrong in principle and I am not going to.’ In fact his action was ultimately vindicated through the courts, and the Japanese, I am pleased to say, are now
showing some signs of being prepared to compromise.

But it was a good aspect of Warwick—strong when it was necessary to be, always a lot of commonsense applied to a problem. Fairness and justice were always important to Warwick, and he brought all of those qualities to his Senate performance and his ministerial performance. It is a credit to him and something that we will remember.

A strong family man, he goes into retirement at a time of his choosing to do other things of his choosing. Kathi has not only stood by him but been a great stalwart of the Liberal Party as well. Together their lives in politics have added up to a great deal. Certainly personally working with him has been a great pleasure and experience for me. I wish them both well in their retirement.

Rural and Regional Australia: Goods and Services Tax

Senator O'BRIEN (Tasmania) (10.30 p.m.)—Tonight I wanted to talk about a different subject. In August last year the ABC Country Hour ran a story about the problems agricultural industries were having getting accounts paid. According to the ABC, research by Dun and Bradstreet has discovered that the length of time it took to pay accounts had been rising for 16 months. Ms Christine Christian from Dun and Bradstreet also said:

Without any doubt the agricultural industry is the most difficult to collect from and we are also finding that the agricultural industry is fairly relaxed when it comes to paying its bills.

Those are her words, not mine. I have not seen the detail of that survey, but clearly things are tough in rural Australia and getting tougher. If there is a problem of slow payment of accounts I suspect it has as much to do with the state of regional economies as a reluctance to pay accounts on time. The latest Yellow Pages Small Business Index, released at the end of last month, shows that confidence among Australia’s regional small business proprietors has fallen to its lowest level for six years.

From 1 July Australia’s primary industries will confront a far more aggressive creditor—the Australian Taxation Office. Very few farmers or small businesses in regional and rural areas are prepared for what is to be demanded of them. Before that date every small business, including farmers, must apply—or should choose to apply—for an Australian business number. Farmers must also register as GST businesses, certainly if their income is above the $50,000 GST threshold. Each farm enterprise then must set up an accounting system to enable it to manage what is a completely new taxation system. Farms will also need to work out how best to manage the cash flow problems that will come with these new tax arrangements. And after 1 July each farm business will be required to lodge business activity statements—the form comes with, I might say, an explanatory document of well over 100 pages—and they must remit all the GST collected.

Clearly, there is an enormous amount of accounting related work that each farm business and other rural businesses must complete before 1 July. That is just 116 days away. With this accounting nightmare facing farmers they would have been very disturbed to read in last Friday's Australian Financial Review an article headed 'Rural Business Hit by Accountants Shortage'. The article reports Bob Douglas, the National Farmers Federation’s policy director, as saying that the shortage of rural based accountants parallels the shortage of rural based doctors. Mr Douglas was reported as saying that some accountants were even planning to cull their rural client lists. I assume that this would be in response to the significant demands placed on their own resources by the introduction of the GST. So even those farmers and rural small business that currently use an accountant might shortly find themselves out in the cold.

The Financial Review article also reports Mr Stuart Black from the Australian Institute of Chartered Accountants as saying that many small businesses in rural areas will be unable to obtain accounting services during the transition to the GST and business tax reforms. According to Mr Black, 70 to 80 per cent of small businesses in rural areas are not financially viable, which is an alarming figure to say the least. Mr Black told the Financial Review:

So what the typical rural accountant is going to do is concentrate on that 20 or so percent which pays all the fees ... With this administrative disaster brewing in regional Australia the government is also telling some 13,500 dairy farmers that they must lodge an application for financial assistance to manage the impact of further deregulation in that industry by 1 July. In fact, there is a window of only 12 weeks to lodge those applications. Further, each application must have attached a statutory declaration from a qualified accountant, a bank manager or some other professionally qualified person endorsing the financial statements contained in the application. So dairy farmers are being asked to organise themselves and their businesses to meet the Taxation Office demands in relation to the new tax system and, at the same time, the financial and administrative demands that will flow from the deregulation of their industry. And, as if this was not enough, there has been ongoing confusion about how a number of aspects of the new taxation system will affect farmers, and a number of issues are yet to be resolved.

Last July I asked a question on notice about the impact of the GST on the livestock auction system. I was told in answer that, where a registered business sells livestock at auction, GST will be charged on the sale. I was told the GST would be included in the bid price so that the auctioneer will charge a GST inclusive price. As with all answers to questions on notice about the GST, this answer would have been signed off by Senator Kemp, the minister responsible for the GST in this place. The answer of course was not correct. Once that answer appeared in the Hansard my office was contacted by a large number of industry representatives and participants wanting me to pursue the matter further. Senator Kemp was subsequently forced to correct his mistake and amend the answer. It is a matter for the
auctioneer as to whether bids should be inclusive or exclusive of the GST.

During the last sittings I asked the Assistant Treasurer without notice: was it the case that a beast sent to slaughter became food, and therefore GST free, at the point that it was stamped ‘fit for human consumption’? He could not answer the question. Commonsense would suggest that the transfer of the ownership of a beast from the farmer to the processor would occur when the beast was stunned—that is, once the beast could no longer walk back out of the meatworks it had become meat. In fact, I think that is the policy of the Cattle Council of Australia.

Senator Kemp later confirmed that under the GST the beast became food and therefore GST free only after it had been stamped ‘fit for human consumption’. That is the end of the processing chain, not the beginning. That rule in particular will have significant cash flow implications for farmers. They will have to pay GST on all their inputs but not get any benefit from the GST being paid on the animal they sell.

I also asked about the tax treatment of the inedible part of the beast and Senator Kemp came back with an answer on that matter. He said that the inedible parts of the beast would attract a GST. Those parts include the hide, inedible fats, bones and meat scraps—and they account for nearly 20 per cent of the beast by weight. I assume from Senator Kemp’s answer that those parts of the beast will require a completely separate accounting process.

**Senator McGauran—Why?**

**Senator O'BRIEN—**You work it out. Grain growers are also confused. Senator West asked the Assistant Treasurer how loan agreements between grain growers and bulk grain handlers, such as the Australian Wheat Board, would be treated under the GST. Again Senator Kemp had no idea. It comes as no surprise that the Yellow Pages survey found that two-thirds of small businesses believe that the Howard government has done a poor job in implementing the GST. The only surprise is that the disapproval figure is so low.

Farmers and small businesses in regional and rural Australia face a difficult period ahead. They have seen their incomes progressively decline because of falling commodity prices. They have had to deal with extended drought in some regions, devastating floods in others and the progressive withdrawal of services such as banking and health care. They are now forced to develop accounting processes to meet the demands of the new taxation system and, as from 1 July, all farmers and other rural businesses will become tax collectors. It appears this work will have to be done with limited professional support because of the severe shortage of accountants outside of the capital cities.

To top all of that off, dairy farmers face an even greater administrative burden over the coming months as they apply for industry restructuring assistance. There appears to be a number of aspects of the new tax system that are yet to be resolved. Australian farmers are being told that they must get all these matters sorted out by 1 July—I repeat that is just 116 days away—or they could well be treated as tax cheats and forced to pay tax at the penalty rate of 48.5 cents in the dollar.

**Senator Warwick Parer**

**Senator BOSWELL** (Queensland—Leader of the National Party of Australia in the Senate and Parliamentary Secretary to the Minister for Transport and Regional Services) (10.40 p.m.)—I wanted to join the valedictory debate and join my colleague Senator Hill in farewelling Warwick Parer, as he is now. Warwick has been around this place since 1984. I came in 1983 and he was in the next draft in 1984. During those 16 years he has been a very good senator for Queensland. The thing I want to note about Warwick Parer is that Warwick did come from the big end of town. He made a very significant financial sacrifice to come into this place. He saw it as his duty to do so. He was a person who did not stand on the sideline, but literally put his money where his mouth was and took a huge cut in his income to represent Queensland and represent the Liberal Party in the Senate.

The one thing I would say about Warwick from the National Party perspective is that, when the National Party was at its zenith, Warwick Parer did stick with the Liberal Party, although he often said that he was one of the few people who did. The Liberal Party rewarded him and elevated him into the Senate. Warwick was very hail-fellow-well-met and a very personable person around the Senate. I do not think anyone could say he ever said a bad word against anyone.

He left the Senate after obtaining what I believe he wanted—to be the Minister for Resources and Energy, which he had tremendous experience in. He was in the mining industry for all of his life that I am aware of. He brought to that portfolio a tremendous practical knowledge of the industry. He was a good minister. He was a minister who achieved a lot in the resources and energy portfolio.

He was one of the few people who chose his own time—he was not defeated in an election or a preselection, or by ill health. He leaves the Senate to enjoy his 18 grandchildren, who he is very proud of—I know he is very proud of them—and his six children. I heard him on the radio the other day say, when asked what he was going to do, that his big ambition at that time was to paint the fence of one of his daughters.

I wish Warwick well. I wish Kathi well. I know he will be occupied with all the family that he is so close to. On behalf of my National Party colleagues I say to him, ‘Well done, Warwick. You represented the Liberal Party well. You represented the energy and resources industry well. Enjoy your retirement.’

**Senator Warwick Parer**

**Senator HARRADINE** (Tasmania) (10.44 p.m.)—Warwick Parer was a man of few but well chosen words. I will now try to emulate this example in this adjournment debate. I regarded Warwick always as a very good friend. You could call upon
him and discuss with him any matters. He was also a very capable colleague who made a very significant contribution to this parliament and to this country. I simply stand now and wish Warwick and Kathi all the best and hope they enjoy their grandchildren. We need a future generation.

Dame Roma Mitchell

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (10.45 p.m.)—Tonight I wish to join the tributes to a great South Australian woman, Dame Roma Mitchell. I am proud to see that the chamber earlier this evening moved a cross-party motion that commemorates the life and achievements of the late Dame Roma Mitchell, who of course died in Adelaide yesterday. As you know, her death came swiftly after her diagnosis in February of bone cancer and leaves us with little time to take in the incredible scope of her achievements. But I suspect that it is only in retrospect that the magnitude of these become apparent and the degree to which she enriched the lives of others can be really appreciated. I do not think anyone could not be struck by this pioneering woman’s achievement as we all read the commemorations and tributes today.

Dame Roma Mitchell was one of those extraordinary people who make me so proud to be a South Australian. She was a woman of firsts who helped make our state a state of firsts. Her breaching of the barriers to women’s participation in the law carried on the tradition established by earlier South Australian women who fought and won the right to vote and the right to stand for parliament. South Australia was one of the first places in the entire world to do so. In fact, I worked most closely with her through the centenary committee for women’s suffrage of which she was the patron.

Dame Roma Mitchell set records and set the strongest example for women to follow of her time. Born in 1913, the second daughter of Harold and Maude Mitchell, her father was killed in the First World War when Roma was only four years old. Her mother struggled to bring up Roma and her sisters through the Depression, which led her later to say, ‘It wasn’t easy in those days, and the fact that my mother had no occupation was one of those things that influenced me. She was determined that her daughters would have a career that they could follow if the necessity arose.’ Indeed, her academic achievements took her to the University of Adelaide on a scholarship to study law, and her exemplary academic performance at the University of Adelaide in the field of law gave her entry to the male dominated legal profession, where her brilliance would see her rise first to the ranks of QC in 1962—the first woman QC in this country—and then to the Supreme Court bench, which was again another first. She was the first female deputy chancellor of a university in 1972 and the first chancellor of a university in 1983. I guess that was when I first had dealings with Dame Roma in my own right and not simply as Shirley’s daughter, my mother being also a friend and admirer of Dame Roma. I remember her commenting that, as a member of the centenary committee on women’s suffrage, I was going to give her much less trouble than as a student activist at the University of Adelaide.

After her retirement from the Supreme Court bench in 1983, she continued to break down gender barriers through her appointments as the Chancellor of the University of Adelaide and of course as Governor of South Australia in 1990. Dame Roma Mitchell, quoted in 1965 upon her appointment as the first female judge of a superior court in Australia, said:

As far as being a woman is concerned, I am hopeful that in my lifetime appointments such as this will not excite comment.

Upon her retirement in 1983, she was still the only female judge of any superior court in Australia. While she must have felt pride in her own achievements, her support for affirmative action suggests her frustration that other women were not able to follow her, certainly not in the numbers that she and others would have hoped for. In 1962, as an Adelaide lawyer, she was the Australian representative to a United Nations seminar on the status of women in family law. Upon her appointment to the Supreme Court again in 1965, she said, ‘Women should be able to take whatever place that they are fitted to take in the professions. Women’s intellectual and other attainments should be recognised objectively, and I am sure that they are being more widely appreciated nearly everywhere in today’s world.’ In 1982, she said:

Better opportunities for women do not mean that they should relax. Results of past discrimination are going to take a long time to reverse.

In 1993, in her Phillip Hughes oration, she said:

I think we were right for our time in adopting the maxim ‘softly softly catchy monkey’, but I also think that time has passed. There is a need for affirmative action, not to give preference to women over men in employment, but to ensure that women do not suffer detriment by reason of gender.

In relation to equal pay for equal work, she said:

In spite of the apparent acceptance today of the proposition that equity demands that there be equal pay for equal work, I know that statistics show that women generally occupy lower paid jobs than do men, and that equality of opportunity for women has not yet been achieved. As women’s roles in the work force increase in number and in variety, their influence in union should also increase.

That was a quote from 1994.

Clearly, apparent throughout her life was a commitment to women’s equality and to men in all positions in society, but she was always a strong advocate for Australian women. She was an advocate for electoral reform. She once said, ‘All right thinking persons will agree that any last obstacle to the election of appropriate women to parliament should be removed.’ That was in 1994, the year that we celebrated the centenary of women’s suffrage. She worked on many issues: the need for changed attitudes towards working wives, refresher courses for female graduates wanting to return to work after raising children, part-time work for men and women in times of job shortages, the need for housework to be shared and of course unified retirement ages for men and women. She suggested that boys should learn to play with dolls.
There are many examples of her lobbying skills and her work. The Guardianship of Infants Act 1940 was passed through the South Australian parliament under the legal supervision of Dame Roma, agreeing to the principle of equality for male and female parents and setting the precedent of giving equal custody, authority and responsibility to mothers. We celebrate tonight, though with a great deal of sadness, her sense of justice, her sense of fairness and her strong belief in equality.

This was evident even when she was young, as many quotes have revealed today. She once said, ‘I was always willing at school to push for things that I thought were right and to push against anything that I thought was an injustice. I also had the characteristic of being the spokesperson for the class.’ On the affirmative action, she said, ‘My sort of affirmative action means trying to even things up to see that people do not miss opportunities. In the case of women, they’ve usually been home looking after the family.’ So, clearly, her commitment to women’s rights was demonstrable throughout her life.

Dame Roma had the manners and the presence of more gracious times, but it would be wrong not to acknowledge her strength as a feminist—a word, as Senator Crowley said, she did not shy away from. Women who may have appeared more radical and who had to struggle day after day in male dominated environments arguing for equality often used Dame Roma as a touchstone. When anti-feminist men called them crazy or worse, they could point to Dame Roma, a vision of respectability, and say, ‘She believes in just what I believe in—in equality.’ It was an effective argument. No-one ever dared, and I do not think anyone ever will dare, suggest that Dame Roma was crazy. I quote from an article entitled ‘Dame Roma Mitchell: SA’s Caring Matriarch’ and acknowledge that it is an article written in 1987 by my mother, Shirley Stott Despoja, for the Advertiser. In many ways, she some sums up feelings towards Dame Roma. She says:

Her ability to see both sides of the gender inequality question, not to mention all sides of the even larger human rights question, may have caused some feminists to wonder whether Dame Roma was as committed to equal rights for women, and in recent years, to affirmative action, as they were.

It is on record, anyway, that Dame Roma has always been a strong voice to encourage women to break down the barriers to equal opportunity, urging them not to relax in their struggle and pointing out to all the great gap that still exists in their representation in public life. In earlier years, there were the constraints implicit in her position as a judge. Having once admonished judges and magistrates for clothing remarks from the bench in intemperate language, she was unlikely to follow their example on or off the bench by yelling the feminist message. For her was the appropriate remarks for the right moment, the things that needed to be said, backed up with calm and logic, the authority of her presence and professional distinction and the reasoning of one of the finest minds of her time. Indeed, she has been one of the finest minds of our time. I quickly refer to a statement that she made, again in an interview that was mentioned in the Advertiser, when she talked about getting older and death:

‘I don’t think anybody looks forward to the idea of dying, because somehow you feel you, the essential you, can never really go, don’t you? You have the egotism. But I certainly don’t sit and count the years.’

There is the hope of ‘something afterwards’, of meeting the ‘essential quality of the people that you’ve loved ... but it can’t be anything more than a hope. It would be nice if that is what will happen’.

I hope that is what is happening for Dame Roma. She leaves us celebrating and acknowledging her essential qualities. She was a wonderful woman and is a great loss to our state and, indeed, our nation.

Senator Warwick Parer

Senator CALVERT (Tasmania) (10.55 p.m.)—Tonight is rather unusual, because we have had speeches interspersed. I want to speak about Warry Parer, a good friend and colleague. Typical of Warwick, he kept this place unannounced, without any fuss or bother, a couple of weeks ago. He made it quite clear that he did not want anybody to make any valedictories about him—so here we are. I know I speak for all his colleagues when I say that Warwick was a great friend and a great person to know. I first met Warwick back in late 1987 when I first came into the Senate. I remember Senator Hill saying here a while ago that he was Senator Parer’s minder. I had the pleasure and honour of being minded by Warwick in the old chamber. One of the first things he taught me to do was to start smoking again. I had not smoked for 13-odd years, and we used to share a rollie after question time. I did that for one or two years until Senator Herron got on to me and I decided to give it away.

Warwick was a very interesting person to talk to. He had a great wealth of experiences to tell you about. He was very proud of his family; he was very proud of his heritage. Those of us who knew him well know how hard he worked from day one right through, and we know his achievements. He must be very proud of those, and I think his family are too. Warwick was born in Wau in Papua New Guinea in 1936. Unfortunately, his father was one of the first casualties of the Second World War up there when he was killed taking off in a plane. It was shot down by the Japanese. Of course, Warwick was also very proud of his uncle, Damien Parer, who was the well-known war photographer and correspondent. Just recently, when Warwick was overseas, he did a bit of checking up and found that some of his ancestors went back to Spain. He presented me with a bottle of wine from a Parer vineyard in Spain on my 60th birthday when he was down in Hobart.

I remember my 50th birthday very well because that was the time when I talked Warwick into coming back to Tasmania. Warwick’s family did have a Tasmanian connection. His grandfather, great uncle or someone similar owned the Crotty hotel. The town of Crotty on the west coast disappeared, and they just pulled the hotel down, packed it up on a barge, took it to King Island and re-erected it as the Parer’s hotel. Years later, that hotel burnt down,
some investors from Victoria built a new one and, in January 1990, Senator Warwick Parer was asked to open that hotel. I was lucky enough to get an invitation as well, and we had a rather spectacular opening, with seafood like you had never seen before and are never likely to see again.

I convinced Warwick to come down the west coast and visit some of the old places his family were involved in, and he came back to Hobart. He has been back a couple of times since. I would like to pass on the best wishes of the Shearwater health and recreation club, of which he has become an honorary member. In the last couple of years he spent a week or so with us playing golf. That is one of his great loves, apart from his family—his 18 grandchildren and six children. As you would know, Madam President, he took great pride in showing us the family photo, with all the children in different coloured T-shirts matching up to the different families. It was like a football team, but it was rather spectacular.

As has been said, Warwick has had a very distinguished career. He has a reputation, quite rightly, as a straight thinker, a straight talker and a very practical achiever. Certainly he was very proud of the staff that he had working for him in resources and I think they were very proud of him. I know for a fact that Warwick felt that his greatest achievement as the minister for resources was the abolition of the export controls on minerals—except on uranium, of course. Those export controls date back to the late Rex Connor, when he was minister, so Warwick took some pride in getting those export controls removed. I know he took great pleasure in turning the first sod for the Australian Geological Survey Organisation—AGSO—building, and he saw that magnificent building through to finality. I was with him on the day that he was presented with the spade that he had turned the first sod with—that was the nickel plated one, not the gold plated one that people tried to bring up as an issue at estimates. He also chaired the first APEC ministers conference in Sydney and attended subsequent meetings in Edmundston and Okinawa, and I think was well respected as our resource minister.

Warwick also initiated the process extending Australia’s continental limits. I know, as a Tasmanian, that he was involved in extending the 12-mile limit off the east coast of Tasmania and that was of great benefit to our fledgling Tasmanian tuna industry. Senator Hill has already touched on the matter of the southern bluefin tuna. Warwick took a very strong stand against the Japanese and was responsible for protecting the bluefin tuna stock. He is quite proud of that fact. Warwick is a very keen fishermen and I am sure that in his retirement he will have much pleasure in fishing with his grandchildren off Surfers Paradise—which is the particular area that he tells me he catches lots of fish in. Another fishing initiative that he was involved in was the south-east trawl and protecting the shark fishery. That was the matter that he came to Tasmania about, and I think the endangered shark fishery stock has now been well protected as a result of his initiatives.

As Senator Hill mentioned, it was mainly due to the efforts of Warwick and the former minister, Ian McLachlan, that the Australian Navy ships moved south of Tasmania to protect the Patagonian toothfish and other fish that were being taken by illegal means.

Warwick Parer is leaving this place just as he came: very quietly. He has achieved a lot and he goes out with his head held high. He is leaving behind a lot of friends and colleagues who will always remain that way, I believe. I look forward to seeing Warwick again from time to time and I am sure that the most of my colleagues do also. He represented Queensland in a superb way and he represented the Liberal Party eminently. I believe he has treated everybody fairly. Warwick has been loyal to his family, his party and his state, and no-one could ask for more than that.

Cyclone Steve: Volunteer Contribution

Senator McLUCAS (Queensland) (11.03 p.m.)—I want to talk tonight about the impact of Cyclone Steve, which is currently wreaking havoc in Western Australia’s Pilbara district, having passed through the Northern Territory and, before that, Far North Queensland over the past week. Despite Cyclone Steve’s obvious fondness for Northern Australian, I can assure you that the feeling is not mutual. As a resident of Cairns, the city that Cyclone Steve cut a swathe through on his way west, we would very much like to put his passage behind us. It will be a long and expensive task, with estimates putting the cost to Far North Queensland as high as $100 million. Nonetheless, it is a task that we have started and the message that I know local businesses are anxious to get out to the rest of the country is that we are well and truly open for business.

While a tale of destruction is rarely a cause for celebration, I want to talk tonight about something positive—that is, the incredible work done by hundreds of volunteers who give their time, energy and goodwill to help emergency services cope with the aftermath of any cyclone. Before I do this, I would like to extend my condolences to the family of a young man, Django Cox, from the small town of Cardwell, who lost his life in the floods that followed the cyclone. We had hoped that our communities would come through unscathed, but unfortunately that was not to be the case. The storm that became Cyclone Steve had been lurking off the Far North Queensland coast for a number of days before forming into a cyclone late on Saturday. It intensified from a category 1 to a category 2 in the early hours of Sunday morning and crossed the coast just north of Cairns city at about 7 p.m. on Sunday night. Cyclone Steve brought winds of 150 kilometres per hour and widespread flooding. Buildings were unroofed, power cables and roads were cut and thousands of trees were either toppled or seriously damaged. Thousands of people needed assistance. Some assistance was needed immediately, like the family that was almost swept down a flooded creek. Most direct assistance, of course, was provided after the event. Roofs needed...
covering with tarps and trees needed to be removed from houses, driveways and roads.

Cairns Emergency Services answered over 1,200 calls during the course of Cyclone Steve, while the Disaster Coordination Centre took another 1,800 calls. Many people do not realise that many of the people taking those calls are volunteers, as are most of the people who help out on the ground—that is around 200 SES volunteers in the Cairns and surrounding districts. Everyone of them, I can say, is worth their weight in gold. These are the people who gave up most of last week to help out with the clean-up, working around the clock and often going home for only a brief sleep before heading out again. They often spend their own money in the course of their efforts, as in the case of the tree lopper who closed his own business to clean up fallen trees for free, turning his back on a tidy profit, and the Tablelands SES group which was not activated as a part of the emergency but got together anyway and volunteered in Cairns.

I would also like to mention the work of the SES cadets who, for the first time, were an integral part of the Disaster Coordination Centre for the duration of the emergency. I am talking here about young local people between the ages of 13 and 16 who proved our youth are up to the most demanding of tasks if we give them the time to train and prepare them properly. Our recognition goes also to their trainers.

Darryl Camp at Mareeba and Terry Ball in Cairns were the local controllers for the emergency operation. They were responsible for managing the SES volunteers—everything from prioritising workloads to feeding and clothing those workers. They have done a superb job, as witnessed by the lack of complaints about SES work. While everyone would like their trees cleaned up faster, there has been an understanding in Cairns and in the Tablelands that the SES is working to capacity and that its priorities have been proper and appropriate.

I would also like to thank the employers who willingly gave their staff the time off that they required. In fact, the disaster response coordinators report that they had many employers throughout the district ringing to ask what else they could do to help with the clean-up. Many people in the region want to thank these volunteers and staff of the emergency services. Many are away from their own homes and families for the actual event and return after the clean-up to attend to their own needs. It is important to recognise that the families of volunteers also contribute by doing without their family member, and I must say that the SES volunteers include both women and men. To thank these special people I understand that the renowned cruise company Quicksilver is intending to take all the volunteers and their families out for a reef cruise and that the hospitality industry of Cairns want to put on a thank you function for the volunteers.

I should also mention the work of local government—notably the Cairns City Council, the Mareeba and Douglas Shire Council, the police, Army and Navy, both permanent forces and reservists—all of whom played their part in the clean-up. Each of these agencies has its own responsibility in any counter-disaster response and, in the case of the response to Cyclone Steve, the plan worked smoothly. The Cairns Disaster Control Centre was coordinated by Geoff Reynolds and I need also to acknowledge the important role played by the deputy mayor, Jeff Pezzutti, who did not leave the centre for the night of the cyclone and for much of the following day. Communication during a cyclone is essential so that the community has accurate and objective advice, and this was ably provided by the council’s Gary Schofield.

For the first time the disaster effort included a recorded message in Japanese, broadcast locally for Japanese tourists, explaining what was going on and providing advice. The message was recorded by a Japanese-speaking volunteer and was well received by both Japanese tourists who were well informed about what they were to expect and the industry itself.

There are many people who need to be thanked and lists always run the risk of leaving people out, but I wish to note the work of a number of people: Bob McLagan and his team were responsible for the Tablelands and western area, and Wayne Coutts and his SES groups did a great job in Cairns. The community is extremely grateful for all of your efforts. Ian Keane, the CEO of Tourism Tropical North Queensland, provided excellent advice in the volunteer coordination centre. Loui Mackri worked around the clock to ensure that there was water supplied to the town of Mareeba after the main was washed away along with the railway bridge. Thanks also to Grant Bell, the Mareeba group leader. And all operations need a chief to direct the proceedings. Sid Churchill, District Manager of the Far Northern Region of the State Emergency Service, provided that leadership as he has done for many years.

In the Far North we have an excellent disaster management team and the events of last week prove that it works. It relies on cooperation and communication between the staff of the emergency services, local government, volunteers and staff of the SES. This is not only during the emergency but also on an ongoing basis. It is acknowledged that most volunteers provide their services for the pleasure of serving their community. If these services were to be funded by the taxpayer, we would be up for a considerable cost, especially in areas which are cyclone prone.

Far North Queensland is one of the best prepared and most organised regions in the state of Queensland. Maybe this is because it has to be, given the nature of the climate, but it is also because of the hard work of all of those involved. It is recognised that the team sets the example for the rest of the state, and some of their communication and information management systems have been taken up statewide. On behalf of the people of North Queensland, our thanks to those who have so quickly put the events of Steve behind us and reopened our doors for business.
Senator Warwick Parer

Senator HERRON (Queensland—Minister for Aboriginal and Torres Strait Islander Affairs) (11.12 p.m.)—Warwick Parer was a great asset to the Senate and I believe was uniquely qualified to be Minister for Resources and Energy, a position he occupied from March 1996 to October 1998. Following the election in December 1998, he asked not to be considered for the ministry and went to the back bench. In this capacity, he became Chairman of the Senate Finance and Public Administration Legislation Committee and a member of the Rural and Regional Affairs and Transport References Committee. He has now retired from the Senate by his own choice.

That is the bare bones of Warwick’s political career in government. It was preceded by shadow portfolios and committee work during 12 long years of opposition. Fleshing it out is the background of a man destined to occupy his portfolio and make a significant contribution to public life. Born in New Guinea, educated in Brisbane, Warwick took a degree in commerce at Melbourne University. He married Kathi 40 years ago, and their love produced four daughters and three sons: Carol, Martine, Helen, Sonia, Warwick, Justin and Rowan. Their immediate family now also includes four sons-in-law—Peter, Lee, Chris and Bruce—a daughter-in-law, Jenny, and 18 grandchildren. Above all else, his family is foremost.

He founded the Non-Destructive Testing Laboratories in 1962 and became Victorian manager of Philips-Stanford Pty Ltd in 1966. He was commercial manager and assistant secretary of Utah Development Company in 1973 and Chairman of Australian Coal Exporters in 1976. The Liberal Party in Queensland was extremely fortunate to enlist him to occupy a Senate vacancy in 1984. Warwick brought to the Senate not only his expertise in management but also his experience in the field for which he assumed government responsibility. He allied this with the stability that comes with the support of a wife and family. He was never flustered and has a capacity for friendship which traverses political partisanship. He is a mean golfer and one is always aware of his presence by the distinctive aroma of his pipe.

For many years he was patron of the Young Liberal movement, and he and Kathi have been active in the promotion of the Liberal Party and its ideals. They are both influential members of the Creek Road branch, and Kathi has been a tireless worker for the party. All of us have been enriched by his presence in the Senate, and Australia as a whole is indebted to him for his overseeing of the abolition of the three mines uranium policy and the freeing up of the minerals industry by removing unnecessary federal export controls which paved the way for industry expansion and jobs growth.

Warwick will be missed here for his urbanity, his equanimity and his vision. His leaving will be a loss to parliament and to public life. I am sure that all his colleagues join with me in wishing him and Kathi long life, good fellowship and success in his endeavours. Many of us will continue to appreciate his conviviality and friendship, and for that we are privileged and grateful.

Information Technology: Outsourcing

Senator LUNDY (Australian Capital Territory) (11.15 p.m.)—How can it be that some government agencies are forced to pay a private company $200 just to change a password on a desktop computer? How can it be that the department of health, surely one of the most important single federal government agencies affecting the lives of all citizens, is trapped in a technological time warp for the next five years, unable to move with the technological change demanded of our times? The answer is quite simple, and these are just two examples of the disgraceful shambles masquerading as outsourcing that the finance minister has overseen in the last three years.

Three years ago, it was Minister Fahey who took a punt on the level of savings that outsourcing information technology in the Commonwealth Public Service would return. He and his government did so on the basis of a cabinet submission, which was leaked at the time, that expressed certain concerns from agencies involved but nonetheless served not to thwart the government in its plan to continue with outsourcing. This piece of arbitrary guesswork has been presented as the savings that the government claims as a result of outsourcing – and nothing could be further from the truth.

The savings that are claimed by the Minister for Finance have nothing to do with outsourcing itself. They are what the Minister for Finance took off the forward budgets for each department, even before those agencies and departments had the opportunity to participate in the program. The head agency handling the contracts said as much in the recent round of Senate budget estimates and, as a result of its submission, Minister Fahey has a big problem on his hands. Why? Because the savings that have been identified by each department participating in each of the five clustered contracts signed to date match almost perfectly the figure that Minister Fahey pulled out of the hat three years ago.

The significance of this was not lost on the former head of OASITO, the Office of Asset Sales and IT Outsourcing, who, after – I think quite effectively – distancing himself from any involvement in the setting of the reductions in the respective forward year’s budget, resigned late last year. OASITO controls the structure, scope and timing of the requests for tenders and, as well, represents the agencies and departments in these contract negotiations. It consults with a committee consisting of representatives of each department or agency and is privy to the benchmark IT costs. In final stages of contract negotiation, however, the cluster participants do not have control of changes to the scope of the contracts, the detail about how much the contract will cover or the pricing arrangements. That is in the hands of OASITO, and it is OASITO that has shown a willingness to adjust the scope and service level agreements to get the right price. And what is the right price? The right price is the price...
that will deliver the guesstimated savings already programmed into each agency’s or department’s forward budgets.

I would just like to quote now from *Hansard*, and I turn first of all to evidence relating to the tax office. Mr Yarra said:

The effect of the adjustments made to forward estimates, say, three years ago was to reduce the amount of money given to agencies to spend on IT and other things. The adjustment in anticipation of IT outsourcing reduced the amount of money they had available to spend. The outcome of the contract reduced the amount of money they had to spend. So if the amount of money they had available to spend dropped by $100 million and the amount of money they had to spend dropped by $100 million, they were lucky.

Upon my question of ‘Just lucky?’ Mr Yarra went on to say:

Their IT costs happened to match the amount of money they had available. To the extent that what they have to spend drops by more than they lost in their appropriations, they get the benefit. To the extent it is less, they have to cough up from within their own funding arrangements within the agency.

Isn’t that interesting. The substance of that is that the forward estimates of the budgets three years ago, when the government first implemented this program, to and behold, match the savings as they have been identified as each contract has been negotiated and signed off by the minister. The pre-determined political outcomes required arrive in the form of the savings that the minister keeps announcing—and we have heard him consistently say, ‘Look, we’ve got another contract signed, there are savings.’ In fact, those savings are the moneys that the budget has already lost, and the claimed savings by the minister at the time of signing are nothing by the minister at the time of signing are nothing by the agencies. To the extent that they yield fewer savings, those agencies will have to meet the shortfall.’ There is therefore a clear disconnect between the budget treatment of the agency and the savings that actually arise from a contract.

I would like to quote further from the *Hansard* that I think demonstrates this—and I refer to *Hansard* dated 1 December 1999 which records evidence from Mr Hutchinson of OASITO. Mr Hutchinson said:

My agency has the good fortune to have absolutely no involvement whatsoever in the reductions to agency budgets that were made in anticipation of outsourcing. That was entirely a matter dealt with by the Commonwealth at the budget level on the advice of the department of finance. We only have accountability for the—

and he goes on to talk about the actual savings realised as part of the IT outsourcing contract yet to be determined. But then a little later on in the *Hansard*, Mr Hutchinson says:

Senator, the budgets of agencies were reduced before the IT outsourcing program was implemented. The government looked at it and said, ‘We expect a degree of savings from the IT outsourcing.

We will reduce the budgets of agencies by this amount in anticipation of those savings. To the extent that the actual implement of outsourcing yields greater savings, those savings will be retained by the agencies. To the extent that they yield fewer savings, those agencies will have to meet the shortfall.’ There is therefore a clear disconnect between the budget treatment of the agency and the savings that actually arise from a contract.

Isn’t that an interesting statement because that certainly runs contrary to the claims of Minister Fahey with respect to these savings?

I will move on. Again, later in the hearing—and I am now quoting from page 121—Mr Hutchinson contradicts himself in reiterating this point. He says:

There is no relationship between the IT outsourcing program and the Commonwealth expenditure on IT other than we have brought the unit costs down.

This is a very interesting point because suddenly it is not about bottom line cost savings as we hear from the minister. But listen to this from Mr Hutchinson:

Our assessment from all the contracts and tenders that come in is that costs are falling. Expenditure is rising but costs are falling.

So there we have it. After all of these claims for savings, expenditure is rising and the Office of Asset Sales and IT Outsourcing try to reinterpret the minister’s claim of savings, saying that it is a unit cost reduction. He then goes on to say:

Perhaps I may revise my earlier answer and say that, to the extent that our priority expectations and the contract specific expectations are closely related, that is not coincidental. Perhaps my predecessors were pretty prescient and were very good at working out what the expected savings would be.

So now we have Mr Hutchinson actually admitting there is a link.

Further on in the *Hansard* Mr Smith comes in and contradicts his immediate senior. He said:

We do not determine what savings we are looking for, Senator. The market determines the level of savings.

Then Mr Hutchinson goes on further to say:

Some agencies drew the conclusion that they might be facing higher costs from the outsourcing than from their own internal baseline costs.

What I have tried to demonstrate here tonight is that there is actually a direct relationship between the budget out years cost cutting and IT outsourcing from the minister for finance three years ago. Since then, the IT outsourcing program has proceeded disjointedly to the point now where we have agencies who lost—and Health is a case in point, having lost $6 million over the last three years. They have only just had their contract signed. They are already $6 million in the red—money they have had to absorb within their department on their IT costs—and they are now faced with a contract for five years with the savings already lost from their out years budget. If they do not, within the scope of this contract, find $3 million worth of savings per annum over the next five years, they will be further in the red. *(Time expired)*

**Senator Warwick Parer**

**Mr Harry Giese**

**Mr Mick Alderson**

**Senator TAMBLING** *(Northern Territory—Parliamentary Secretary to the Minister for Health and Aged Care) (11.25 p.m.)*—I would like to join with a number of my colleagues this evening and pay a tribute to Warwick Parer: a tribute to him as a senator and as a friend and a tribute to him on a personal basis and on behalf of my
Monday, 6 March 2000

I would certainly like to wish Warwick, Kathi and resources minister in those important areas of electorate, the Northern Territory. I believe the Monday, 6 March 2000 SENA TE P 12069

Churchill Fellowship, which he used to further his the Order of the British Empire in 1965 in Territorians of like mind. He was made a member of Hasluck, and many other famous Australians and minister for territories at the time, the Hon. Paul I would certainly like to wish Warwick, Kathi and their family best wishes for a wonderful future.

Tonight I would also like to talk about two remarkable Territorians who have sadly passed away recently. Although they inhabited very different worlds, these two men both contributed greatly to the fabric of the Northern Territory and were closely linked by a desire to help Aboriginal people and further their economic and social advantage. The men I refer to are Mr Harry Giese, who lived in Darwin, and Mr Mick Alderson, an Aboriginal man from the Kakadu region.

I knew Harry Giese through very close family contact of about 50 years, and I would certainly recognise him as one of my political mentors and a close friend. He was born on 9 December 1913 in the small country town of Greenbushes in Western Australia. He was the eldest of four children. He died on 4 February this year. In May 1946, Harry Giese married Nancy Wilson, whom Territorians know as Nan and who is currently the Vice-Chancellor of the Northern Territory University.

Harry Giese was the longest serving member of the predecessor of the present Northern Territory parliament, the Legislative Council. He served from 1954, after his recruitment to the Northern Territory, to 1973—a period of 19 years which saw rapid and rapid change in the Northern Territory. In the same year as he was elected to the Legislative Council, 1954, Harry was appointed director of the newly created Welfare Branch, and under him the Welfare Branch held responsibility for such areas as education, health and housing for Aboriginal people. This was an extremely controversial field and Harry Giese weathered much criticism and resistance to some of the policies he was implementing, but to his credit the relationships and esteem that he held with Aboriginal traditional owners and their families is one of his lasting legacies to our community.

That was a time of rapid change that saw advances to Aboriginal people in the Northern Territory that had helped lift many of the restrictions, both social and economic, which applied to Aboriginal people. He recognised the need for training and education that would allow Aboriginal people to acquire skills for self-management and self-reliance. The policies of assimilation and integration being proceeded with at the time seem paternalistic to many of us now, but at the time many thought the initiatives advanced by Harry Giese were too liberal and fought against them strongly.

He worked closely with the Commonwealth minister for territories at the time, the Hon. Paul Hasluck, and many other famous Australians and Territorians of like mind. He was made a member of the Order of the British Empire in 1965 in recognition of his public service. In 1966 he won a Churchill Fellowship, which he used to further his knowledge of indigenous peoples by visiting communities in Canada and the United States. Later he headed the Darwin Disaster Welfare Council after Cyclone Tracy. I had the very great fortune of working closely with him through this traumatic but fascinating period in my roles both with the then Northern Territory Legislative Assembly and the Darwin Reconstruction Commission. In 1978, Harry Giese became the first Northern Territory Ombudsman.

His community service also needs to be put on the record. He established the excellent facilities that is the Menzies School of Health Research. From 1979 to 1985, he was the Chairman of the Sir Robert Menzies Foundation and a member of the foundation’s national executive. He was a member of the Board of Governors of Menzies for 10 years from 1985 and served for eight of those years as deputy chairman. The other organisations that he helped with other Territorians to set up include Crisis Line, the Aboriginal Cultural Foundation, the Historical Society of the Northern Territory, the Northern Territory Council for the Ageing and the Marriage Guidance Council. He was also a life member of organisations such as the Northern Territory Spastic Association, the Royal Life Saving Society, the Royal Australian Institute of Public Administration, the Marriage Guidance Council and the Darwin Probus Club. He was the foundation president of the Northern Territory Rugby Union and an honorary fellow of the University of Sydney.

In listing so many groups, I must have inevitably missed out on mentioning either people or groups with whom he was associated, but it is difficult to list all his achievements as he has obviously contributed to so many worthy and notable causes. To Harry Giese’s widow Nan and his son Richard and daughter Diana, I pass on my personal commiserations and I know that I speak for all Territorians when I say that we mourn the passing of a man who worked tirelessly, unselfishly and with great dedication for the people of the Territory. If we had just a few more men of the calibre and example of Harry Giese, there would be far fewer problems in the world.

The second person who recently died in the Northern Territory was Mick Alderson. He was born in what is now the Kakadu National Park in November 1948. He was married to Anna and had two sons, William and Jordan, and two daughters, Frear and Ayisha. His father was Yorky Bill Alderson, a Murumburr man, and his mother is Minnie Alderson, a Marrirn woman. Minnie still lives at Nirptu. Mick was a senior traditional owner of the Kakadu region. He spent all of his life in the world.

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Mick Alderson was employed as a cultural adviser to the Australian National Parks and Wildlife Service, now known as Parks Australia. From 1996, Mr Alderson was Chair of the Kakadu Board of Management. He was a guiding force in the
people. Kakadu is a world class national park and has deservedly won world heritage listing. Mick was integral to the development of the park, which ensures that Aboriginal people benefit from the use of their land as a national park. Mick was instrumental in many things in his native Kakadu region, but perhaps the most important legacy is his work in ensuring that tourist access to particular sites in Kakadu National Park was achieved in a culturally sensitive way that maintained the integrity and the significance of the site.

Mick Alderson supported development. I am reliably informed that he felt mining did not affect Aboriginal communities negatively. He did, however, believe that Aboriginal people and organisations needed more guidance in financial matters in areas where mining was taking place, particularly in the early years of such development. I would like to put on record my most sincere condolences to Mick Alderson's family and to his people.

**Senator Warwick Parer**

_Macdonald_ (Queensland—Minister for Regional Services, Territories and Local Government) (11.34 p.m.)—It is my pleasure tonight to join with my colleagues in recognising the contribution to public life made by the then Senator Kathy Martin when she resigned in 1984 in the casual vacancy caused by the resignation of the then Senator Kathy Martin when she successfully contested the newly created House of Representatives seat of Moncrieff.

Warwick came to the Senate following a very distinguished career in business and commerce, particularly in the mining and minerals exploration industry. He was born in Papua New Guinea and was educated at Nudgee College in Brisbane and at the University of Melbourne from where he graduated with a Bachelor of Commerce. He also qualified as a certified practising accountant and became a fellow of the Australasian Institute of Mining and Metallurgy.

Warwick Parer was the Victorian Manager of Philips Stanford Pty Ltd from 1966 to 1968, and additionally he was the founder and Managing Director of Non-Destructive Testing Laboratories from 1962 to 1969. In 1970, he began his long association with the Utah Development Company serving as Administration Manager from 1970 to 1973, and then as Commercial Manager and Assistant Secretary of the Utah Development Company from 1973 to 1980. He was Chairman of the Australian Coal Exporters Association from 1976 to 1979 and Managing Director of Queensland Energy Management Pty Ltd from 1980 to 1984. He was also heavily involved in the Queensland Institute of Technology, and he served for some time as its deputy chair.

It is unfortunately rare in Australia that senior businessmen and women do not seek a parliamentary career and, accordingly, Warwick Parer brought to debate in this chamber a special perspective and a thorough professional knowledge of the mining industry. It is a particular mark of the respect in which Warwick was held as Minister for Resources and Energy that, after he retired from the ministry before the last election, the peak mining body, the Minerals Council of Australia, paid special tribute to him for his enormous contribution to the industry as their minister. Warwick always proudly said that it was his job as the Minister for Resources and Energy to do himself out of a job by making it such that it did not require any special federal government portfolio. He was proud that he succeeded in that goal, lifting the restrictions and the red tape off much of the mining and resources industry.

As resources minister, Warwick Parer did much for the fishing industry. As both my colleagues Senator Hill and Senator Calvert have related, Warwick was involved in a number of issues, and one in which I was involved with him on the periphery was in the work done by the Australian government to preserve and protect the Patagonian toothfish. It was during Warwick’s term as minister in charge of those natural resources that we had the Australian Navy move in to uphold Australian fishing regulations and on the high seas arrest a number of ships that were illegally fishing in our Antarctic waters.

Warwick and his wife Kathi have made a major contribution to the Liberal Party, and I think many of their seven children as well have been involved in the Liberal Party in Queensland. One of his sons, Justin Parer, served for a time as President of the Queensland Young Liberals. Before the coalition came to government in 1996, Warwick also served in the shadow ministry as shadow minister for administrative services, local government and the Australian Capital Territory; aviation and tourism; and customs. Warwick Parer was a hardworking senator, both before and after he entered the ministry, and a diligent minister.

I know Warwick would want me to acknowledge that much of the work he did, particularly as a Queensland senator, was a partnership effort between Warwick and his loyal and long serving staff. I particularly mention in that regard Maureen Nagle, who was with Warwick for many, many years, and also more recently Karen Racey.

It is typical of Warwick that he chaired a Senate committee the day before he resigned and also
typically modest of Warwick that he chose to resign in a non-sitting period to avoid having to sit through the tributes of his colleagues. Warwick Parer travelled very widely throughout his state of Queensland in his time as Liberal senator for that state. On the occasions that I travelled with Warwick, I was always amazed at the number of people he seemed to know from all walks of life and from every part of the state of Queensland. I think that wide recognition, the interest Warwick had in people, is a credit to the work that he has done for Queensland in many different forms over a long period of time.

I will certainly miss Warwick’s contributions to this place, to the party room, to the Liberal Party in Queensland and to other forums. The Senate will miss his extensive knowledge of regional industry in Australia in general and in Queensland and northern Australia in particular. I am sure that Warwick Parer and Kathi will continue to make a contribution to public life in Australia. On behalf of my wife, Lesley, and, if I can presume to speak for Liberals and other friends in the north of Queensland, on their behalf as well, I extend to Warwick and Kathi all the very best for the future.

Senator Warwick Parer

Senator MASON (Queensland) (11.41 p.m.)—I rise tonight to say a few words in tribute to my former parliamentary colleague, fellow Queenslander and friend, the Hon. Warwick Parer, who retired from the Senate four weeks ago after 16 years of public service. Warwick, I think, represents what is best about liberalism—from humble beginnings in the Papua New Guinea of the 1930s through his years of successful professional life to his distinguished service in John Howard’s first ministry. Nothing in Warwick’s life was handed to him on a silver platter; it was all due to his own hard work and great determination. He is a self-made man who, through his achievement, realised the Australian dream for himself and for his loved ones.

Warwick was never a career politician. Before entering parliament in 1984, he enjoyed a very successful career in the Queensland mining industry. Well known and widely respected in his field, Warwick built up through decades of professional involvement a reputation as a skilful, knowledgeable and enterprising administrator and executive. He was to apply these same qualities when he made the decision to retire from business and devote his time to public service, representing the people of Queensland in the Australian Senate.

In 1984, when Warwick Parer entered the Senate, there were only two Liberal senators and seven members of the House of Representatives from Queensland. Today, that number has doubled: there are four senators and 14 members of the House. Warwick was instrumental in the building of liberalism in Queensland. He travelled up and down the coast building branches and encouraging grassroots participation in the Liberal Party.

Warwick, through his years in the Senate, never lost touch with the ordinary members of the party. He was one of those elected representatives who, along with his wife, Kathi, was always there to hand out how-to-vote cards, even in the toughest territory. I know that Warwick was delighted to have recently been made a special life member of the Queensland Young Liberal Movement in recognition of his longstanding commitment to young people in Liberal politics. His great staff—Maureen Nagle, Karen Racey and Tracy Arnison—were a wonderful benefit in his long service to the Liberal Party.

The big change in Warwick’s political life came after the landslide election of 1996, which saw John Howard and the coalition back in power. After 12 years in opposition, including service as shadow minister for administrative services, local government and the Australian Capital Territory; shadow minister for aviation and tourism; and shadow minister for customs, Warwick was given an opportunity to contribute to public life as a federal minister.

In his own modest way, Warwick said that he was always surprised to be appointed to the ministry by the Prime Minister. But fortunately John Howard recognised his professional background and years of parliamentary experience and offered him the portfolio of Resources and Energy.

Warwick served as a minister for 2½ years from March 1996 to October 1998, and I know that he enjoys the rare distinction of leaving his portfolio after having completed everything he set out to do. His record of ministerial achievements speaks for itself. One of the great legacies of Warwick’s time as the Minister for Resources and Energy was the abolition of the unworkable and absurd three mines policy left to us by the Labor government.

But it was not just ministerial achievements that made Warwick’s parliamentary reputation. It was his style. He brought with him to his job as senator the commonsense and businesslike approach that in the past had made him so successful in the private sector.

Warwick never cared much about perceptions and never felt a need to sacrifice substance for the sake of flashy appearances. He was not in parliament to simply massage perceptions; he was all about quiet achievement. He served as a senator and then as a minister without ostentation, conducting his ministerial duties without fanfare but delivering real change and significant reform in the mining and resources sector. In that, Warwick always reminded me of the wise grazier who contemplates life with quiet countenance and mellow pipe—sceptical of the fashionable, tolerant of the foibles of others, never suffering from wild-eyed idealism but always quietly optimistic about Australia’s future.

Above all, as my colleagues have said tonight, all of us will think of Warwick as a family man. During the 1998 election campaign when some were tipping that the Liberal Party might lose a Senate seat, Warwick calmed me down. ‘Don’t worry,’ he said, ‘my relatives are worth at least half a quota,’ and he was not too far off the mark. The Parer family reunion held just a few years ago did attract a crowd of around 1,200 people. Wherever we went through Queensland, we could never, ever escape Warwick’s relatives. I know that after so many years of very...
active life and all the years devoted to his profession and public service, Warwick is again looking forward to enjoying more time with his family—his wife, Kathi, his seven children and many grandchildren.

With Warwick’s retirement from politics, Australia has lost a great servant and the Liberal Party has lost a great advocate. I will miss Warwick’s presence in the Senate but I know that, even though he no longer walks the corridors of Parliament House, I count myself as truly fortunate that I can still rely on his advice and also his friendship.

Dame Roma Mitchell

The PRESIDENT (11.47 p.m.)—Tonight we have had a number of speeches referring to the life and contribution of Dame Roma Mitchell who died yesterday, and I wish to speak very briefly on this matter myself. We have heard of the great posts that she has had in the legal profession and in her state, and there have been many other organisations to which she brought the benefit of her great intellect and her wisdom. I think just briefly of the Winston Churchill Foundation and her role as National President of the Ryder-Cheshire Foundation. They are just a couple of many organisations she was involved with and to which she always gave of her talents. It was never a matter of just holding a position and being a figurehead; she always contributed. Recently, she joined the council of the Australian Centre for Christianity and Culture as a council member, which meant she was an adviser to that group. She was interested in it, as she was a woman of great Christian faith and she believed in what the centre is being built to achieve. She will certainly be missed from that, as she will from all other positions she has held. Any writings about the 20th century which talk about the people who have made a big impact must include a very significant section on the life and contribution of Roma Mitchell.

Earlier tonight when Senator Vanstone was speaking, she described Dame Roma as always encouraging young people, especially women. And she certainly did that with young women law students, and I was one of them in earlier times. That was when I first met her. She and other women in the profession, of whom there were not many at that stage, took a great interest in young law students and the young women law students in particular. She was always available to talk to, to assist and to advise. Certainly, she was at the first international legal conference that I ever attended and sort of held my hand and introduced me to people. She made life in so many ways more interesting and enabled any young person in the law to get on. She had a great sense of humour and she was always a quick-witted person. She challenged any statement that was made a bit loosely and that was unsubstantiated and, for that, all of us will remember her very fondly. There is so much that might be said and much more than has already been printed will be written about her. I will certainly miss her. She has made a very great contribution to many and has had an impact on the lives of many of us who have been privileged to know her.

**Senate adjourned at 11:50 a.m.**

**DOCUMENTS**

**Tabling**

The following documents were tabled by the Clerk:

Aged or Disabled Persons Care Act—Guidelines No. 9BG 1 of 2000.

Australian Capital Territory (Planning and Land Management) Act—National Capital Plan—Amendment No. 27.

Approval of Amendment No. 27.


Broadcasting Services Act—Declaration of designated body for the purposes of Part 5 of Schedule 5, dated 6 December 1999.


107, dated 10, 13, 17 and 20 January 2000.

Exemption No. CASA EX18/00.


Cocos (Keeling) Islands Act—Utilities and Services Ordinance—Electricity Fees Determination No. 1 of 2000.

Commonwealth Authorities and Companies Act—Notice pursuant to paragraph—45(1)(a)—Participation in formation of NetAlert Limited.

45(1)(b)—Acquisition of shares in Commonwealth Residual Shareholding Company Pty Ltd.


Customs Act—Notice No. 1 (2000).


Determination under section 58B—Defence Determinations 2000/4 and 2000/5.


Export Control Act—Export Control (Orders) Regulations—Export Meat Amendment Orders 2000 (No. 1).


Lands Acquisition Act—Statements describing property acquired by agreement under sections 40 and 125 of the Act for specified public purposes [2].
Native Title Act—
  Native Title (Approved Opal or Gem Mining — Lightning Ridge (Area 1), New South Wales) Determination 2000.
  Native Title (Approved Opal or Gem Mining — Lightning Ridge (Area 2), New South Wales) Determination 2000.
Primary Industries (Customs) Charges Act—Regulations—Statutory Rules 2000 No. 3.
Radiocommunications Act—
Sales Tax Ruling SST 18.
Sydney Airport Curfew Act—Dispensations granted under section 20—Dispensations Nos 3/00 and 4/00.

**PROCLAMATIONS**

A proclamation by His Excellency the Governor-General was tabled, notifying that he had proclaimed the following provisions of an Act to come into operation on the date specified:

*Migration Legislation Amendment (Migration Agents) Act 1999—Schedule 2—1 March 2000 (Gazette No. GN 7, 23 February 2000).*
QUESTIONS ON NOTICE

The following answers to questions were circulated:

*Prime Minister’s Study into Removing Impediments to the Export of Perishable Produce: Implementation of Recommendations*  
(Question No. 1212)

**Senator O’Brien** asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 26 July 1999:

(1) Have all the recommendations contained in the report entitled, *Prime Minister’s Study into Removing Impediments to the Export of Perishable Produce*, dated December 1995, been implemented; if so: (a) when was each recommendation implemented; (b) who implemented each recommendation; and (c) in each case what has been the outcome.

(2) What was the cost of the implementation of each of the recommendations contained in the above report.

(3) If some recommendations have not been implemented, why not.

(4) (a) When will each outstanding recommendation from the above report be implemented; (b) who is responsible for their implementation; and (c) what is the anticipated cost of their implementation.

**Senator Ian Macdonald**—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

"The December 1995 report entitled *Prime Minister’s Study into Removing Impediments to the Export of Perishable Produce*, contained the following four key recommendations:

Recommendation 1 - Establish a National Export Freight Strategy
Recommendation 2 - Pursue more liberal freight aviation arrangements
Recommendation 3 - Improve regulatory procedures
Recommendation 4 - Improve effectiveness of existing market development and marketing assistance programs.

The Coalition Government, which took office in early 1996, did not specifically consider or respond to the recommendations of the report, instead undertaking its own assessment of policy and programs most likely to assist the export of perishable produce. However, a number of the issues identified in this and several other relevant reports were considered by the Government as a part of that process.

While it would therefore not be meaningful to respond to the honourable senator’s questions as posed, the following information may assist in demonstrating the Government’s progress in addressing these important issues.

In relation to recommendation 1, the Prime Minister’s Supermarket to Asia Council was established in September 1996 to provide leadership and drive necessary to secure a globally competitive and sustainable Australian food industry. Headed by the Prime Minister, Council membership includes senior government ministers and high profile food industry representatives.

A number of initiatives of the STA Strategy provide practical activities designed to expand exports of quality fresh products in key Asian markets. For example, in the May 1999 Budget, the Government announced it would provide:

- $9.2 million over three years to introduce a new Food and Fibre Chains program. The program aims to improve the export performance of Australia’s food and fibre industries by assisting businesses develop and implement superior supply chain skills and practices. This program is managed by Agri Chain Solutions Ltd, a subsidiary of Supermarket to Asia Ltd; and

- $3.1 million for the New Industries Development Program, which aims to assist Australian agribusiness companies in the difficult task of developing and marketing new high value products, services and technology to generate exports or replace imports. The Department of Agriculture, Fisheries and Forestry–Australia manages this program.

The Supermarket to Asia initiative incorporates a number of industry-based working groups including the Transport and Logistics Working Group, chaired by the Deputy Prime Minister and Minister for Transport and Regional Services, the Hon John Anderson MP. That Working Group emphasised the need to improve communication and cooperation among participants in the demand chain, which influenced the Government’s 1997 decision to establish the $2.7 million Export Gateways Initiative. A key element of this initiative is the provision of seed funding to establish air and sea freight export councils in each State and the Northern Territory.

The Government has offered seed funding of up to $200 000 per council, over two years, specifically for the employment of a full-time executive officer, conditional upon state governments and/or industry providing a matching contribution. Councils have now been established, or are nearing establishment, in all states.

In relation to recommendation 2, the Minister for Transport and Regional Development announced on 10 June 1996 that Australia’s negotiating position in international air services negotiations would include liberalised freight arrangements as a standing element. In each set of bilateral negotiations since the Minister’s announcement, Australia has offered liberalisation of dedicated freight services.

Prior to the Minister’s announcement, there were seven air services arrangements with separate freight capacity (equivalent to 6 B747 freight services a week), of which two had open airline capacity between Australia and its bilateral partner. By August 1999, Australia had dedicated freight agreements with 37 of its bilateral partners. Of these, 17 have unconstrained freight capacity between Australia and its bilateral partners. 129 B747 equivalents per week of dedicated freight capacity are available under the remaining 20 agreements.

The separation of freight from passenger capacity allows airlines the freedom to develop dedicated freight services where a market for such services is demonstrated, without having to trade off passenger for freight services.

Capacity negotiated for passenger services has increased by 37 per cent from March 1996 from 754 to 1030 B747 equivalent services a week in June 1999. As the major portion of freight is carried in the belly hold of passenger services, this also provides substantially increased freight opportunities for Australian exporters of perishable produce.

The Government’s new international aviation policy specifically provides for continuing liberalisation of Australia’s international air services arrangements. The Government will continue to pursue more liberal freight arrangements bilaterally and multilaterally. Australia has been an active supporter of liberalisation of air services within the context of APEC and is seeking to have international air services included in forthcoming World Trade Organisation GATS negotiations."
In relation to recommendation 3, AQIS and ACS have cooperatively developed a single electronic window to simplify access to
government, allowing more efficient export clearance arrangements for exporters.

Prior to this development, exporters of edible meat could obtain export clearance through AQIS’ electronic export documentation system,
EXDOC, which was implemented in 1992. ACS had offered electronic export clearance via its EXIT system from December 1988. However,
exporter clients using these two systems were required to send separate transmissions containing essentially the same information to each agency.

The new single electronic window became available to meat EXDOC users in July 1998 and it will be extended progressively to other
food sectors in a phased, industry-by-industry approach. Availability to exporters of fish, grains and horticultural products will occur over the
following 12 months.

The required changes to the EXDOC system, costing $95 000, were funded by Supermarket to Asia Ltd.

In relation to recommendation 4, the Government’s commitment to the agrifood sector was outlined in the 1999 Trade Outcomes and
Objectives Statement presented by the Minister for Trade earlier this year.

The Government has continued to place a high priority on lowering barriers in foreign markets to Australian exports of perishable goods.
This has included both tariffs and related barriers such as quotas, and other barriers such as quarantine. Some notable successes have been achieved:
for example, Taiwan has opened its market to Australian stone fruit, citrus and apples as part of the package of measures implemented prior to joining
the World Trade Organisation (WTO). Australian apples and pears, together with other horticultural products, are being shipped to India following
market opening measures agreed in the WTO. As well, Japan has provided quarantine access for Fuji apples from Tasmania and for easy-peel citrus.

The Department of Foreign Affairs and Trade works with industry organisations to publicise the opportunities available. One newly
introduced mechanism is the Tradewatch series of market assessments, available on-line. Another is the forthcoming publication, jointly with the
Supermarket to Asia initiative, of the Food Exporter’s Guide. The Guide, to be launched shortly, will be a hardcopy and interactive publication
explaining who in the Government can help with some of the problems new and experienced exporters encounter.

Austrade is the Government’s export facilitation agency. It also assists with foreign investment into Australia, export-related investment
into other countries and the development of an export culture throughout Australia. Austrade’s services to businesses and programs such as the
Export Market Development Grants (EMDG) scheme, the Export Access and Tradestart programs, the National Export Awards, the Austrade
Seminars program, Austrade Online, the Awareness Campaign, and the network of Regional Trade Commissioners actively service this purpose.

The Australian National Audit Office (ANAO) is currently undertaking the following audits into areas relevant to the export of perishable
products:

  . ANAO Audit of Commonwealth Assistance to the Agrifood Industry
  . ANAO Audit of Coordination of Export Development and Promotion.

In addition, various activities under the following categories are being implemented.

Marketing

The Supermarket to Asia Demand Chains in Asia project identified emerging demand opportunities in Asian food markets sector by sector
(eg beef, dairy, vegetables, grains, seafood, chicken meat and pig meat) through discussions with Asian food buyers, food industry and industry
agencies.

Supermarket to Asia’s FoodConnect Pilot Project aims to provide an Internet-based food catalogue and trading system to connect
international food buyers with Australian food companies. FoodConnect has the potential to attract new overseas buyers to Australia and to
significantly lower the costs and time taken for exporting, thus improving industry export competitiveness.

Supermarket to Asia Technical Market Access Program

The Supermarket to Asia technical market access program is a government initiative implemented from July 1996, which provides
approximately $2m per year to facilitate trade in the North Asian region by addressing technical impediments to agri-food market access, according to
priorities identified by the Supermarket to Asia Council and in consultation with industry. Recently, the Government committed a further $6m to
support the program for another three years.

To achieve program objectives, AQIS prepares market access submissions, participates in bilateral negotiations, fosters formal and
informal relationships with AQIS overseas-posted staff, foreign quarantine authorities, and state and federal organisations including the Department of
Foreign Affairs and Trade and the Department of Agriculture, Fisheries and Forestry - Australia.

The Supermarket to Asia technical market access program is bringing together government and industry leaders to work on improving the
competitiveness of Australia’s fresh and processed food exports to Asia. The strategy is outlined in the Supermarket to Asia website:
http://www.supermarkettoasia.com.au

AQIS also undertakes technical market access activities which, except for North Asia, encompass all potential overseas markets for
Australian plants and plant products. The main activities are the preparation of market access submissions and undertaking bilateral negotiations with
authorities from countries other than North Asia.

Horticulture and Grain Market Access

For the marketing of Australian horticulture and grain, AQIS and various Australian horticultural industries have agreed to a consultation
process to determine marketing priorities. The process is co-ordinated by the Horticultural Industry Market Access Committee (HIMAC). The
HIMAC was established to determine national priorities, both quarantine and non-quarantine-related, for all horticultural industries with emphasis on
fresh fruit and vegetables. It considers and appraises applications for new access bids and monitors and manages progress of those already active.

Outputs from the HIMAC are communicated to industry through the Committee meeting papers, the Horticultural Research and
Development Corporation, Australian Horticultural Corporation and the Australian Horticultural Exporters Association publications and through
regular articles in the AQIS bulletin.

With a role similar to HIMAC, grain export market access issues and strategic planning are handled by the Market Access for Grains
Industry Quarantine Committee (MAGIQC) and like its horticultural equivalent includes members from peak industry (grains and seeds) bodies and
government departments.

In addition to considerations by the horticultural market access and grains committees, prospective exporters are encouraged to approach
AQIS export facilitation officers located in each state, or write to AQIS seeking assistance in resolving sanitary and phytosanitary issues.”
Department of Transport and Regional Services: Cost of News Clippings
(Question No. 1280)

Senator Robert Ray asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 23 August 1999:

(1) What is the annual cost to the department of news clippings purchased or produced by the department.

(2) (a) Are the clippings provided regularly to the appropriate shadow ministers; and (b) in each instance, which shadow ministers receive a copy of the department’s news clippings.

(3) (a) Are they provided to the appropriate Australian Democrats spokespersons; and (b) in each instance, which spokespersons receive a copy of the department’s news clippings.

(4) Are the department’s clippings routinely provided to other members of Parliament; if so, which members and/or senators and in what capacity are they provided with a copy of the department’s clippings.

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) The estimated cost to the Department in 1998-99 is $111,500.00

(2) (a) Yes (b) Senator Mackay and Mr Martin Ferguson

(3) (a) No (b) n/a

(4) Yes: Mr Anderson in his capacity as Minister for Transport and Regional Services; Senator Macdonald in his capacity as Minister for Regional Services, Territories and Local Government; Senator Boswell in his capacity as Parliamentary Secretary to the Minister for Transport and Regional Services; Mr Neville in his capacity as chair of the House of Representatives Standing Committee for Communications, Transport and the Arts. Due to an administrative oversight, Senator Alston continued to receive the service until 7 September 1999 as the representative in the Senate for the former Minister for Transport and Regional Development.

Department of Finance and Administration: Cost of News Clippings
(Question No. 1289)

Senator Robert Ray asked the Minister representing the Minister for Finance and Administration, upon notice, on 23 August 1999:

(1) What is the annual cost to the department of news clippings purchased or produced by the department.

(2) (a) Are the clippings provided regularly to the appropriate shadow ministers; and (b) in each instance, which shadow ministers receive a copy of the department’s news clippings.

(3) (a) Are they provided to the appropriate Australian Democrats’ spokespersons; and (b) in each instance, which spokespersons receive a copy of the department’s news clippings.

(4) Are the department’s clippings routinely provided to other members of Parliament; if so, which members and/or senators and in what capacity are they provided with a copy of the department’s clippings.

Senator Ellison—The Minister for Finance and Administration has provided the following answer to the honourable senator’s question:

(1) $87,851.07

(2) (a) No

(b) N/a

(3) (a) No

(b) N/a

(4) Yes. The Hon Kim C Beazley MP as Leader of the Opposition and Senator the Hon John Faulkner as Leader of the Opposition in the Senate.

Prime Minister: Departmental Liaison Officers
(Question No. 1294)

Senator Robert Ray asked the Minister representing the Prime Minister, upon notice, on 23 August 1999:

(1) How many departmental liaison officers are employed in, or were seconded to, the Minister’s office as at 23 August 1999.

(2) (a) What are the names of the officers; (b) what are their employment classifications; and (c) what duties are they assigned, that is, to which policy areas or agencies are they allocated responsibility.

(3) What was the total cost to the department of these officers.

Senator Hill—The Prime Minister has provided the following answer to the honourable senator’s question:

(1) Two.

(2) (a) Gerard Martin, Gareth Hall; (b) Executive 1 and APS6, respectively; and (c) liaison in relation to portfolio responsibilities.

(3) I am advised that the total cost to the Department of the Prime Minister and Cabinet for the period 21 October 1998 until 23 August 1999 was $142,702.

Minister for Agriculture and Fisheries: Departmental Liaison Officers
(Question No. 1310)
Senator Robert Ray asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 23 August 1999:

(1) How many departmental liaison officers are employed in, or were seconded to, the Minister’s office as at 23 August 1999.

(2) (a) What are the names of the officers; (b) what are their employment classifications; and (c) what duties are they assigned, that is, to which policy areas or agencies are they allocated responsibility.

(3) What was the total cost to the department of these officers.

Senator Alston—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:

(1) Consistent with the standard allocation of departmental liaison officers (DLOs) there were two DLOs seconded to the office of the Minister for Agriculture Fisheries and Forestry as at 23 August 1999.

(2) (a) The officers’ names were Ms Linda Corner and Mr Craig Penney.

(b) The DLOs employment classifications are:

Ms Corner - DPIE Band 3 Level 8 (VO4)

Mr Penney - DPIE Band 3 Level 8.

(c) The officers are responsible for ensuring effective liaison between Departmental staff and the Minister’s Office, encompassing all of the portfolio policy areas and agencies.

(3) The total cost to the department of DLOs in the office of the Minister for Agriculture Fisheries and Forestry over the period 21 October 1998, being the date on which the second Howard ministry was sworn in, to 23 August 1999 was $156,196.

Minister for Aboriginal and Torres Strait Islander Affairs: Departmental Liaison Officers

(Question No. 1314)

Senator Robert Ray asked the Minister for Aboriginal and Torres Strait Islander Affairs, upon notice, on 24 August 1999:

(1) How many departmental liaison officers are employed in, or were seconded to, the Minister’s Office as at 23 August 1999.

(2) (a) What are the names of the officers; (b) what are their employment classifications; and (c) what duties are they assigned, that is, to which policy areas or agencies are they allocated responsibility.

(3) What was the total cost to the department of these officers?

Senator Herron—The answer to the honourable senator’s questions is as follows:

(1) As at 23 August 1999 the Aboriginal and Torres Strait Islander Commission (ATSIC) provides one departmental liaison officer and the Department of the Prime Minister and Cabinet (PM&C) provides one departmental liaison officer to support Senator Herron in his role as Minister for Aboriginal and Torres Strait Islander Affairs.

(2) (a) Mr Robert Hall (ATSIC) and Ms Yvonne Fetherston (PM&C);

(b) The ATSIC officer’s employment classification is Executive Officer Level 1, and the PM&C officer’s employment classification is Executive Level 2;

(c) Mr Hall is responsible for liaison between the Minister and ATSIC, and Ms Fetherston is responsible for liaison between the Minister and the Office of Indigenous Policy (PM&C).

(3) The total cost to ATSIC for the period 21 October 1998 until 23 August 1999 was $72,773.74. The total cost to the Department of the Prime Minister and Cabinet for the period 21 October 1998 until 23 August 1999 was $70,527.

Special Minister of State: Departmental Liaison Officers

(Question No. 1316)

Senator Robert Ray asked the Special Minister of State, upon notice, on 23 August 1999:

(1) How many departmental liaison officers are employed in, or were seconded to, the Minister’s office as at 23 August 1999.

(2) (a) What are the names of the officers; (b) what are their employment classifications; and (c) what duties are they assigned, that is, to which policy areas or agencies are they allocated responsibility.

(3) What was the total cost to the department of these officers.

Senator Ellison—The answer to the honourable senator’s question is as follows:

(1) One

(2) (a) Ms Carolyn Hughes

(b) DOFA Level B

(c) Liaison between the Minister and the department in relation to administrative and policy matters.

(3) Total cost to the department for DLO during period 21 October 1998 to 23 August 1999 is $82,838.57.

Minister for Forestry and Conservation: Departmental Liaison Officers

(Question No. 1320)

Senator Robert Ray asked the Minister representing the Minister for Forestry and Conservation, upon notice, on 23 August 1998:

(1) How many departmental liaison officers are employed in, or were seconded to, the Ministers office as at 23 August 1999.

(2) (a) What are the names of the officers; (b) what are their employment classifications; and (c) what duties are they assigned, that is, to which policy areas or agencies are they allocated responsibility.

(3) What was the total cost to the department of these officers.
Senator Hill—The Minister for Forestry and Conservation has provided the following answer to the honourable senator’s question:

(1) Consistent with the standard allocation of departmental liaison officers (DLOs) there was one DLO seconded to the office of the Minister for Forestry and Conservation as at 23 August 1999.

(2) (a) The officer’s name is Mr Andre Mayne.
(b) The DLO’s employment classification is acting DPIE Band 3 Level 8.
(c) The officer is responsible for ensuring effective liaison between Departmental staff and the Minister’s Office, encompassing all of the portfolio policy areas and agencies.

(3) The total cost to the department of a DLO in the office of the Minister for Forestry and Conservation over the period 21 October 1998, being the date on which the second Howard ministry was sworn in, to 23 August 1999 was $86,647.

Parliamentary Secretary to the Prime Minister: Departmental Liaison Officers
(Question No. 1324)

Senator Robert Ray asked the Minister representing the Prime Minister, upon notice, on 23 August 1999:

(1) How many departmental liaison officers are employed in, or were seconded to, the office of the Minister’s Parliamentary Secretary as at 23 August 1999.

(2) (a) What are the names of the officers; (b) what are their employment classifications; and (c) what duties are they assigned, that is, to which policy areas or agencies are they allocated responsibility.

(3) What was the total cost to the department of these officers.

Senator Hill—The Prime Minister has provided the following answer to the honourable senator’s question:

I am advised by my department as follows:
(1) Nil
(2) N.A.

(3) The position of departmental liaison officer in Senator Heffernan’s office has been vacant since 3 August 1999. The total cost to the Department of the Prime Minister and Cabinet for the period 21 October 1998 until 3 August 1999 was $50,172.

Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry: Departmental Liaison Officers
(Question No. 1334)

Senator Robert Ray asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 23 August 1999:

(1) How many departmental liaison officers are employed in, or were seconded to, the office of the Ministers Parliamentary Secretary as at 23 August 1999.

(2) (a) What are the names of the officers; (b) what are their employment classifications; and (c) what duties are they assigned, that is, to which policy areas or agencies are they allocated responsibility.

(3) What was the total cost to the department of these officers.

Senator Alston—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:

(1) Consistent with the standard allocation of departmental liaison officers (DLOs) there was one DLO seconded to the office of the Parliamentary Secretary to the Minister for Agriculture Fisheries and Forestry as at 23 August 1999.

(2) (a) The officer’s name is Mr Jeremy Cook.
(b) The DLO’s employment classification is DPIE Band 3 Level 7.
(c) The officer is responsible for ensuring effective liaison between Departmental staff and the Parliamentary Secretary’s Office, encompassing all of the portfolio policy areas and agencies.

(3) The total cost to the department of a DLO in the office of the Parliamentary Secretary to the Minister for Agriculture Fisheries and Forestry over the period 21 October 1998, being the date on which the second Howard ministry was sworn in, to 23 August 1999 was $71,605.

Goods and Services Tax: Department of Employment, Workplace Relations and Small Business Preparations
(Question No. 1408)

Senator Faulkner asked the Minister representing the Minister for Employment, Workplace Relations and Small Business, upon notice, on 2 September 1999:

With reference to the effect of the goods and services tax (GST) on the internal operations of the Minister’s portfolio (that is, not relating to the services provided to the public), and in relation to each of the agencies within the portfolio:

(1) What preparations have been undertaken to date in regard to the introduction of the GST on 1 July 2000.

(2) (a) What has been the total cost of those actions already undertaken; and
(b) how much of these costs relate to: (i) consultancies, (ii) staff training, (iii) computer software, (iv) extra staff, (v) stationery, and (vi) other (please specify).

(3) Was the cost of undertaking this work included in the portfolio’s 1999-2000 budget appropriation; if so, how was this funding identified; if not, what other area of funding has been used for this purpose.
(4) What future preparations are planned or expected to be required in regard to the introduction of the GST on 1 July 2000.

(5) (a) What is the total cost of the actions planned, or the estimated cost of expected actions; and (b) how much of these costs relate to: (i) consultancies; (ii) staff training, (iii) computer software, (iv) extra staff, (v) stationery, and (vi) other (please specify).

(6) Was the estimated cost of undertaking this future work included in the portfolio’s 1999-2000 budget appropriation; if so, how was this funding identified; if not, what other area of funding has been used for this purpose.

(7) Is there expected to be any change in the ongoing running costs of the department/agency after the commencement of the GST; if so, what is the extent of the difference in costs.

(8) Are there any other GST-associated costs which the portfolio agencies will incur prior to the commencement of the GST; if so, what are those costs.

Senator Alston—The Minister for Employment, Workplace Relations and Small Business has provided the following answer to the honourable senator’s question:

(1) The Department and its portfolio agencies are forming project teams and undertaking impact analyses to assess the implications and determine future implementation strategies. Staff across the portfolio have been attending information sessions and workshops as part of the impact analysis.

(2) (a) and (b) Total cost in regard to the actions undertaken to date has been minimal.

(3) No additional funds were allocated in the 1999-2000 budget for GST implementation. Presently expenses associated with GST implementation are being drawn from existing portfolio funds.

(4) The portfolio, with an emphasis on the major agencies, will develop plans to achieve compliance within the required timeframe. Details of future actions will be dependant on an assessment of the impact analysis currently being undertaken.

(5) (a) and (b) The full extent of costs are yet to be determined.

(6) No additional funds were appropriated in the 1999-2000 budget for the future work. Presently expenses associated with GST implementation are being drawn from existing portfolio funds.

(7) The portfolio expects that ongoing compliance costs will not be major but does not have an estimate available at this early stage.

(8) Other GST-associated costs prior to the commencement of the GST are not known at this stage.

Treasury: Departmental Decisions Reviewed under the Administrative Decisions Act (Question No. 1438)

Senator Faulkner asked the Minister representing the Treasurer, upon notice, on 20 September 1999:

(1) Since 3 March 1996, how many decisions of the Department and all portfolio agencies have been the subject of applications for review under the Administrative Decisions (Judicial Review) Act 1977.

(2) Of these applications, how many related to: (a) agency staffing matters; (b) agency client matters; or (c) other (please specify general area).

(3) How many applications: (a) have been: (i) finalised; and (ii) withdrawn by the applicant; and (b) remain unfinalised.

(4) (a) What was the cost to the department or agency of defending each of these actions; and (b) what was the quantum of costs where they were awarded against the Commonwealth, where appropriate.

Senator Kemp—The Treasurer has provided the following answer to the honourable senator’s question:

The Treasury

(1) Nil.

(2) Not applicable.

(3) Not applicable.

(4) Not applicable.

Australian Accounting Standards Board

(1) Nil.

(2) Not applicable.

(3) Not applicable.

(4) Not applicable.

Australian Bureau of Statistics

(1) Nil.

(2) Not applicable.

(3) Not applicable.

(4) Not applicable.

Australian Competition and Consumer Commission

(1) Three

(2) (a) Nil; (b) Nil; (c) Three–The Commission’s enforcement and adjudication responsibilities.

(3) (a) (i) One; (ii) Nil; (b) Two.

(4) (a) In addition to staff salaries and overheads, the cost of defending the action to the Commission was $18,794. (b) Costs paid to the applicant were $12,000.

Australian Prudential Regulation Authority
In providing answers to these questions, the Australian Prudential Regulation Authority (APRA) is relying on Insurance and Superannuation Commission historical records for the period 3 March 1996 to 30 June 1998. Also, information in respect of some parts is incomplete.

(1) APRA is aware of three applications.
(2) Unable to answer.
(3) Unable to answer.
(4) Unable to answer.

Australian Securities and Investments Commission

(1) Twenty-three
(2) (a) Nil (b) Five (c) Seventeen (enforcement/regulatory action/activity).
(3) (a)(i) Fourteen (a)(ii) Eight (b) One.
(4) (a) $64,000; (b) In the one matter where costs were awarded against the Australian Securities and Investments Commission the sum was $26,194.

Australian Taxation Office

(1) Sixty-three applications are known to have been made under the Administrative Decisions (Judicial Review) Act 1977. However, there may be other Administrative Decisions (Judicial Review) Act 1977 applications which have not been identified, given that some applicants make multiple applications in respect of the same matter (for instance, applications under section 39B of the Judiciary Act 1903 may plead the Administrative Decisions (Judicial Review) Act 1977 in the alternative).
(2) (a) One; (b) Sixty-two; (c) Nil.
(3) (a) (i) Sixty-two; (ii) Unavailable; (b) One.
(4) The time taken to extract and consolidate information relating to the cost of Administrative Decisions (Judicial Review) Act applications would result in an unreasonable diversion of Australian Taxation Office resources, considering the necessity of apportioning expenditure between multiple applications and considering that one application is outstanding.

Companies Auditors and Liquidators Disciplinary Board

(1) Since 3 March 1996, one decision of this Board has been the subject of an application for review under the Administrative Decisions (Judicial Review) Act 1977. The application related to an application brought before this Board by the Australian Securities Commission (as it then was) in respect of a registered auditor.
(3) The application under the Administrative Decisions (Judicial Review) Act 1977 has been finalised with the matter being remitted back to the Administrative Appeals Tribunal for determination according to law.
(4) (a) $3380; (b) There was no award of costs against this agency.

Companies & Securities Advisory Committee

(1) Nil.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.

Department of the Environment and Heritage: Departmental Decisions Reviewed under Administrative Decisions Act

(Question No. 1440)

Senator Faulkner asked the Minister for the Environment and Heritage, upon notice, on 21 September 1999:

(1) Since 3 March 1996, how many decisions of the department and all portfolio agencies have been the subject of applications for review under the Administrative Decisions (Judicial Review) Act 1977.
(2) Of these applications, how many related to: (a) agency staffing matters; (b) agency client matters; or (c) other (please specify general area).
(3) How many applications: (a) have been: (i) finalised, and (ii) withdrawn by the applicant; and (b) remain unfinalised.
(4) (a) What was the cost to the department or agency of defending each of these actions; and (b) what was the quantum of costs where they were awarded against the Commonwealth, where appropriate.

Senator Hill—The answer to the honourable senator’s question is as follows:

(1) Department - nil; Australian Heritage Commission - 1; Great Barrier Reef Marine Park Authority - 3
(2) applications related to
(b) agency staffing matter - nil
(c) agency client matter - 4; other - nil
(3) applications that have:
(a) (i) been finalised - nil
(ii) been withdrawn by the applicant - 1
(b) remained unfinalised - 3
(4) (a) Australian Heritage Commission
Senator Faulkner asked the Minister for Communications, Information Technology and the Arts, upon notice, on 21 September 1999:

Question No.1441
(1) Since 3 March 1996, how many decisions of the department and all portfolio agencies have been the subject of applications for review under the Administrative Decisions (Judicial Review) Act 1977.
(2) Of these applications, how many related to: (a) agency staffing matters; (b) agency client matters; or (c) other (please specify general area).
(3) How many applications: (a) have been: (i) finalised, and (ii) withdrawn by the applicant; and (b) remain unfinalised.
(4) (a) What was the cost to the department or agency of defending each of these actions; and (b) what was the quantum of costs where they were awarded against the Commonwealth, where appropriate.

Question No.1459
(1) Since 3 March 1996, how many decisions of the department and all portfolio agencies have been the subject of applications for review under the common law, including prerogative writs.
(2) Of these applications, how many related to: (a) agency staffing matters; (b) agency client matters; or (c) other (please specify general area).
(3) How many applications: (a) have been: (i) finalised, and (ii) withdrawn by the applicant; and (b) remain unfinalised.
(4) What was the cost to the department or agency of defending each of these actions; and (b) what was the quantum of costs where they were awarded against the Commonwealth, where appropriate.

Question No.1477
(1) What are the: (a) formal qualifications; (b) relevant experience; and (c) employment classification/grade, of each departmental officer who has made initial stage decisions regarding requests under the Freedom of Information Act since 3 March 1996.
(2) What are the: (a) formal qualifications; (b) relevant experience; and (c) employment classification/grade, of each departmental officer who has made internal review decisions regarding requests under the Freedom of Information Act since 3 March 1996.

Question No.1495
(1) How many internal staff development courses has the department, or any agency in the portfolio, conducted since 3 March 1996.
(2) What is the cost of internal staff development courses the department, or any agency in the portfolio, has conducted since 3 March 1996.
(3) How many staff have attended internal staff development courses the department, or any agency in the portfolio, has conducted since 3 March 1996.
(4) (a) How many internal staff development courses conducted by the department, or any agency in the portfolio, since 3 March 1996 have contained training on making decisions under the Freedom of Information Act; and (b) of this number, how many: (i) were specifically focusing on the subject of freedom of information decisions, and (ii) how many dealt with the issue amongst others.

Question No.1513
(1) How many departmental officers have attended external staff development courses since 3 March 1996.
(2) What is the total cost of the external staff development courses attended by the officers of the department, or any agency in the portfolio, since 3 March 1996.
(3) (a) How many external staff development courses attended by departmental or agency staff since 3 March 1996, have contained training on making decisions under the Freedom of Information Act; and (b) of this number, how many: (i) were specifically focusing on the subject of freedom of information decisions, and (ii) how many dealt with the issue amongst others.
(4) Of the courses relevant to (3), which agencies or consultants provided that training.
(5) What is the total cost of the courses in (3).

Question No.1531
(1) Of the requests for disclosure of information under the Freedom of Information Act dealt with by the department, or any agency in the portfolio, since 3 March 1996, how many requests have been made by: (a) a member of the House of Representatives; or (b) a member of the Senate.
(2) Of the cases relevant to (a) and (b) in (1), how many requests regarding access were: (a) partially successful; or (b) refused.
(3) Of the cases relevant to (a) and (b) in (1), how many requests regarding charges were: (a) partially successful; or (b) refused.
(4) Of the cases relevant to (2) and (3), how many of the department’s or agency’s written reasons for decision used, as grounds for refusal under the Act, a reference to members of Parliament having access to parliamentary processes to seek information from departments.
Is the department, or any agency in the portfolio, aware of any provision contained in legislation, or departmental guidelines, or practice where the applicant’s employment provision can be, or has been, used as grounds for refusing access to documents and/or refusing to waive charges, other than that set out in (4).

Senator Alston—The answer to the honourable senator’s questions is as follows:

I am not prepared to authorise the considerable diversion of resources that would be involved in providing a detailed response to these questions.

Department of Employment, Workplace Relations and Small Business: Departmental Decisions Reviewed under the Administrative Decisions Act

(Question No. 1442)

Senator Faulkner asked the Minister representing the Minister for Employment, Workplace Relations and Small Business, upon notice, on 20 September 1999:

(1) Since 3 March 1996, how many decisions of the department and all portfolio agencies have been the subject of applications for review under the Administrative Decisions (Judicial Review) Act 1977.

(2) Of these applications, how many related to: (a) agency staffing matters; (b) agency client matters; or (c) other (please specify general area).

(3) How many applications: (a) have been: (i) finalised, and (ii) withdrawn by the applicant; and (b) remain unfinalised.

(4) (a) What was the cost to the department or agency of defending each of these actions; and (b) what was the quantum of costs

Senator Alston—The Minister for Employment, Workplace Relations and Small Business has provided the following answer to the honourable senator’s question:

(1) 5 (this includes an application for review of a decision of the Department of Employment, Education, Training and Youth Affairs, which later became this portfolio’s responsibility as from 21 October 1998, as explained in the answer to Question 1447).

(2) (a) 1.

(b) 3.

(c) 1—review of decisions to issue conclusive certificates under the Freedom of Information Act 1982.

(3) (a) (i) 3 and (ii) None.

(b) 2.

(4) (a) $2,592.00

$4,802.50

$41,823.00

$500.00, so far

$77,421.88, so far

(b) $7,000.00

Treasury: Departmental Decisions Reviewed under Common Law

(Question No. 1456)

Senator Faulkner asked the Minister representing the Treasurer, upon notice, on 20 September 1999:

(1) Since 3 March 1996, how many decisions of the Department and all portfolio agencies have been the subject of applications for review under the common law, including prerogative writs.

(2) Of these applications, how many related to: (a) agency staffing matters; (b) agency client matters; or (c) other (please specify general area).

(3) How many applications: (a) have been (i) finalised, and (ii) withdrawn by the applicant; and (b) remain unfinalised.

(4) (a) What was the cost to the Department or agency of defending each of these actions; and (b) what was the quantum of costs where they were awarded against the Commonwealth, where appropriate.

Senator Kemp—The Treasurer has provided the following answer to the honourable senator’s question:

The Treasury

(1) Three

(2) (a) Nil; (b) Nil; (c) Three (two in relation to decisions under the Foreign Acquisitions and Takeovers Act 1975 and one in relation to the Commonwealth’s Transitional Assistance Payments Scheme).

(3) (a) (i) Two; (ii) Nil; (b) One.

(4) (a) Legal costs incurred by the Department in relation to the three actions to date are $693,694.48. (b) One matter has been settled for a payment of $350,000 by the Department.

Australian Accounting Standards Board

(1) Nil.

(2) Not applicable.

(3) Not applicable.

(4) Not applicable.

Australian Bureau of Statistics

(1) Nil.

(2) Not applicable.
Australian Competition and Consumer Commission
(1) Nil.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.

Australian Prudential Regulation Authority
(1) It may be that the common law was pleaded in the alternative in one or more of the three applications for review under the Administrative Decision (Judicial Review) Act 1977.
(2) Unable to answer.
(3) Unable to answer.
(4) Unable to answer.

Australian Securities and Investments Commission
(1) Nil.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.

Australian Taxation Office
(1) Fifty five common law applications for review are known to have been received by the Australian Taxation Office (ATO). However, there may be other common law applications which have not been identified, given that some taxpayers make multiple applications in respect of the same matter (for instance, applications under section 39B of the Judiciary Act 1903 and the Administrative Decisions (Judicial Review) Act 1997 may also plead the common law in the alternative).
(2) As far as records indicate, all agency client matters.
(3) (a) (i) 47 are finalised; (ii) No records kept of withdrawn applications; (b) Eight as yet unfinalised.
(4) The time taken to extract and consolidate information relating to the cost of common law cases would result in an unreasonable diversion of ATO resources, considering the necessity of apportioning expenditure between multiple applications and considering the fact that eight cases are unfinalised.

Companies Auditors and Liquidators Disciplinary Board
(1) Nil.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.

Companies & Securities Advisory Committee
(1) Nil.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.

National Competition Council
(1) One.
(2) (a) Nil; (b) Nil; (c) One (Hamersley Iron Pty Ltd applied to the Federal Court for a review of a decision of the NCC to accept an application from Robe River Iron Associates under Part XIA of the Trade Practices Act 1974).
(3) (a) (i) One; (ii) Nil; (b) Nil.
(4) The Council’s costs before the court were $25,996.90. The Council was successful in obtaining an order for costs in its favour.

Productivity Commission
(1) One.
(2) (a) One (second named respondent); (b) Nil; (c) Nil.
(3) (a) (i) nil; (ii) nil; (b) one.
(4) Unknown at this stage.

Reserve Bank of Australia
(1) Nil.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.

Superannuation Complaints Tribunal
(1) Nil.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.

Department of the Environment and Heritage: Departmental Decisions Reviewed under Common Law
(Question No. 1458)

Senator Faulkner asked the Minister for the Environment and Heritage, upon notice, on 21 September 1999:

(1) Since 3 March 1996, how may decisions of the department and all portfolio agencies have been the subject of applications for review under the common law, including prerogative writs.

(2) Of these applications, how many related to: (a) agency staffing matters; (b) agency client matters; or (c) other (please specify general area).

(3) How many applications: (a) have been: (i) finalised, and (ii) withdrawn by the applicant; and (b) remain unfinalised.

(4) What was the cost to the department or agency of defending each of these actions; and (b) what was the quantum of costs where they were awarded against the Commonwealth, where appropriate.

Senator Hill—The answer to the honourable senator’s question is as follows:

(1) There have been no applications for review under the common law. However, a number of applications for review under the Administrative Decisions (Judicial Review) Act 1977 (ADJR Act), have also been made under section 39B of the Judiciary Act 1903.

Those applications for review which were made under both the ADJR Act and section 39B of the Judiciary Act 1903 are dealt with in the answers to the Senator’s questions relating to ADJR Act applications (Senate question No. 1440).

(2)–(4) See (1)

Department of Employment, Workplace Relations and Small Business: Departmental Decisions Reviewed under Common Law
(Question No. 1460)

Senator Faulkner asked the Minister representing the Minister for Employment, Workplace Relations and Small Business, upon notice, on 20 September 1999:

(1) Since 3 March 1996, how many decisions of the department and all portfolio agencies have been the subject of applications for review under the common law, including prerogative writs.

(2) Of these applications, how many related to: (a) agency staffing matters; (b) agency client matters; or (c) other (please specify general area).

(3) How many applications: (a) have been: (i) finalised, and (ii) withdrawn by the applicant; and (b) remain unfinalised.

(4) What was the cost to the department or agency of defending each of these actions; and (b) what was the quantum of costs where they were awarded against the Commonwealth, where appropriate.

Senator Alston—The Minister for Employment, Workplace Relations and Small Business has provided the following answer to the honourable senator’s question:

(1) 2 (this does not include applications for review of decisions of the Australian Industrial Relations Commission, because such applications are not defended by the Commission but are instead contested between the parties to the Commission proceedings).

(2) (a) None.
(b) 2.
(c) None.

(3) (a) (i) and (ii) None.
(b) 2.

(4) $ 1 813.50, so far.
$12 377.00, so far.
(b) Not applicable.

Treasury: Freedom of Information Requests
(Question No. 1474)

Senator Faulkner asked the Minister representing the Treasurer, upon notice, on 20 September 1999:

(1) What are the: (a) formal qualifications; (b) relevant experience; and (c) employment classification/grade, of each Departmental officer who has made initial stage decisions regarding requests under the Freedom of Information Act 1974 since 3 March 1996.

(2) What are the: (a) formal qualifications; (b) relevant experience; and (c) employment classification/grade of each Departmental officer who has made internal review decisions regarding requests under the Freedom of Information Act 1974 since 3 March 1996

Senator Kemp—The Treasurer has provided the following answer to the honourable senator’s question:

The Treasury

(1) Initial decisions are made by General Managers of Divisions and Chief Advisers. These are senior executive officers (SES Band 1 and SES Band 2), possessing university qualifications and extensive public sector knowledge and experience.

(2) Internal reviews of decisions are made by the Executive Director of the relevant Group. Executive Directors are senior executive officers (SES Band 3), possessing university qualifications and extensive public sector knowledge and experience.

Australian Accounting Standards Board

(1) The agency has received no requests under the Freedom of Information Act 1974 since 3 March 1996.
(2) The agency has received no requests under the Freedom of Information Act 1974 since 3 March 1996.

Australian Bureau of Statistics

(1) Since 3 March 1996, two initial stage decisions were made by a Division Head who is qualified and has extensive relevant experience.

(2) No internal review requests under the Freedom of Information Act 1974 have been made by ABS officers since 3 March 1996.

Australian Competition and Consumer Commission

(1) Four officers have made initial stage decisions regarding Freedom of Information requests. The relevant details are as follows:

   Officer One: (a) B.EC, LLB. Attended several Freedom of Information Courses run by AGS; (b) 19 years with the ACCC in administrative/policy, enforcement, legal, mergers and compliance areas. Conducted in-house training on Freedom of Information; (c) SAPS2.

   Officer Two: (a) B. Comm, B Leg S, Barrister NSW, Barrister & Solicitor ACT. Attended several Freedom of Information Courses run by AGS; (b) 27 years public service experience, 19 years working on issues related to the Trade Practices Act 1974. Conducted in-house training on Freedom of Information; (c) A/g SES Band 1.

   Officer Three: (a) BA; (b) 25 years experience in public administration; (c) SES Band 1.

   Officer Four: (a) LLB, BA, Admitted as a Barrister and Solicitor; (b) 30 years APS, many legal and management positions; (c) CEO.

(2) A/g SES Band 1.

Australian Prudential Regulation Authority

According to the FOI register, the Insurance and Superannuation Commission and the Australian Prudential Regulation Authority received 65 Freedom of Information applications. The time taken to extract and consolidate information relating to each decision maker would result in an unreasonable diversion of the resources of the authority.

Australian Securities and Investments Commission

The Australian Securities and Investments Commission advises that it would be an unwarranted diversion of resources to provide a detailed response.

Australian Taxation Office

(1) (a) Currently there is a network of 16 officers within the Australian Taxation Office (ATO) who make initial decisions regarding requests under the Freedom of Information Act 1974. Ten officers have a degree or similar qualification in either accounting or law and one officer is studying towards a degree. (b) The experience of officers within the Australian Taxation Office Freedom of Information network varies, but each unit is led by an officer with a number of years experience in interpreting and administering legislation. The three Executive Level 1 Officers collectively have over 30 years experience in administering Freedom of Information Legislation. (c) The Commissioner of Taxation has authorised officers by level to make decisions regarding requests for access. Officers at the APS 4 level, and above, are authorised in this regard. The Freedom of Information network currently comprises the following classifications and number: Executive Level 1 - 3 officers; APS 6 - 11 officers; APS 5 - 1 officer; and APS 4 - 1 officer.

(2) Internal reviews are generally conducted by senior officers from the Australian Taxation Office business line responsible for the documents at issue. No information regarding the experience or qualifications of these officers is recorded. It is, however, Australian Taxation Office practice for these officers to be experienced in litigation and Administrative Appeals Tribunal work.

Companies Auditors and Liquidators Disciplinary Board

(1) The agency has received no requests under the Freedom of Information Act 1974 since 3 March 1996.

(2) The agency has received no requests under the Freedom of Information Act 1974 since 3 March 1996.

Companies & Securities Advisory Committee

(1) The agency has received no requests under the Freedom of Information Act 1974 since 3 March 1996.

(2) The agency has received no requests under the Freedom of Information Act 1974 since 3 March 1996.

National Competition Council

The Deputy Executive Director (SES Level 1) makes decisions regarding Freedom of Information issues and matters. This person has tertiary qualifications and ten years of Public Service knowledge and experience.

Productivity Commission

(1) All Freedom of Information requests are considered by the Commission's Head of Office, an SES Band 3 officer with 26 years managerial experience.

(2) Not applicable. There have been no Freedom of Information requests for internal review since 3 March 1996.

Reserve Bank of Australia

(1) Three officers have been Freedom of Information decision-makers over this period: the Secretary of the Bank (for general matters) and two Heads of Personnel Policy Department (for staffing requests). All have university education (to the Masters level) and have a wide range of experience in the Bank. All were Level 8 within the Bank's structure (ie: senior executives) at the time of being the decision-maker under the Freedom of Information Act 1974.

(2) There was only one internal review during the period. The decision-maker was a Deputy Governor, who is university educated and has a breadth of experience in the Bank. He was a statutory appointee.

Superannuation Complaints Tribunal

(1) Officer 1 (a) BA/LLB (Hons), Barrister and Solicitor of the Supreme Court of Victoria; (b) 4 years teaching FOI, law faculty/University. AGS Training Courses: 'Introduction to FOI; 'Public Interest'; (c) Executive 1 (Legal).

   Officer 2 (a) BA (Hons)/LLB, Barrister and Solicitor of the Supreme Court of Victoria; (b) AGS Training Courses: 'Introduction to FOI'; (c) ASIC 3.

   Officer 3 (a) BCom/LLB, Barrister and Solicitor of the Supreme Court of Victoria; (b) AGS Training Courses: 'Introduction to FW'; (c) ASIC 3.

(2) Officer 1 (a) BA/Dip.Ed; (b) 4 years experience in FOI at the Office of the Commonwealth Ombudsman; AGS Training Courses: 'Introduction to FOI'; (c) Executive 2.
Officer 2 (a) BA/LLB (Hons); Barrister & Solicitor of Supreme Court of Victoria; (b) 4 years teaching FOI, law faculty/university; AGS Training Courses: ‘Introduction to FOI’; ‘Public Interest’; (c) Executive 1 (Legal).

**Department of Agriculture, Fisheries and Forestry: Internal Staff Development Courses**

(Question No. 1505)

Senator Faulkner asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 20 September 1999:

1. How many internal staff development courses has the department, or any agency in the portfolio, conducted since 3 March 1996.
2. What is the total cost of internal staff development courses the department, or any agency in the portfolio, has conducted since 3 March 1996.
3. How many staff have attended internal staff development courses the department, or any agency in the portfolio, has conducted since 3 March 1996.
4. (a) How many internal staff development courses conducted by the department, or any agency in the portfolio, since 3 March 1996 have contained training on making decisions under the Freedom of Information Act; and (b) of this number, how many: (i) were specifically focusing on the subject of freedom of information decisions, and (ii) how many dealt with the issue amongst others.
5. What is the total cost of the courses in (4).

Senator Alston—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:

The Department of Agriculture, Fisheries and Forestry did not maintain easily accessible records of training and seminars undertaken by staff from March 96–March 98 and I do not consider it appropriate to allocate necessary resources to comprehensively answer these questions. However a search of departmental records indicates that for the period March 1998–20 September 1999:

1. 1 March 98 – 30 June 98, 42 programs conducted; 1 July 98–30 June 99, 91 programs conducted; 1 July 99–20 September 99, 29 programs conducted
2. For the period 1 March 1998 to 20 September 99, $2.2 million was spent on departmental staff training using internal courses. This figure includes salaries, fares and travel allowances to course participants. With salaries excluded this figure reduces to $1.4 million.
3. 1061 departmental staff attended these internal courses.
4. (a) In 1997 and 1998 six courses were conducted containing training on making decisions under the Freedom of Information Act 1982
(b) (i) 3; (ii) 3
5. $13,800

**Department of Agriculture, Fisheries and Forestry: External Staff Development Courses**

(Question No. 1523)

Senator Faulkner asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 20 September 1999:

1. How many department officers have attended external staff development courses since 3 March 1996.
2. What is the total cost of the external staff development courses attended by officers of the department, or any agency in the portfolio, since 3 March 1996.
3. (a) How many external staff development courses attended by departmental or agency staff since 3 March 1996, have contained training on making decisions under the Freedom of Information Act; and (b) of this number how may: (i) were specifically focusing on the subject of freedom of information decisions, and (ii) how many dealt with the issue amongst others.
4. Of the courses relevant to (3), which agencies or consultants provided that training.
5. What is the total cost of the courses in (3).

Senator Alston—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:

The Department of Agriculture, Fisheries and Forestry did not maintain easily accessible records of training and seminars undertaken by staff from March 96–March 98 and I do not consider it to be appropriate to allocate necessary resources to comprehensively answer these questions. However a search of departmental records indicates that for the period March 1998–20 September 1999:

1. 534 departmental staff attended these external courses.
2. For the period 1 March 1998 to 20 September 99, $1.3 million was spent on departmental staff training using external courses. This figure includes salaries, fares and travel allowances to course participants. With salaries excluded this figure reduces to $0.58 million.
3. Nil
4. Not applicable–see (3) above
5. Not applicable–see (4) above

**Department of Transport and Regional Services: Freedom of Information Requests from Members of Parliament**

(Question No. 1527)

Senator Faulkner asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 21 September 1999:

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1 March 1998 – 20 September 1999 statistics come from Aurion (AFFA’s human resource information system).
(1) Of the requests for disclosure of information under the Freedom of Information Act dealt with by the department, or any agency in the portfolio, since 3 March 1996, how many requests have been made by: (a) a member of the House of Representatives; or (b) a member of the Senate.

(2) Of the cases relevant to (a) and (b) in (1), how many requests regarding access were: (a) partially successful; or (b) refused.

(3) Of the cases relevant to (a) and (b) in (1), how many requests regarding charges were: (a) partially successful; or (b) refused.

(4) Of the cases relevant to (2) and (3), how many of the department’s or agency’s written reasons for decision used, as grounds for refusal under the Act, a reference to members of Parliament having access to parliamentary processes to seek information from departments.

(5) Is the department, or any agency in the portfolio, aware of any provision contained in legislation, or departmental guidelines, or practice where the applicant’s employment provision can be, or has been, used as grounds for refusing access to documents and/or refusing to waive charges, other than set out in (4).

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

The Department

(1) (a) One request has been made by a member of the House of Representatives.

(b) Two requests have been made by members of the Senate.

(2) The two requests from the members of the Senate were partially successful in regard to access. The request made by the member of the House of Representatives was refused due to the documents not existing.

(3) In one request, remission of charges was sought. The charges were not remitted.

(4) None.

(5) No.

The Civil Aviation Safety Authority

(1) Nil

(2)-(4) Not applicable

(5) The Civil Aviation Safety Authority is not aware of any provision contained in legislation, guidelines or practice where the applicant’s employment provisions can be, or has been, used as grounds for refusing access to documents and/or refusing to waive charges.

Airservices Australia

(1)-(4) Resources do not permit a full response because this would require research of all files related to individual requests for access under the provisions of the FOI Act since 1 March 1996, ie files on over 150 requests.

(5) No

The National Capital Authority

(1) Nil

(2)-(4) Not applicable

(5) Not applicable

The Australian Maritime Safety Authority

(1) Nil

(2)-(4) Not applicable

(5) No

Treasury: Freedom of Information Requests from Members of Parliament

(Question No. 1528)

Senator Faulkner asked the Minister representing the Treasurer, upon notice, on 20 September 1999:

(1) Of the requests for disclosure of information under the Freedom of Information Act 1974 dealt with by the Department, or any agency in the portfolio, since 3 March 1996, how many requests have been made by: (a) a member of the House of Representatives; or (b) a member of the Senate.

(2) Of the cases relevant to (a) and (b) in (1), how many requests regarding access were: (a) partially successful; or (b) refused.

(3) Of the cases relevant to (a) and (b) in (1), how many requests regarding charges were (a) partially successful; or (b) refused.

(4) Of the cases relevant to (2) and (3), how many of the Department’s or agency’s written reasons for decision used, as grounds for refusal under the Act, a reference to members of Parliament having access to parliamentary processes to seek information from departments.

(5) Is the department, or any agency in the portfolio, aware of any provision contained in legislation, or departmental guidelines, or practice where the applicant’s employment provision can be, or has been, used as grounds for refusing access to documents and/or refusing to waive charges, other than set out in (4).

Senator Kemp—The Treasurer has provided the following answer to the honourable senator’s question:

The Treasury

(1) (a) Nil; (b) One.

(2) (a) Nil; (b) Nil.

(3) Not applicable.

(4) Not applicable.

(5) No.

Australian Accounting Standards Board

1) (a) Nil; (b) Nil.
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(2) Not applicable.
(3) Not applicable.
(4) Not applicable.
(5) No.

Australian Bureau of Statistics
(1) (a) Nil; (b) Nil.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.
(5) No.

Australian Competition and Consumer Commission
(1) (a) Nil; (b) Nil.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.
(5) No.

Australian Prudential Regulation Authority
(1) (a) Nil; (b) Nil.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.
(5) No.

Australian Securities and Investments Commission
(1) (a) One (b) Nil.
(2) There were no documents within the request.
(3) No charges were imposed.
(4) Nil.
(5) The agency is not aware of this.

Australian Taxation Office
(1) The Australian Taxation Office does not record information concerning the status of applicants.
(2) This information is not recorded by the Australian Taxation Office.
(3) This information is not recorded by the Australian Taxation Office.
(4) This information is not recorded by the Australian Taxation Office.
(5) The Australian Taxation Office is not aware of any such provision.

Company Auditors and Liquidators Disciplinary Board
(1) (a) Nil; (b) Nil.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.
(5) No.

Companies & Securities Advisory Committee
(1) (a) Nil; (b) Nil.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.
(5) No.

National Competition Council
(1) (a) Nil; (b) Nil.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.
(5) No.

Productivity Commission
(1) (a) Nil; (b) Nil.
(2) Not applicable.
Freedom of Information: Members of Parliament  
(Questions Nos 1529 and 1534)

Senator Faulkner asked the Ministers representing the Minister for Foreign Affairs and the Minister for Trade, upon notice, on 21 September 1999:

(1) Of the requests for disclosure of information under the Freedom of Information Act dealt with by the department, or any agency in the portfolio, since 3 March 1996, how many requests have been made by: (a) a member of the House of Representatives; or (b) a member of the Senate.

(2) Of the cases relevant to (a) and (b) in (1), how many requests regarding access were: (a) partially successful; or (b) refused.

(3) Of the cases relevant to (a) and (b) in (1), how many requests regarding charges were: (a) partially successful; or (b) refused.

(4) Of the cases relevant to (2) and (3), how many of the department’s or agency’s written reasons for decision used, as grounds for refusal under the Act, a reference to members of parliament having access to parliamentary processes to seek information from departments.

(5) Is the department, or any agency in the portfolio, aware of any provision contained in legislation, or departmental guidelines, or practice where the applicant’s employment provision can be, or has been, used as grounds for refusing access to documents and/or refusing to waive charges, other than that set out in (4).

Senator Hill—The Ministers for Foreign Affairs and Trade have provided the following information in response to the honourable senator’s questions:

(1), (2), (3) and (4) There have been more than 200 freedom of information requests made to agencies within the Portfolio since March 1996. It would be beyond the capacity of current resources, which are devoted to responding to current freedom of information requests, to research the detailed information sought by the questions.

(5) No.

Fossil Fuel Subsidies  
(Question No. 1710)

Senator Brown asked the Minister representing the Treasurer, upon notice, on 2 November 1999:

(1) Does the Treasurer agree that the tax package negotiated with the Australian Democrats ‘reduces rather than increases subsidies for fossil fuels by around $500 million over three years’ as claimed by the Australian Democrats (Mining Monitor, Vol 4 (3), September 1999); if not, why not.

(2) What are the calculations that show the difference between the level of subsidy before and after the goods and services tax deal.

Senator Kemp—The Treasurer has provided the following answer to the honourable senator’s question:

(1) and (2) Compared with the ANTS package, the agreement with the Democrats reduces the concession on the use of fossil fuels by around $700m per year. The savings flow from modifications to the ANTS policy including:

- around $400m per year due to the narrower scope of the extension of the off-road diesel fuel rebate scheme;
- around $90m per year due to a 2 cent per litre reduction in the on-road diesel fuel grant paid; and
- around $210m per year from restricting access to the on-road diesel grant to all vehicles over 20 tonnes GVM, and regional transport vehicles weighing between 4.5 and 20 tonnes GVM that undertake their operations in service of regional areas.

Department of the Environment and Heritage: Cost of Legal Advice from Attorney-General’s Department  
(Question No. 1718)

Senator Faulkner asked the Minister for the Environment and Heritage, upon notice, on 2 November 1999:

(1) What has been the total cost to the department, and each agency in the portfolio, of legal advice obtained from the Attorney-General’s Department in the 1998-99 financial year.

(2) What has been the total cost to the department, and each agency in the portfolio, in the 1998-99 financial year, of legal advice obtained by the department from other sources.

Senator Hill—The answer to the honourable senator’s question is as follows:
(1) The following figures relate to the direct cost of legal advice obtained from the Attorney-General’s Department including the Australian Government Solicitor.

Department - $928,809; Australian Greenhouse Office - $65,778; Australian Heritage Commission - $2,456; Great Barrier Reef Marine Park Authority - $239,129; Parks and Wildlife Service - $361,742.

(2) The following figures relate to the direct cost of legal advice obtained from other sources.

Department - Nil; Australian Greenhouse Office - $43,537; Australian Heritage Commission - Nil; Great Barrier Reef Marine Park Authority - $27,588; Parks and Wildlife Service - $280.

Department of Employment, Workplace Relations and Small Business: Cost of Legal Advice from Attorney-General’s Department

(Question No. 1720)

Senator Faulkner asked the Minister representing the Minister for Employment, Workplace Relations and Small Business, upon notice, on 2 November 1999:

(1) What has been the total cost to the department, and each agency in the portfolio, of legal advice obtained from the Attorney-General’s Department in the 1998-99 financial year.

(2) What has been the total cost to the department, and each agency in the portfolio, in the 1998-99 financial year of legal advice obtained by the department from other sources.

Senator Alston—The Minister for Employment, Workplace Relations and Small Business has provided the following answer to the honourable senator’s question:

(1) The information requested is not readily available in the form requested. The department’s accounting systems record the amount spent on legal services, which includes the conduct of litigation as well as the provision of legal advice. In the 1998-99 financial year, the total cost to the department for legal services obtained from the Attorney-General’s Department was $956. This figure includes payments made by the (then) Department of Employment, Education, Training and Youth Affairs between July and October 1998 in so far as they related to functions which transferred to the Department of Employment, Workplace Relations and Small Business after October 1998.

In the 1998-99 financial year, the total cost to each agency in the portfolio for legal services obtained from the Attorney-General’s Department was:

Comcare–$12 000.00; Employment Advocate–Nil; National Occupational Health and Safety Commission–Nil; Affirmative Action Agency–Nil; Australian Industrial Registry–Nil; Defence Force Remuneration Tribunal–Nil.

(2) The total cost to the department in the 1998-99 financial year of legal advice obtained from other sources (includes services provided by the Australian Government Solicitor as it has been administratively separate from the Attorney-General’s Department since July 1998) was $5,068,583.08.

The total cost to each agency in the portfolio in the 1998-99 financial year of legal advice obtained from other sources was:

Comcare–$11,200,000.00; Employment Advocate–$347 340.24; National Occupational Health and Safety Commission–$25 388.50; Affirmative Action Agency–$4 916.90; Australian Industrial Registry–$57 001.00

Defence Force Remuneration Tribunal–Nil

Department of Agriculture, Fisheries and Forestry: Cost of Legal Advice from Attorney-General’s Department

(Question No. 1729)

Senator Faulkner asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 2 November 1999:

(1) What has been the total cost to the department, and each agency in the portfolio, of legal advice obtained from the Attorney-General’s Department in the 1998-99 financial year.

(2) What has been the total cost to the department, and each agency in the portfolio, in the 1998-99 financial year of legal advice obtained by the department from other sources.

Senator Alston—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:

I am advised that considerable resources would be required to research the answers to these questions across the portfolio. This would represent an unwarranted diversion of the resources of the department.

Treasury: Salaries

(Question No. 1734)

Senator Faulkner asked the Minister representing the Treasurer, upon notice, on 2 November 1999:

As a dollar amount, and as a percentage of the department’s total outlay on salaries, what was the cost in 1996-97, 1997-98 and 1998-99 financial years of: (a) staff training; (b) consultants; and (c) performance pay.

Senator Kemp—The Treasurer has provided the following answer to the honourable senator’s question:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Training</td>
<td>$000</td>
<td>$000</td>
<td>$000</td>
</tr>
<tr>
<td>Consultants</td>
<td>656</td>
<td>459</td>
<td>530</td>
</tr>
<tr>
<td>Performance pay</td>
<td>1,700</td>
<td>1,209</td>
<td>3,087</td>
</tr>
</tbody>
</table>

(1) Costs do not include the Royal Australian Mint.
(2) The cost of staff training includes all internal and external formal training and does not include costs associated with on-the-job training.

(3) Consultant costs are those valued over $2,000 (as per Annual Reports). The increase in 1998-99 is a result of requirements as part of taxation reform (detailed on pages 141-142 of the 1998-99 Treasury Annual Report).

**Department of the Environment and Heritage: Salaries**

(Question No. 1736)

Senator Faulkner asked the Minister for the Environment and Heritage, upon notice, on 2 November 1999:

As a dollar amount, and as a percentage of the department’s total outlay on salaries, what was the cost in the 1996-97, 1997-98 and 1998-99 financial years of: (a) staff training; (b) consultants; and (c) performance pay.

Senator Hill—The answer to the honourable senator’s question is as follows:

During the years in question, the Department underwent structural changes with the transfer out of the Sport and Recreation and Territories and Local Government programs. The following information has been extracted from the Annual Reports and Supplementary Information Statements for the Department.

(a) Staff training costs

The cost of staff training in the department for each of the three financial years was:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Cost</th>
<th>Percentage of Total Salary Outlay</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996-97</td>
<td>$5,040,267</td>
<td>3.20%</td>
</tr>
<tr>
<td>1997-98</td>
<td>$5,543,114</td>
<td>3.44%</td>
</tr>
<tr>
<td>1998-99</td>
<td>$2,135,823</td>
<td>1.26%</td>
</tr>
</tbody>
</table>

The costs include the salaries of participating staff.

(b) Consultants costs

The cost of consultant services in the department for each of the three financial years was:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Cost</th>
<th>Percentage of Total Salary Outlay</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996-97</td>
<td>$11,340,650</td>
<td>7.20%</td>
</tr>
<tr>
<td>1997-98</td>
<td>$13,970,289</td>
<td>8.66%</td>
</tr>
<tr>
<td>1998-99</td>
<td>$9,495,990</td>
<td>5.61%</td>
</tr>
</tbody>
</table>

(c) Performance pay costs

The cost of performance pay in the department for each of the three financial years was:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Cost</th>
<th>Percentage of Total Salary Outlay</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996-97</td>
<td>$74,505</td>
<td>0.05%</td>
</tr>
<tr>
<td>1997-98</td>
<td>$70,656</td>
<td>0.04%</td>
</tr>
<tr>
<td>1998-99</td>
<td>$495,939</td>
<td>0.29%</td>
</tr>
</tbody>
</table>

Note: In 1998 the Department introduced Australian Workplace Agreements for its SES officers. The remuneration arrangements for SES officers were revised at this time making a greater number of officers eligible for payments related to their performance. Payments of SES performance based pay for the 1997-98 appraisal period were processed in 1998-99.

**Department of Defence: Salaries**

(Question No. 1741)

Senator Faulkner asked the Minister representing the Minister Assisting the Minister for Defence, upon notice, on 2 November 1999:

As a dollar amount, and as a percentage of the department’s total outlay on salaries, what was the cost in the 1996-97, 1997-98 and 1998-99 financial years of: (a) staff training; (b) consultants; and (c) performance pay.

Senator Newman—The Minister Assisting the Minister for Defence has provided the following answer to the honourable senator’s question:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$m</td>
<td>%</td>
<td>$m</td>
</tr>
<tr>
<td>Performance Pay</td>
<td>0.155</td>
<td>0.004</td>
<td>0.174</td>
</tr>
<tr>
<td>(Note 1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training</td>
<td>49.114</td>
<td>1.4</td>
<td>44.169</td>
</tr>
<tr>
<td>(Note 2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consultants</td>
<td>11.863</td>
<td>0.3</td>
<td>12.471</td>
</tr>
<tr>
<td>(Note 3)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Note 2: This includes all training. It differs from the Annual Report which reports purchasing non-operational training and development activites.

Note 3: The published figure in the 1997-98 Annual Report was $9.919 million this was later revised to $12.471 million.

**Child Care in Australia: Statistics**

(Question No. 1767)

Senator Chris Evans asked the Minister for Family and Community Services, upon notice, on 8 November 1999:

(1) (a) When the compilation of the statistics used in *Child Care in Australia* was completed, what was the date of the most recent data available to the department on the number of families, as opposed to children, using Commonwealth-funded child care; (b) can a copy be provided of
the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(2) Why was data on the number of families, as opposed to children, using Commonwealth-funded child care not included in Child Care in Australia?

(3) (a) At the time that the compilation of the statistics used in Child Care in Australia was completed, what was the date of the most recent data available to the department on the number of children using Commonwealth-funded services, by service type and by state; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(4) (a) At the time that the compilation of the statistics used in Child Care in Australia was completed, was data available to the department on the number of families receiving Commonwealth child care subsidies in June 1996, December 1996, June 1997, December 1997, June 1998 and December 1998; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(5) (a) At the time that the compilation of the statistics used in Child Care in Australia was completed, what was the date of the most recent data available to the department on the proportion of all families using long day care (LDC) by level of child care assistance (CCA) received; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(6) (a) At the time that the compilation of the statistics used in Child Care in Australia was completed, what was the date of the most recent data available to the department on the number of carers registered for child care rebate, and the number of families registered; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(7) (a) At the time that the compilation of the statistics used in Child Care in Australia was completed, what was the date of the most recent data available to the department on the number of operational services, by type; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(8) (a) At the time that the compilation of the statistics used in Child Care in Australia was completed, what was the date of the most recent data available to the department on the sponsorship of child care (for example, local government, religious or charity, et cetera) by service type; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(9) (a) At the time that the compilation of the statistics used in Child Care in Australia was completed, what was the date of the most recent data available to the department on the number of operational places by service type, and by state; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(10) (a) At the time that the compilation of the statistics used in Child Care in Australia was completed, what was the date of the most recent data available to the department on the number of places created, or planned, as part of the New Growth Strategy 1997-99; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(11) (a) At the time that the compilation of the statistics used in Child Care in Australia was completed, what was the date of the most recent data available to the department on types of funding available for the New Growth Strategy; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(12) At the time that the compilation of the statistics used in Child Care in Australia was completed, was data available to the department on actual Commonwealth child care expenditure for the 1996-97 and 1997-98 budgets, by program (for example, CCA, rebate, capital funding, et cetera); (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(13) (a) At the time that the compilation of the statistics used in Child Care in Australia was completed, was data available to the department on estimated Commonwealth child care expenditure for the 1998-99 Budget, by program; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(14) (a) At the time that the compilation of the statistics used in Child Care in Australia was completed, was data available to the department on the amount of CCA received by service type for 1997, 1998, and the first and/or second quarters of 1999; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(15) (a) At the time that the compilation of the statistics used in Child Care in Australia was completed, what was the date of the most recent data available to the department on the proportion of hours of care used for work-related purposes, by service type and by state; (b) can a copy be provided of the most recent data on this issue, by service type, and including state sub-totals, that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(16) (a) At the time that the compilation of the statistics used in Child Care in Australia was completed, what was the date of the most recent data available to the department on the number of children in care, the total attendance hours, and the average percentage of work-related care by employment status of parents, and by service type (this is the data provided in table 8 (iii) of the Children’s Services Statistical Report, June 1997); (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.
(17) (a) At the time that the compilation of the statistics used in *Child Care in Australia* was completed, what was the date of the most recent data available to the department on the proportion of babies (children aged less than 2 years) relative to all children using formal care; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(18) (a) At the time that the compilation of the statistics used in *Child Care in Australia* was completed, what was the date of the most recent data available to the department on the percentage distribution of children in child care by age groups and by type of service; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(19) (a) At the time that the compilation of the statistics used in *Child Care in Australia* was completed, what was the date of the most recent data available to the department on the percentage of children attending Commonwealth-funded child care who are: (i) at risk; and (ii) have a parent with a disability; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(20) (a) At the time that the compilation of the statistics used in *Child Care in Australia* was completed, what was the date of the most recent data available to the department on the average fee paid per session of outside school hours care (OSHC) and vacation care; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(21) (a) At the time that the compilation of the statistics used in *Child Care in Australia* was completed, what was the date of the most recent data available to the department on the average daily hours of operation of LDC centres, by sector; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(22) (a) At the time that the compilation of the statistics used in *Child Care in Australia* was completed, was data available to the department on the growth of private LDC places by state, from 1997 to 1998; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(23) (a) At the time that the compilation of the statistics used in *Child Care in Australia* was completed, what was the date of the most recent data available to the department on the distribution of places by geographic region (for example, urban, rural, etcetera) by service type; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(24) (a) At the time that the compilation of the statistics used in *Child Care in Australia* was completed, what was the date of the most recent data available to the department on the percentage of demand met for LDC and OSHC; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(25) (a) At the time that the compilation of the statistics used in *Child Care in Australia* was completed, what was the date of the most recent data available to the department on the total number of staff and care-givers in Commonwealth-funded services, by service type; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(26) (a) At the time that the compilation of the statistics used in *Child Care in Australia* was completed, what was the date of the most recent data available to the department on the number and percentage of families with both parents in the workforce; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

(27) (a) At the time that the compilation of the statistics used in *Child Care in Australia* was completed, what was the date of the most recent data available to the department on the labour force participation of females with dependents aged under 15 years, with separate sub-totals for full- and part-time employment; (b) can a copy be provided of the most recent data on this issue that was available to the department at the time that the compilation of the statistics was completed; and (c) if more recent data has become available since the compilation of the statistics was completed, can a copy of this data be provided.

_Senator Newman—_The answer to the honourable senator’s question is as follows:

1. (3) (5) (15) (16) (17) (18) (19) (20) (21) (22) (23) (24) (25) (26) (27) The 1997 Census of Child Care Services is the most recently available data source for the above questions unless otherwise stated. The 1997 Census will be published in the near future and the Senator will be provided with a copy at that time.

2. Number of families was reported in Table 3.2 of Child Care in Australia.

3. (a) The data source for information on number of families receiving Childcare Assistance is the Census of Child Care Services conducted in August 1997.

   (b) This information will be provided in the 1997 Census publication.

   (c) No more recent information is available.

4. (a) June 1998. Table 3.2 of Child Care in Australia.

   (b) 570/79 families registered, 67244 care-givers registered. Numbers of care-givers registered and families registered were not included in Child Care in Australia as they include both carers and families who may no longer be participating.

   (c) More recent information is available from the Health Insurance Commission.

5. (a) Fully validated data was available for December 1998.

   (b) This information is reported in Australian Social Policy 99/1 Table 13 p 274.1

   (c) Operational Services as at 30 June 1999

<table>
<thead>
<tr>
<th>Service type</th>
<th>New South</th>
<th>VIC</th>
<th>QLD</th>
<th>SA</th>
<th>WA</th>
<th>TAS</th>
<th>NT</th>
<th>ACT</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Wales

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Places</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Centres</td>
<td>51,300</td>
<td>1,098</td>
</tr>
<tr>
<td>Private Centres</td>
<td>142,000</td>
<td>3,022</td>
</tr>
<tr>
<td>Family Day Care</td>
<td>64,000</td>
<td>331</td>
</tr>
<tr>
<td>Outside School Hours Care</td>
<td>154,000</td>
<td>4,340</td>
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<tr>
<td>Occasional Care</td>
<td>5,000</td>
<td>597</td>
</tr>
<tr>
<td>Multifunctional</td>
<td>600</td>
<td>14</td>
</tr>
<tr>
<td>MACS</td>
<td>1,200</td>
<td>37</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>418,100</strong></td>
<td><strong>9,439</strong></td>
</tr>
</tbody>
</table>

Source: Child Care System (CCS)

Note: This table was published in "Australian Social Policy 1999" Pp. 274
(c) Operational places as at 30 June 1999

<table>
<thead>
<tr>
<th></th>
<th>NSW</th>
<th>VIC</th>
<th>QLD</th>
<th>SA</th>
<th>WA</th>
<th>TAS</th>
<th>NT</th>
<th>AC</th>
<th>Total</th>
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<tbody>
<tr>
<td>Centre based long day care</td>
<td>62,150</td>
<td>41,350</td>
<td>54,350</td>
<td>9,900</td>
<td>14,600</td>
<td>2,400</td>
<td>1,850</td>
<td>0</td>
<td>190,300</td>
</tr>
<tr>
<td>Family day care</td>
<td>20,900</td>
<td>16,900</td>
<td>11,900</td>
<td>5,200</td>
<td>3,600</td>
<td>2,040</td>
<td>900</td>
<td>0</td>
<td>64,040</td>
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<tr>
<td>Outside school hours care</td>
<td>49,600</td>
<td>40,900</td>
<td>33,150</td>
<td>16,100</td>
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<td>2,850</td>
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<td>300</td>
<td>30</td>
<td>200</td>
<td>0</td>
<td>1,780</td>
</tr>
<tr>
<td>Total</td>
<td>134,650</td>
<td>100,850</td>
<td>100,400</td>
<td>31,850</td>
<td>30,400</td>
<td>7,520</td>
<td>6,200</td>
<td>10,2</td>
<td>422,100</td>
</tr>
</tbody>
</table>

(10) (a) December 1998.
(b) NEW GROWTH STRATEGY - AS AT DECEMBER 1998

<table>
<thead>
<tr>
<th></th>
</tr>
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<tbody>
<tr>
<td>PLACES ALLOCATED</td>
</tr>
<tr>
<td>38074</td>
</tr>
</tbody>
</table>

(11) (a) Children’s Services Facts Sheets June 1997 contained the latest compilation of this information.
(b) Information is available from State offices on application by potential operators.
(c) No more recent information has been compiled.

(12) (a) Yes.
(b) Yes, in the Department of Health & Family Services annual reports of 1996-97, and 1997-98.
(c) Yes, in the Department of Family & Community Services annual report of 1998-99.

(13) (a) Yes.
(b) Yes, the Department of Family & Community Services Portfolio Budget Statements of 1999-2000.
(c) Yes, the Department of Family & Community Services annual report of 1998-99.

(14) (a) Yes.
(b) & (c)

Childcare Assistance Expenditure

<table>
<thead>
<tr>
<th></th>
<th>1997-98</th>
<th>1998-99*</th>
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<tbody>
<tr>
<td>Community Based Long Day Care</td>
<td>119.1</td>
<td>112.4</td>
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<tr>
<td>Family Day Care</td>
<td>128.1</td>
<td>133.2</td>
</tr>
<tr>
<td>Private Long Day Care</td>
<td>369.3</td>
<td>363.8</td>
</tr>
<tr>
<td>Occasional Care</td>
<td>9.2</td>
<td>8.6</td>
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<tr>
<td>Outside School Hours Care/ Year Round Care</td>
<td>14.5</td>
<td>32.3</td>
</tr>
<tr>
<td>Total</td>
<td>640.4</td>
<td>650.3</td>
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</tbody>
</table>

* Estimated accrual expenditure

(22) (a) Yes.
(b) & (c)

PRIVATE, NON-PROFIT AND EMPLOYER SPONSORED - CHILD CARE PLACES AS AT JUNE 97, JUNE 98 AND JUNE 99

<table>
<thead>
<tr>
<th></th>
<th>New South</th>
<th>VIC</th>
<th>QLD</th>
<th>SA</th>
<th>WA</th>
<th>TAS</th>
<th>NT</th>
<th>ACT</th>
<th>TOTAL</th>
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</thead>
<tbody>
<tr>
<td></td>
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</table>
Planned & Operational Places, June 1998

<table>
<thead>
<tr>
<th></th>
<th>Centre Based Long Day Care</th>
<th>Private, Emp. &amp; NP Family Day Care</th>
<th>Multifunctional</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital City/Major</td>
<td>41969</td>
<td>117823</td>
<td>42345</td>
<td>500</td>
</tr>
<tr>
<td>Rural</td>
<td>8028</td>
<td>23430</td>
<td>19505</td>
<td>501</td>
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<tr>
<td>Remote</td>
<td>2086</td>
<td>956</td>
<td>1945</td>
<td>201</td>
</tr>
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</table>

Source: June 1998 CCS

Planned & Operational Places, June 1999

<table>
<thead>
<tr>
<th></th>
<th>Centre Based Long Day Care</th>
<th>Private, Emp. &amp; NP Family Day Care</th>
<th>Multifunctional</th>
<th>Innovative</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Capital City/Urban</td>
<td>41072</td>
<td>116004</td>
<td>41830</td>
<td>482</td>
<td>199388</td>
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<tr>
<td>Rural</td>
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<td>730</td>
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<tr>
<td>Remote</td>
<td>1925</td>
<td>971</td>
<td>1808</td>
<td>553</td>
<td>268</td>
</tr>
</tbody>
</table>

Source: ABS Cat No 6203.0

Australian Defence Industries: Site Development
(Question No. 1774)

Senator Brown asked the Minister representing the Minister for Finance and Administration, upon notice, on 22 November 1999:

(1) Can the following documents relating to the planned urban development of the former ADI site at St Marys/Penrith be provided: the heads of agreement between Lend Lease and ADI (now novated to ComLand Ltd) signed on 3 May 1994; and the development agreement between Lend Lease and ADI (now novated to ComLand Ltd) signed on 1 September 1994.

(2) Are the heads of agreement and the development agreement signed in 1994 by the joint venture partners, before the completion of formal state processes on zoning of land, invalidated or otherwise affected by: (a) the subsequent listing of the majority of the land in the Register of the National Estate by the Australian Heritage Commission; and/or (b) the subsequent listing of Cumberland Plains Woodlands as an endangered ecological community under both Commonwealth and state legislation.

(3) If this development does not go ahead, is any compensation payable by the Commonwealth, or the Commonwealth-owned entities ADI or ComLand Ltd, to Lend Lease under: (a) the heads of agreement between ComLand Ltd and Lend Lease; and (b) the development agreement between ComLand Ltd and Lend Lease.

(4) Does the Government through ComLand Ltd have any intention to sell land at the former ADI site to Lend Lease.

(5) Is the Government through the Office of Asset Sales and Information Technology Outsourcing and/or the environment ministry giving any consideration to retaining the Commonwealth land at the former ADI site in public ownership as a regional park.

Senator Ellison—The Minister for Finance and Administration has provided the following answer to the honourable senator’s question:
Monday, 6 March 2000

1 (a) and (b). No. These are confidential commercial agreements between the ComLand Group of companies and Lend Lease Development.

2 (a) and (b) I am advised by ComLand Limited that the agreements are not invalidated or changed by the listing of the land on the Register of the National Estate by the Australian Heritage Commission or the listing of the Cumberland Plains woodlands under Commonwealth and State legislation.

3 The Commonwealth is not a party to either agreement. I am advised by ComLand that if the St Marys land does not receive rezoning approval for events beyond the control of the ComLand Group there is no liability under either agreement for the company to compensate Lend Lease.

4 No.

5 The development proposal by the Lend Lease and ComLand joint venture provides for a 630 hectare regional park to be established within the development to be managed by the NSW National Parks and Wildlife Service.

World Trade Organisation: Environmental Assessment

(Question No. 1775)

Senator Brown asked the Minister representing the Minister for Trade, upon notice, on 22 November 1999:

1 Why is Australia not conducting an environmental assessment of multilateral trade agreements being negotiated through the World Trade Organization.

2 Why does Australia reject the need for environmental assessment, when the United States, Canada and the European Union are all undertaking such assessments.

3 Do decisions by the Australian Government to enter into these negotiations and/or conclude agreements require environmental assessment under the Environment Protection (Impact of Proposals) Act, if not, why not.

4 Will the Minister initiate an environmental assessment under the Act, before it is repealed, of the decision to enter negotiations or any decision to make an agreement; if not, why not.

Senator Hill—The Minister for Trade has provided the following answer to the honourable senator’s question:

1 Australia’s approach to the development of policy positions for WTO negotiations puts a high premium on consultation among Commonwealth agencies, with State Governments and with industry and the wider community. These processes provide opportunities for environmental issues raised by WTO negotiations to be identified and addressed in developing policy. There is continuing discussion internationally on possible methodologies for enhancing the identification and assessment of environmental issues raised by trade reform. Departments are closely monitoring this work to see if there are aspects of these methodologies that would contribute to the effectiveness of Australia’s processes for policy development on trade and environment issues.

2 Australia does not reject the need for environmental assessment of the effects of WTO negotiations and has processes in place which seek to identify and consider environmental issues raised by these negotiations. Australia has also supported the WTO’s Committee on Trade and Environment being used as a forum to examine and debate environmental issues raised by future trade negotiations. Prior to the Seattle WTO Ministerial Conference a number of countries announced their intention to do environmental reviews of a new round of negotiations. As the Seattle meeting did not launch a new round of negotiations it is not clear at this stage what will happen to these proposed studies. In the case of the European Union, it commissioned a preliminary study that reported in November examining the possible economic, environmental and social impacts of its own proposals for the negotiations.

3 The Seattle meeting did not launch a new round of negotiations, although negotiations on agriculture and services which are mandated in the WTO Agreements will proceed. The Government’s policy development processes ensure close consultation between Departments to identify environmental issues that may be raised by these negotiations, and by any other negotiations that may be initiated in the WTO. In particular, these coordination processes are continuing to examine whether such negotiations or any other agreements that might be concluded in the WTO would involve an environmentally significant action on the part of the Commonwealth that would require environmental assessment under the Environment Protection (Impact of Proposals) Act 1974 (EPIP Act).

4 As part of its policy coordination processes, the Government will continue to keep the issue of environmental aspects of discussions in the WTO under review to identify whether they may involve environmentally significant actions on the part of the Commonwealth that would require environmental assessment under the EPIP Act.

Renewables Initiative: Implementation

(Question No. 1784)

Senator Brown asked the Minister for the Environment and Heritage, upon notice, on 23 November 1999:

1 Will the ‘2% for renewables’ initiative be implemented.

2 What is the timetable for implementing the ‘2% for renewables’ initiative, including the introduction of legislation.

3 If Basslink proceeds, how will it be dealt with under the ‘2% for renewables’ initiative, given that the immediate effect is to reduce the proportion of Tasmania’s electricity supplied by renewables by up to 30 per cent.

Senator Hill—The answer to the honourable senator’s question is as follows:

1 As I announced on 29 November 1999, the Government has agreed to an implementation plan for the 2% renewables measure and will commence drafting legislation immediately to implement the target.

2 Subject to the passage of legislation, the measure will commence from 1 January 2001.

3 It is likely that Basslink will support the achievement of the 2% renewables target. While Basslink will allow fossil fuel based electricity to be sent to Tasmania when required, it will also allow for renewables based electricity generated in Tasmania to be sent to the mainland. As a result, the current constraints on the generation of hydro electricity due to low load growth will be removed, allowing for increased generation levels. Any increase in generation above a relevant historical baseline will be eligible for renewable energy certificates under the 2%
measure. Additionally, Basslink and the 2% renewables target will support the introduction of substantial wind generation capacity as the excess electricity which is produced can be sent to areas of higher load on the mainland.

**Overseas Student Visas: Interdepartmental Committee Terms of Reference (Question No. 1812)**

**Senator Carr** asked the Minister representing the Minister for Education, Training and Youth Affairs, upon notice, on 9 December 1999:

What are the terms of reference for the inter-departmental committee established with the Department of Immigration and Multicultural Affairs to address the identified problems and issues associated with the administration of overseas student visas via the Migration Act and of providers of international education services by means of the Education Services for Overseas Students (Registration of Providers and Financial Regulation) Act.

**Senator Ellison**—The Minister for Education, Training and Youth Affairs has provided the following answer to the honourable senator’s question:

The Department believes that the inter-departmental committee (IDC) to which Senator Carr refers is one established at the request of the Minister for Education, Training and Youth Affairs to address international education issues. This IDC has been established to promote a whole-of-government approach to advance Australia’s involvement in international education.

The committee includes representation from: the Department of Education, Training and Youth Affairs (DETYA); the Department of Immigration and Multicultural Affairs (DIMA); Austrade; AusAID; the Department of Foreign Affairs and Trade (DFAT); the Department of Prime Minister and Cabinet (PM&C); and the Department of Industry, Science and Resources (DISR). The Australian Tourist Commission (ATC) and the Department of Health and Aged Care may also be represented on an ad hoc basis.

The IDC will address a broad range of issues related to international education. These are likely to include the administration of student visas via the Migration Act and of providers of international education services by means of the Education Services for Overseas Students (Registration of Providers and Financial Regulation) Act.

The terms of reference for the IDC are to:

- Coordinate activities across Commonwealth agencies to ensure that the Government’s objective of enhancing the export of Australian education services is achieved with maximum efficiency and effectiveness;

- Act as a conduit for information sharing and cross portfolio communication on matters relating to the export of Australia’s education services;

- Discuss and provide coordinated input to any Commonwealth policy initiative that may affect overseas students and the internationalisation/export of Australia’s education services; and

- Consider means by which the administration of Commonwealth policy is made as conducive as possible to the development of Australia’s education exports.