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REPRESENTATIVES MAIN COMMITTEE
Tuesday, 15 August 2000

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

REPRESENTATION OF SOUTH AUSTRALIA

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

LOOF, MR RUPERT, CBE

The PRESIDENT (2.01 p.m.)—I advise the Senate that today Mr Rupert Loof, a former Clerk of the Senate, celebrates his 100th birthday. Mr Loof served as Clerk of the Senate from 1955 to 1965. He worked for the Senate when the two houses sat in Melbourne prior to the move to Canberra in 1927. Apart from his distinguished career as a parliamentary officer, Mr Loof is a man of many talents, being an accomplished musician and a recognised inventor. He has a fund of interesting and amusing stories about the early days of the Senate. I will be attending a function this afternoon in the President's suite of the Old Parliament House to mark the occasion of his 100th birthday. And I will, with the consent of senators, convey to him all of our congratulations and best wishes.

Honourable senators—Hear, hear!

QUESTIONS WITHOUT NOTICE

Goods and Services Tax: Petrol Prices

Senator MURPHY (2.02 p.m.)—My question is to the Assistant Treasurer. Can the minister confirm that, wherever petrol is selling for $1 a litre, the GST is responsible for an increased tax component of around 2.6c of that price? Will the minister also acknowledge the government’s responsibility for this exorbitant price by failing to reduce the petrol excise by anything more than 6.7c a litre before the GST is applied and, hence, failing to honour its promise not to allow the GST to add to the price of petrol?

Senator KEMP—I appreciate the question from Senator Murphy. Let me make it quite clear that this government keeps its promises. Let me make it absolutely clear that this government is a government that keeps its promises. The promises that this government has not been able to keep are those which the Senate has prevented the government from keeping. As the senator said, the excise has been reduced by 6.7c per litre and the petroleum industry benefits from cost reductions of around 1.5c per litre as a result of the new tax system. I can advise the Senate that the ACCC monitored 4,000 sites in the week after 1 July and found that major capital city prices fell by 0.4c per litre. The senator referred to price changes. Let me advise him that world prices influence pump prices in Australia, and since last year world prices have risen by some 47 per cent.

Let me contrast this government’s position with the Labor Party’s position when they were in office. Labor senators can correct me if I am wrong. We hark back to 1993 when, immediately after the election, there was a very substantial rise in the excise on fuel.

Senator Sherry—What was the price of petrol then?

Senator KEMP—No input tax credits then, Senator. No diesel grant scheme then, Madam President, which will be of large benefit to many in industry. I think Labor have got to look at their own record. Can I alert the Senate to what I do see as a potential problem. There have been some discussions about the Labor Party tax policy. The word ‘roll-back’ seems to have gone out of fashion in recent days. In fact, I do not believe it was mentioned. The Labor Party have proposed a major roll-back. They have proposed major spending programs, which they flagged in the health and education areas. They have also said that they are going to raise the level of surpluses.

Senator Cook—it’s got nothing to do with the question.

Senator KEMP—One thing the Labor Party are going to have to do to fund all this
is to raise taxes. I think there is a debate: will the Labor Party raise taxes on income—

Senator Cook—You are out of order!

Senator KEMP—Or will the Labor Party raise taxes on things like fuel excise, as they did in 1993?

Senator Cook—You are out of order!

The PRESIDENT—Senator Cook, you are out of order. You are sitting there shouting. If you have a legitimate point of order, you are entitled to take it; but you are not entitled to sit there and shout in that fashion.

Senator Cook—I will take the point of order, Madam President. I take the point of order that the minister is out of order. He is not answering the question. He did not answer the question put about petrol. He changed gear in the middle of his answer to have a gratuitous attack upon the Labor Party and mislead this chamber as to the efficacy of our tax policies. You should have drawn him to order without a point of order, in my view—I respectfully put to you—and I now ask you to do so and sit him down. If he cannot answer the question that has been put, he should be sat down.

The PRESIDENT—There is no point of order.

Senator KEMP—On the point of order, Senator Kemp, we are not debating the point of order. You are answering the question.

Senator KEMP—In that case the senator clearly wasted the time of the Senate, as he so often does, regrettably. What I was speaking about, if Senator Cook would like to listen, was fuel excise and the taxes on fuel excise.

Senator Cook—You’re not answering the question.

Senator KEMP—I know it is an embarrassment to you because you were a minister in the Keating government, but I note that, after 1993, you substantially raised the excise on fuel. There were no input tax credits there, senator—none whatsoever. The Labor Party have form on this. They have a huge budgetary problem with the very confusing tax policy they have announced. I think a lot of people are very worried that what we are going to see is a Labor Party tax rise in fuel excise.

Senator MURPHY—In light of that non-answer, which is something we are used to from this minister, Madam President, I will ask a supplementary question with regard to this question, and maybe the minister might like to address his mind to it. Can the minister also confirm that, at $1 a litre, the city-country price differential will inevitably widen, notwithstanding the $500 million of taxpayers’ money that is going towards trying to reduce the differential? Doesn’t this make a nonsense of the government’s promise on 22 June this year that its measures ‘mean that consumers, including those in regional areas, will not need to pay any more for petrol and diesel as a result of the GST’?

Senator KEMP—Let me make it clear that the only nonsense in this chamber is the nonsense being spouted by the Labor Party on tax policy. Senator Murphy had an opportunity to clarify the Labor Party’s tax position when he stood up but he refused to do so. So, Senator Murphy, we are all going to come back after question time—or at least some of us are going to come back after question time—and we are going to see whether you are prepared to clarify the Labor Party tax position on excise, on income tax and indeed on a whole range of other issues.

Senator Murphy—You said it on 22 June.

Senator KEMP—If Senator Murphy had listened to my answer, he would have heard that his question was answered directly.

Goods and Services Tax: Car Industry

Senator FERRIS (2.09 p.m.)—My question is to the Minister for Industry, Science and Resources, Senator Minchin. Will the minister advise the Senate of how the automotive industry is booming under the government’s new tax system?

Senator MINCHIN—I thank Senator Ferris for her very appropriate question. When we announced our tax reform proposals, we said then that the Australian car industry, the backbone of Australian manufacturing, would be one of the big winners from this policy change. Just six weeks into the new tax system, we have been proved absolutely correct. In this industry we have record sales,
record export performance and lower prices for consumers. The July sales figures were released just last week and they show that sales reached 79,449 vehicles in the month of July—the best-ever July in the history of the car industry in this country, a 30 per cent increase on June and the third-best ever monthly sales for the Australian car industry. It has also been reported by independent industry specialist, the Red Book survey, that car prices fell in July by six per cent, meaning a cut of around $2,000 for consumers in the price of a standard family vehicle. That is totally contrary to all the nonsense we heard from Senator George Campbell and others about the likely fall in prices.

Since we came to office, car prices have fallen by 14½ per cent, compared with a 22 per cent increase in prices in the last five years of Labor. Today we announced that, in the 1999-2000 financial year, exports grew by 36 per cent, to $3.8 billion. This is a stunning export performance by this industry. Of course, not everybody is happy to hear the great news about the car industry. It must be devastating for the Labor Party, for Mr McMullan, the shadow industry minister, in particular, and for his leader, Mr Beazley, from whom we have heard absolutely nothing about these record figures. We heard nothing but gloom and doom and scaremongering about this industry in the lead-up to the tax change. They constantly forecast that the industry would suffer immeasurable damage from these tax changes. What happened when we had these fantastic July figures? Where was Mr McMullan’s press release congratulating the industry on its stellar performance? There was nothing. Nowhere was there any sign of any acknowledgment from Mr McMullan of the tremendous performance of the car industry as a result of these tax changes.

It will be our job over the next 18 months to make sure that the Australian people never forget that Labor voted to retain the 22 per cent sales tax on new motor vehicles and to oppose our reduction in the price of new vehicles by some $2,000, which has given this best-ever result for the car industry. I remind you, Madam President, that the Labor Party is the worst government that the car industry has had in the last 30 years. There was virtually no improvement in car sales while Labor was in office. It was stuck at around half a million units for the whole of the Labor period in office. They are now over 750,000 and are forecast to hit one million under our policies by 2003. I congratulate the car industry on its fantastic performance and I condemn the Labor Party for not standing up for this vital industry.

Senator FERRIS—Madam President, I ask a supplementary question. Could Senator Minchin please tell the Senate how he is working in close consultation with the industry to encourage the development of a prosperous and internationally competitive automotive sector in Australia.

Senator MINCHIN—Under our very enlightened automotive industry policy, we have instituted a five-year tariff freeze for this industry, at 15 per cent. We have also instituted a $2 billion investment program and an extremely successful export market access and development strategy. We had a stunning display of wares of the Australian automotive industry in Detroit recently, care of Mr Jack Nasser, where the industry recorded a tremendous response from the American automobile industry. We are seeing a great penetration of the Australian automobile industry in Europe and in the United States. The export performance is a great tribute to this industry and to the Australian government’s policies, which have given certainty and a great future to this industry.

Goods and Services Tax: Savings Bonus

Senator McKIERNAN (2.15 p.m.)—My question is directed to Senator Newman, Minister for Family and Community Services. Does the minister recall the Prime Minister telling listeners to Radio 6PR in Perth on 25 August 1998:

You get a $1000 savings bonus for all people over the age of 60.
Is the minister aware of the thousands of complaints received by MPs from pensioners who have not received the full $1,000 savings bonus promised at the last election? Why did the Prime Minister promise $1,000 to every person over 60 years of age when he had absolutely no intention of delivering on that promise?

Senator NEWMAN—I am pleased to have the opportunity to respond to Senator McKiernan on this. He may remember that the ALP made great fun of a letter which I sent to pensioners and people getting income support benefits. They made great fun of this. The information exercise that that was all about was actually telling pensioners the details of how they would be able to get an age pension bonus. That was in the context, if you remember, Madam President, of the 1998 election, which is why the ALP thought that they could play games about it. It was a serious information exercise to people who had to understand the detail of what was being proposed so that they could make an informed choice and an informed vote at the 1998 election. I sent out material to pensioners telling them what we were proposing in the way of tax reform, and the compensation measures, which of course included the detail of the savings bonus. That stands the test of time. Madam President, if you have a look at the material I sent out it is in great detail and it is entirely accurate.

Then again, in 1999, Age Pension News went out to age pensioners, telling them the detail of the age pension bonus. Again, in March 2000, the age pension bonus eligibility criteria were set out in Age Pension News. Again in June 2000 the details of the eligibility were set out in Age Pension News for pensioners. At least the last couple of Age Pension News issues also went to self-funded retirees, because by that time the government had extended the Commonwealth seniors health card to something like 90-odd per cent of self-funded retirees in Australia. They were very glad that the government did that. That meant also that we sent them the Age Pension News. So, whether people were age pensioners or self-funded retirees, at the very least they should have been remembering what was in the March or June Age Pension News, which is sent to people so that they can get information from government as distinct from getting misinformation and scare tactics from the ALP.

There was a very serious and prolonged effort by the government to make sure that people understood their entitlements under the changes that were being proposed. Older people have not been misled in any way.

Senator McKIERNAN—Madam President, I have a supplementary question. Didn’t the Prime Minister make this promise—this is the promise on Radio 6PR in Perth on 25 August 1998—for exactly the same reason he tried to deny he made it yesterday? The government has been deliberately misleading older Australians about the effects of the GST and the level of compensation available. When will the Prime Minister apologise for callously cheating older Australians out of their GST compensation in this way?

Senator NEWMAN—Let me make it absolutely clear that I wrote to all age pensioners—

Senator Faulkner—Improperly.

Senator NEWMAN—Perfectly properly—prior to the October 1998 election. All these details were sent to pensioners then; there was no attempt to mislead age pensioners. They had then, and they have had subsequently, many opportunities to study the eligibility criteria. I do not stand around trying to make age pensioners read everything they receive from government, just as I am sure they do not take too much notice of what comes from the pen of the ALP at times. Nevertheless, they do listen to scare campaigns, and it is disgraceful that in any way the ALP could have spent the last year or so frightening older people about the changes that were coming. There are many older people who have now received the age pension bonus, and some of them will still be receiving it because they are eligible for it up until something like 2002, as I remember it. (Time expired)

Information Technology

Senator WATSON (2.22 p.m.)—My question is directed to the Minister for Communications, Information Technology and the Arts, Senator Alston. Will the minister in-
form the Senate of independent views confirming that Australia is a world leader in the information technology sector? Do not these views repudiate recent claims that Australia is an old economy? Is the minister aware of any policies that would put at risk Australia’s future as a modern, knowledge based nation?

Senator ALSTON—I thank Senator Watson for the question. I am aware of a couple of very important reports that have been released in the last few months. One was by Goldman Sachs, which published a report that said that not only was Australia a highly tech-literate nation but also that it was one of the great success stories, that its productivity performance in the 1990s had been more impressive than the better known story in the United States. The OECD, only last June, said that Australia was one of the six most impressive performers in this area, that we were on the list of the high end, fast growth new economies of the 1990s. What is significant about both of these reports is that they have a common theme. That is that it is the high productivity that has led to a lot of these changes. The statistics demonstrate that we are indeed a new economy. Clearly, with PC household penetration in excess of 50 per cent, more than half of those with Internet access, and the numbers going north all the time, our performance has been assessed by a number of objective commentators around the world as very impressive. But the key is what Goldman Sachs said about computer use and investment being very much a function of productivity performance. They also said:

The high productivity was due to extensive policy reform, and this provided the opportunity for Australia to catch a second wave of productivity gains.

There is only one thing that puts that at risk, and that is the fast receding prospect—if you look at Newspoll—of a Labor victory at the next election. Make no mistake; what came out of Hobart was an absolute disaster. It revealed that, after the last 12 months of rabbiting on about roll-back, it has now shrunk to the point where you can hardly recognise it. All the criticism of the GST! We were going to get Armageddon on 1 July, and now we basically have a slow burn—but it is Labor’s lack of policies that is causing them to burn.

There was also a lot of talk about knowledge nation. Some of us thought that Mr Beazley might be on to something. He might have read the polls. He might have thought that this was the way of the future—that parents might be interested in some new initiatives—so we all waited with bated breath for the opening remarks from Hobart. What we got was not a word. We got some passing reference to the importance of technology. Other than that, 14 separate topics were addressed, and 14 shadow ministers spoke. There is no shadow minister for IT in the Labor Party, but there was no discussion on the subject matter. The shadow minister for communications was consigned ignominiously to talk about the easy life, arts, heritage and culture, and that was about it. So there was not a single word on IT until the 11th hour, when they dropped a press release at 5 o’clock on the Friday which said that Labor would establish a task force—all this business about the knowledge nation exposed as basically a knowledge notion.

One of the things they hate is industrial relations reform. Senator Faulkner was one of those out there voting for unfree trade—no doubt a part of Senator Ray’s ‘get Cook strategy’. There they were saying they were opposed to outsourcing. What did they do? They outsourced the knowledge notion to a committee. This two-word cliché that we have had for so long turned out to be nothing more than a desperate plea to a few people in the wider community to tell them what on earth is meant by the knowledge nation. It demonstrates they have a long way to go. We are very grateful to Ms Macklin in the House of Representatives for frightening the pants off middle Australia and saying she will not promise not to repeal the health rebate. So all of Labor’s policies in health, industrial relations and trade are designed to take Australia backwards. (Time expired)

Goods and Services Tax: Savings Bonus

Senator CHRIS EVANS (2.24 p.m.)—My question is directed to Senator Newman, the Minister for Family and Community Services. Can the minister confirm that pensioners who have been underpaid on the pension bo-
nus, and forced to seek a top-up payment through the tax system, will have their savings bonus determined on actual interest rates rather than the 5.5 per cent deemed rate?

Senator Newman—Senator Evans is out of date. Pensioners have been contacted and advised that Centrelink will accept their new information if they have it.

Senator Sherry—You backed down. That’s what you did.

Senator Newman—We have advertised for them to come and tell us if they have not been assessed on their correct information. The situation is that Centrelink keeps historical records of people’s income and assets, and they are required by law to advise Centrelink if there is any change in their income or assets. They are reminded at regular intervals that that is the requirement of them. A number of people, we have discovered, have not done that, and the government does not wish to have them disadvantaged by a measure which was intended always to be beneficial. Therefore we have advertised that, if people have already been assessed for the aged person’s bonus by Centrelink, they should come into Centrelink or ring on the call line and bring in the evidence that they have higher income and assets.

Senator Chris Evans—Madam President, I ask a supplementary question. I do not know whether the minister is hard of hearing or whether she does not understand the question, but I asked her about whether pensioners would be paid the interest rate or the deemed rate. Can the minister confirm that the real interest rate received by most pensioners on their savings is much less than 5.5 per cent? For instance, those pensioners with, say, only $1,000 in the bank receive on average less than one per cent interest, meaning that the Howard government has even cheated them out of the full value of the top-up to correct its earlier mistake. Wasn’t this savings bonus meant to be some form of compensation for the GST’s bite into the real value of elderly Australians’ life savings? Why can’t the Howard government get this right, Minister? Why don’t you know the answer?

Senator Newman—I have already made it very clear that this is a beneficial measure, and the government is bending over backwards to make sure that people get their full entitlements.

Banking: Practices

Senator MURRAY (2.28 p.m.)—My question is directed to the Assistant Treasurer, Senator Kemp, and it relates to allegations of undesirable practices by banks; in particular, the Commonwealth Bank. Is the Assistant Treasurer aware of Channel 9’s A Current Affair program last night, and previous newspaper reports, on this issue? What is the government’s view of the alleged practice of banks, which involves supposedly writing off a bad debt and, as a consequence, reducing the bank’s taxable income while at the same time keeping that debt alive, regarding the debt as payable by the customer, and accruing interest on the debt? Is it appropriate that a bank should be allowed to claim a tax deduction for a bad debt, when it continues to regard the debt as payable and continues to seek collection from the customer? What is
the government’s view of banks allegedly using a second set of books, apparently referred to as a shadow ledger?

Senator KEMP—Senator Murray, I appreciate receiving this question. I have a brief here from Minister Hockey which deals with aspects that relate to his portfolio, and I will make some comments in relation to the tax portfolio. I am aware of the serious allegations that have been made about bank practices where borrowers default on loans. I understand that the Australian Competition and Consumer Commission is currently considering complaints about these practices. I am also advised that the Joint Committee on Corporations and Securities, chaired by Senator Grant Chapman, a very distinguished senator in this place—

Opposition senators interjecting—

Senator KEMP—This is a serious question, and I would appreciate it if the Labor Party would be prepared to listen to the answer. Senator Grant Chapman, a very distinguished senator, has scheduled a special public hearing in Parliament House tomorrow to take evidence on this matter. The government will then consider whether any further action is required. I think it is also important to recognise that the banking industry has in place self-regulatory mechanisms to promote high standards of service by banks. I would encourage customers who may be aggrieved to take advantage of these services.

I will now deal with the issue, also raised by Senator Murray, in relation to taxation. Let me assure Senator Murray that the government and the tax office take all allegations of tax avoidance very seriously. I am advised that there are very specific laws concerning deductions for bad debt. It is not enough for the taxpayer to merely write off the bad debt in their books of account; the taxpayer must also show that they have taken appropriate steps to recovery before a debt can be considered bad. Most importantly, merely transferring a debt to a shadow ledger is not sufficient. I am advised, to claim a deduction. Senator Murray, if you wish to pursue this, the ATO has issued taxation ruling 18 of 1992 which explains the law in this area.

Senator MURRAY—Madam President, I ask a supplementary question. I thank the minister for his detailed and comprehensive answer.

Opposition senators interjecting—

Senator MURRAY—I gather my colleagues on my right think that was an ironic statement. What does the minister think of an alleged practice which involves the bank not sending statements of the outstanding debt and accruing interest, yet later pursuing the customer for the debt, inclusive of compounded interest, to the surprise of the customer? Should consideration be given to requiring banks to continue to regularly provide statements in circumstances where a bank has written off a debt and removed it from its main ledger but has continued the debt in its shadow ledger? Should consideration be given to limiting the ability of a bank to write off the bad debt only when it has resolved to no longer seek recovery of interest or debt from the customer?

Senator KEMP—Again, I appreciate the seriousness with which Senator Murray takes his duties in this place. As I indicated in my earlier remarks, this is a serious issue. That is why the government will look forward to the report of the committee chaired by Senator Grant Chapman. I think you are a member of that committee, Senator Murray, and I have no doubt that you will be making a useful contribution to the consideration of that committee. I can assure you, Senator Murray, that the government will look very carefully at the matters which have been raised by the committee.

Goods and Services Tax: Savings Bonus

Senator HUTCHINS (2.34 p.m.)—My question is to Senator Newman, the Minister for Family and Community Services. Can the minister explain why a pensioner like Mrs Mona Cook from Sydney, who the Prime Minister promised before the last election would receive $1,000 in savings bonus, has been notified by the Department of Veterans’ Affairs that she was eligible for a payment of just $1? In light of the Prime Minister’s promise that all Australians over 60 will receive $1,000 in savings bonus, has been notified by the Department of Veterans’ Affairs that she was eligible for a payment of just $1?
appeal that this bonus was not the promised $1,000, she received only a $54.80 top-up? Can the minister explain to Mrs Cook why the Prime Minister’s principles do not extend to fully honouring his GST compensation promises to older Australians?

Senator NEWMAN—It is interesting that something like this would be thrown up again, because it has already been dealt with in the other place. Nevertheless, I am just musing here as to how many times the ALP government ever compensated the Mrs Cooks of this world every time they put up the wholesale sales tax surreptitiously. How many times did you send her a penny? How many times did you put up her pension as a result? I would also wonder: did Mrs Cook not receive my letter that I sent during October 1998? Is she not on the mailing list for Age Pension News? If she is in receipt of an age pension or a veterans’ affairs pension, I assume that she was receiving that. Has she not at least three times in the last 18 months received advice in Age Pension News about the details of this? I am surprised that she is surprised.

Senator HUTCHINS—Madam President, I ask a supplementary question. Following on from your answer, Minister, I wish to highlight a few more people. What is the minister’s response to a letter from Mr Ron Cherrie from Loganlea, which says:

I know that I voted for them, now I will do everything in my power to see them fail at the next election as I am sure many older Australians will join me on a matter of principle.

Minister, can you inform the Senate just how many other older Australians have forwarded their dollar—(Time expired)

The PRESIDENT—Senator Newman, do you have anything to add to it?

Senator NEWMAN—Simply, Madam President, that it would have been nice if those pensioners had had the luxury of returning money to the ALP government when it put up wholesale sales taxes without compensation. If it had given them compensation, they might have had the luxury of returning money then. This was a beneficial measure to assist older people and it was means tested.

Human Rights: China

Senator HARRADINE (2.39 p.m.)—My question is to the Leader of the Government, Senator Hill, in his capacity as Minister representing the Minister for Foreign Affairs. Tomorrow in Canberra there is the fourth bilateral human rights dialogue between Australia and the PRC. Does the government agree with the assessment by Amnesty International and a number of other human rights organisations that there has been a serious deterioration in the human rights situation in the PRC since the last dialogue one year ago? What will the Australian delegation do to
ensure that Australia’s concern and the concern of the people of Australia about human rights violations in China are made very clear indeed, including those gross violations—

(Time expired)

Senator HILL—The government is obviously committed to this process of dialogue as a useful avenue through which it seeks to contribute to improving human rights within China. It is, of course, a longstanding engagement with China on the issue of human rights and we think that that is important in itself.

Senator Schacht—How many dopes have you sent to Tibet to tell them how good everything is?

Senator HILL—In fact, I think when Senator Schacht was on the government side he used to participate in this process as a constructive contribution towards better outcomes in this area. In the view of the government, bilateral dialogue is more effective in bringing about change in the long term. Australia is one of a number of states who conduct bilateral human rights dialogue with China, including Brazil—

Honourable senators interjecting—

The PRESIDENT—Order! Senator Hill, just a moment. There is a level of conversation which I think would make it difficult for Senator Harradine to hear. I have difficulty at this distance, and he is further away. I think he is entitled to hear the answer.

Senator HILL—Madam President, I was making the point that a number of states conduct such bilateral human rights dialogue with China, including Brazil, Canada, Japan, Norway, Switzerland and the United Kingdom. The European Union also has its own dialogue. So Australia is not alone in believing that this is a useful way in which to impress upon the Chinese our interpretation and views on human rights issues. Chinese representation at this year’s dialogue, the fourth annual dialogue, is considerably broader. In 1998, the last time it was held in Australia, five ministries and agencies were represented. This time there are nine. Our delegation is also expanded with the participation of three parliamentarians—Dr Andrew Southcott, Senator Vicki Bourne and Mrs De-Anne Kelly—plus HREOC’s Professor Alice Tay. Dialogue is not a once a year event. There are regular representations on human rights issues, most recently on 26 July, which were made in relation to three imprisoned Tibetans.

Also, in the view of the government, technical assistance programs promote legal reform and respect for human rights. Examples include a provincial workshop involving local police and courts addressing domestic violence, training in legal procedure for judges, human rights courses for officials, training for officials on the rights of ethnic and religious minorities and training in Australia for ministry of justice officials on prison administration. So it is the view of the government that it is a worthwhile contribution made by this country to the improvement of human rights in China. If we did not think it was worth while, we would not be doing it.

Senator HARRADINE—Madam President, I have a supplementary question. Could the minister please respond to my question about the concern of Amnesty International and other human rights organisations about the serious deterioration of human rights since the last dialogue? Is the minister aware of criticisms by Amnesty International and the Australia Tibet Council that they did not receive, contrary to the assertion of the minister, ‘a detailed debrief’ following previous dialogues? They say that this is not true. What steps will the minister take to ensure that the public, the parliament and NGOs are advised of the content and outcome of the particular dialogue? Otherwise it does raise serious questions as to whether the government is serious about the matter at all.

Senator HILL—Clearly the government believes that there are serious human rights issues remaining, and that is why the dialogue is being organised and other opportunities are being taken—to influence behaviour. Whether it is the view of the government that there has been a deterioration, as suggested by Amnesty International, I do not know, but I will seek advice on that and let Senator Harradine know. I would be somewhat surprised if we did believe that the situation had deteriorated, but we will see. In relation to the outcomes being transmitted to
NGOs and other interested parties, I will also seek advice on what procedures are intended to be taken to ensure that the outcomes are so communicated.

**Employment: Return to Work Program**

Senator McLUCAS (2.45 p.m.)—My question is to Senator Newman, the Minister for Family and Community Services. Can the minister confirm that the introduction of the new preparing for work agreements is expected to result in $212 million in savings over the next four years? Is the minister also aware that departmental officials have revealed to an estimates committee that the savings are almost wholly as a result of imposing penalties for breaches rather than as a result of assisting people into work more quickly? With an extra 48,000 people being breached, compared to just 1,800 finding work sooner, isn’t the Howard government’s punitive version of mutual obligation more about cost-cutting than genuine, positive policies to help people make the transition from welfare to work?

Senator NEWMAN—The senator is talking about mutual obligation, and that is fine—I am happy to talk about that. But she has also prefaced her question with a reference to the Return to Work Program, which is a matter for the Department of Employment, Workplace Relations and Small Business. I do not see how the two are entwined. There is not a mutual obligation issue involved in it. It is an election commitment which has been honoured by this government, but it is not a program in my portfolio.

Senator McLUCAS—Madam President, I ask a supplementary question. Given that the minister is dodging the question, I would also like to ask her this: can the minister confirm that Centrelink staff have been instructed to apply a ‘breach first, ask questions later’ policy to breaching, with penalties automatically imposed without even seeking an explanation from the person to be breached? With almost one in two job seekers likely to be breached over the coming year, isn’t this government’s punitive application of mutual obligation more about cost-cutting benefits than getting people off welfare and into work?

Senator NEWMAN—That question relates to the Return to Work Program. Nevertheless, in terms of breaches—if that is the answer you are really seeking, Senator—the system that we inherited from your government was one where people were taken off benefits just like that. We came to the conclusion that that was very unfair and inefficient, because social security officers were not operating according to the law because it was so harsh. With the agreement of other parties here, we introduced a three-stage process. The first time that you do not do the right thing, you get so much reduced. The second time that you do not do the right thing, you get another proportion reduced. On the third time, you are taken off payments, which is fair by anybody’s standards. That is what breaching is like now, whereas you had a system which seemed very tough but in fact was a pussy cat because nobody liked to introduce it. The first time and you took them off payments—but you did not actually take them off.

**Rural and Regional Australia: Employment**

Senator SANDY MACDONALD (2.48 p.m.)—My question is to the Minister for Regional Services, Territories and Local Government, Senator Ian Macdonald. Minister, will you advise the Senate of government initiatives and activities for regional Australia which enhance job opportunities in country areas? Is the minister aware of any alternative policy approaches?

Senator IAN MACDONALD—Senator Sandy Macdonald would have noticed during the parliamentary break as he moved around western New South Wales—as I noted moving around country Australia—that the government’s policies in relation to rural and regional Australia are indeed working. Senator Sandy Macdonald will have noticed many of the Networking the Nation projects coming to fruition, fruition which will mean jobs and real access for people in remote Australia. As I travelled through far western Queensland and in the Gascoyne, Kimberley and Pilbara regions of Western Australia, I saw many of these things actually happening. I saw two CDMA towers or phone bases provided in the Hughenden area of north-west
Queensland, providing mobile phone services to that part of remote Australia. I saw the excitement of the women’s groups in southwest Queensland who have got $1.3 million to provide video conferencing facilities in that part of remote Australia. I saw in Longreach, Charleville, Mount Isa and Roma the effects of the $2 million that the government is spending to provide for the Queensland Rural Women’s Network in that area.

As I moved around visiting people in remote and rural Australia, I saw the results of the Natural Heritage Trust that Senator Hill has been providing to this nation over many years. I visited the Aramac Rural Transaction Centre and saw what a difference that rural transaction centre had made to the people of that small remote town. As I went around, women in particular approached me about the government’s fly-in, fly-out female GP service—something that is very popular and is an initiative of this government as part of the over $500 million that it spent last budget on rural and regional health. The list goes on. With regard to the $90-million Regional Solutions Program, people in country Australia are eagerly getting their applications together so that they can share in this program which the government has delivered in rural and regional Australia, providing jobs and access.

Senator Sandy Macdonald asked me whether I was aware of any alternative proposals. I have to tell Senator Sandy Macdonald that I am not. While I was travelling out west, I heard that there was a talkfest in a capital city where the Labor Party were supposedly looking at a platform for rural and regional development. I heard many promises, I heard a lot of rhetoric, but I did not hear one ounce of policy and I did not hear one word about how the money would be provided for these promises.

I am aware that Labor were saying at their talkfest that they were going to be restoring and managing the natural and built environment. Yet when they had the opportunity to do that with the Natural Heritage Trust they opposed it, and similarly with Networking the Nation. They want to ensure up-to-date communications infrastructure, so their talkfest said, but they voted against it in this chamber. After 20 months of Senator Mackay and Mr Ferguson putting together a platform, it got to their great talkfest and it was not accepted. Mr Harry Woods, a regional member of the ALP, and Mr Warren Snowdon had to amend the policy that Mr Ferguson from Melbourne and Senator Mackay from Hobart had actually spent 20 months putting together. It shows just how out of touch the Labor Party are. (Time expired)

Child Care: Funding

Senator JACINTA COLLINS (2.53 p.m.)—My question is to Senator Newman, the Minister for Family and Community Services. My question concerns welfare reform and child-care funding for the Jobs, Education and Training program, or JET program, which the minister herself has acknowledged to be successful in helping sole parents to find paid work. Is the minister aware that in their submission to the welfare review the Victorian Council of Single Mothers and their Children reported in submission No. 205:

JET workers ... stated that increased child-care costs were a barrier to participation; and education and return to work costs were presenting difficulties for clients. There are only minimal funds for JET to pay for child care, now most participants have to pay for child care themselves.

Isn’t this the human cost of cutting JET child-care funding, which, according to the department’s annual reports, fell by more than half from $10.5 million in 1996 to $4.6 million in 1999?

Senator NEWMAN—I am delighted to answer this question. It is very timely. Can I make it absolutely clear that the figures you used, Senator, are wrong, wrong, wrong. Senator Jacinta Collins—They’re in the report.

Senator NEWMAN—No, it is the way you have to read them. If you had been in estimates, Senator, you would know this. Let me make it absolutely clear that the figures you used, Senator, are wrong, wrong, wrong.
department. I was getting so much misinformation about JET that I asked for a precise assessment. It is difficult to calculate entirely but it is estimated at $17 million. There has been a substantial increase in JET funding and an expansion to partnered parents as well as single parents.

Senator Chris Evans—You are misleading the Australian public.

Senator Newman—Madam President, do I have to have that sledging all the time? I am sick of the noise. I want to get a message and some information over to some people who are obviously deliberately ignorant. The cost barriers referred to by the JET workers may well have been a problem for people in the past, but I will tell you that since 1 July, with the reduction in tax rates, the increase in family tax benefits and the increase in child-care benefits, child-care centres around Australia are telling me that they have had a great uptake of hours for child care, with new parents coming into the child-care system as well. So if affordability is the problem for single parents and maybe even partnered parents to be involved in the JET program, it has been much diminished by the reforms that the government introduced on 1 July this year in tandem with the new tax system.

Senator Jacinta Collins—Madam President, I ask a supplementary question. Why is the minister’s assertion that the government is providing effective child-care help for sole parents and other low income families contradicted by so many submissions to the welfare review, including those of the Australian Institute of Family Studies, the Brotherhood of St Laurence and ACOSS? When will the minister commit to some real welfare reform and take serious action to help low income families to access Australia’s first-class regulated child-care system?

Senator Newman—We did not inherit a regulated child-care system; we inherited one that was in an utter mess, with oversupply in some areas and total neglect in other areas. I would have thought that the ALP would have been concerned about workers, for instance, who work shift work. There are quite a lot of shift workers who are sole parents who are trying to work weekends or nights in order to get extra rates of pay, and the availability of child care for them was minimal. We have introduced child care in the home for people who are working in those circumstances so they do not need to take children out of their beds so that the parent can go and work in, say, a hospital or in the hospitality industry at nights and for extended hours over the weekends. I am not prepared to cop any of that sort of allegation from the ALP, because this government has done something very meaningful for sole parents and partnered parents who were ignored before. Country parents, parents with sick children and parents who are working shift work were totally ignored by the previous government. (Time expired)

Battery Hens

Senator Bartlett (2.58 p.m.)—My question is to the Minister representing the Minister for Agriculture, Fisheries and Forestry, Senator Alston. The minister would be aware that state, territory and federal agriculture and primary industries ministers are meeting in Brisbane this Friday, the ARMCANZ meeting, to consider, among other things, a proposal to phase out the use of the battery cage system of egg production. The minister may also be aware that over 2,000 public submissions received as part of the community consultation process in the lead-up to ARMCANZ showed the vast majority in support of getting rid of the battery cage, and of the RSPCA’s presentation of over 54,000 signatures and 23,000 postcards in support of a similar move. Given the vast majority of community support, including that demonstrated through independent public surveys in favour of a move to phase out the battery cage, will the federal government listen to the community’s concerns at this Friday’s ARMCANZ meeting and support proposals to phase out the cage?

Senator Alston—This essentially is a state responsibility, but we have an interest in the issue. We will listen to what community groups have to say, but we will not be driven simply by trying to get at the chook vote. We are more interested in ensuring that there is a proper scientific basis for judgments to be made about which particular system might be appropriate. There are layer box arrangements for free range and barn style systems and clearly there would seem to be a fair de-
gree of preference for those models rather than the conventional cage model. At the end of the day, this matter will have to be carefully considered by state ministers as much as by the federal government, if they have the ultimate decision making power. We would be quite content if we are satisfied not only that there have been discussions with interested parties but also that there has been some scientific assessment made with a proper understanding of animal physiology and behavioural characteristics. It should not simply be decided on emotion; it should be decided on fact. We would hope that that material would be before the ARMCANZ meeting on Friday.

Senator BARTLETT—Madam President, I ask a supplementary question. The minister may also be aware that the European Union has already decided to move to phase out battery cage production, a move which I presume he would concede is based on scientific evidence. Given that the minister has said that this is predominantly a state issue, will he give a guarantee, if the majority of states support a move to phase out the cage, that the federal government will not stand in their way?

Senator ALSTON—That is a funny sort of decision making process. What you are really saying is, irrespective of the merits of the argument or the position that we might come to—

Senator Bartlett—I am saying what the state governments want to do.

Senator ALSTON—Exactly. If they are the ones who make the ultimate decision and they are the ones who implement new codes of practice in animal welfare, then of course it is their responsibility and entitlement, but if you are saying that we should now effectively concede the pass, irrespective of any arguments that we might examine that persuade us in a particular direction, then of course we will not take that position. Our position is that we want the issue resolved. We do believe that the industry is working on a phase-out arrangement, that the codes of practice are an appropriate mechanism for reflecting the best way of achieving an outcome that is in the best interests of all concerned, but the Commonwealth would be abdicating its responsibilities if it simply took the view, irrespective of the merits of the argument, that states rights should prevail in terms of our attitude.

Goods and Services Tax: Savings Bonus

Senator DENMAN (3.02 p.m.)—My question is to Senator Newman, the Minister for Family and Community Services. Can the minister advise the Senate exactly how many pensioners who applied for an aged persons saving bonus have, because of confusing application forms, been wrongly issued cheques that include $2,000 meant only for self-funded retirees? Can the minister also confirm that these individuals have been advised to bank their cheques but not to spend them and to lodge an objection with the tax office? What steps will the government take to advise pensioners that their cheques may be in error and to ensure no further cheques are sent out without being checked?

Senator NEWMAN—No, I am not aware of that. I will check it out.

Senator DENMAN—Madam President, I ask a supplementary question. While the minister is checking, can she also confirm that until last week pensioners who had been underpaid pension bonuses because of outdated Centrelink records were told to lodge tax returns in order to recover the correct amounts of bonus? Given that Centrelink has now issued instructions to make ex gratia payments to rectify these mistakes, will the government now assist those pensioners who acted under previous advice and paid an accountant to prepare a tax return? Would the minister check that too, please?

Senator NEWMAN—Yes, Madam President.

Senator Hill—Madam President, I ask that further questions be placed on the Notice Paper. 3.05 p.m.

ANSWERS TO QUESTIONS WITHOUT NOTICE

Goods and Services Tax: Savings Bonus

Senator CHRIS EVANS (Western Australia) (3.05 p.m.)—I move:

That the Senate take note of the answers given by the Minister for Family and Community Serv-
ices (Senator Newman), to questions without notice asked today.

The last answer by Senator Newman is quite instructive. The minister simply did not know the answer. As the minister has proved today in attempting to answer the questions about the pension bonus fiasco, she just does not understand it herself. No wonder the pensioners of Australia are confused. The minister cannot explain the questions we put to her today, questions which were coming from pensioners in Australia about their entitlements, about the numbers of changes that have occurred in recent days as the government has tried to deal with the growing fiasco of this whole scheme and tried to deal with the political embarrassment that the Prime Minister has failed to deliver on the promise he made to older Australians. We cannot blame pensioners for being confused because the minister was totally incapable of answering any of the questions they are asking about their entitlements, about the changes that have been announced on the run by the government and about what they mean.

I asked a question about whether the rate of interest would be the deeming rate or the actual rate and the minister was totally incapable of answering. She did not understand the question. Senator Denman asked a question about some of the detail regarding the self-funded retiree cheques going to the wrong people and again the minister was unable to help. Pensioners are rightly angry that they are not getting answers to the questions but they do understand that the Prime Minister promised them this $1,000 bonus and they understand that the majority of them are not getting it. They know because the Department of Family and Community Services have given us the figures. The department have told us that 43 per cent of people in the eligible age group have received nothing at all. These are not my figures; these are the department’s figures. They are making it clear that large numbers of people will get nothing at all and that very few will get the maximum rate. As I say, the government is in total confusion as to what people are entitled to. Their own minister cannot explain it.

Pensioners and people on fixed incomes in this country know they have been worst hit by the GST. They know that they are the ones who are suffering because they are on fixed incomes, they use a lot of services and they usually have less disposable income. They know that they are paying the GST on a whole range of services, including some which the government said they would not pay the GST on such as non-nursing home help, which allows many of them to stay in their own homes. This has now had the GST applied to it, despite assurances that that would not be the case. They are paying through the nose all the way with the GST. They relied on the Prime Minister’s assurance that the $1,000 bonus would help protect their savings from the impact of the GST. That was his promise. Time after time in interview after interview he told older Australians that they would get the $1,000 bonus to compensate. What have they got? Some of them got a cheque for $1. No wonder they are furious. They got what they expected. They thought they were getting $1,000 and they got $1.

They are hopping mad, they feel betrayed and they want answers. The minister cannot give the answers because she does not understand it herself. They are left wondering what is going on. Why can’t the minister answer the questions? Why is the Prime Minister saying he is honouring his promise when they are getting a cheque for $1 and he promised them $1,000? It may not mean much to him, but the $999 difference means a hell of a lot to a lot of pensioners who were waiting on that money, thinking that money would protect them. I, like most members of parliament, have had them calling and writing to me, explaining to me that they have not got what they thought they were entitled to. They have not got what the Prime Minister said they would get. He never mentioned the detail which is now being used as the defence and which means that they are not going to get the $1,000 they were promised.

In addition to that betrayal, of course, the administration of this thing is a complete shambles. No wonder the minister is unable to answer any questions about the detail. It is a complete shambles. We have had two or three reworkings. No-one is clear as to what is going on, except for the fact that thousands of Australians who thought they were going
to get the pensioner bonus—who thought they were going to get the $1,000—are not going to get it. That is the one thing that is clear about this: thousands of Australians have been misled. They have been short-changed by $1,000. Some have been short-changed by only $999, but that is very little comfort to them. Older Australians know that they have been short-changed and very badly misled. *(Time expired)*

Senator PATTERSON (Victoria—Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs and Parliamentary Secretary to the Minister for Foreign Affairs) (3.10 p.m.)—I thought Senator Evans was above this, but he will sink to the lowest tactics the Labor Party can use. This is a typical tactic of gilding the lily and of changing the story to put fear into older people. Pensioners were well informed that the bonus amounts depended on their levels of income and savings. Over and over again coalition members went out and said there would be ‘up to’ $1,000 for a single person. I cannot say it often enough—up to $1,000. It may be that the Prime Minister said once or twice, and you found the clipping, that it was $1,000, but over and over we all said it would be up to $1,000. Senator Newman indicated that she wrote a letter to all pensioners before the election indicating that it would be based on their level of savings and that it would be up to $1,000. There were articles in the *Age Pension News*, sent to all pensioners, indicating that it would be up to $1,000. The claim form for the bonus sent to all pensioners earlier this year indicated what would happen.

Senator Evans went on about the fact that they used out-of-date information from Centrelink. Pensioners and part-pensioners were told over and over again to tell Centrelink when their income changed because this would affect their pension. Some of them did not keep that information as up to date as they could have and Centrelink was operating on the most recent information they had been provided with by pensioners.

Let me just remind people of Labor’s record. Before the 1993 election the Labor Party went around promising to take every pensioner out of the tax system after the election. What did they do? Three days after the election Dr Blewett went to the public and said, ‘Oh, we made a mistake. We didn't mean to put that in our policy. We made a terrible mistake.’ They lied to the public. They lied to pensioners through the whole of the 1993 election, telling them they would be taken out of the tax system. Three days after the election they said, ‘Oh, we made a mistake.’ For them to come into this chamber and to say what they have been saying today is absolutely outrageous.

What did they do to pensioners in 1992? They treated unrealised capital gains as income for the purpose of assessing the pension. If I was a pensioner who owned a few shares and my shares went up, my pension went down even though I had not sold my shares. That was outrageous. We had pensioners coming to public meetings of the Senate in their hundreds in Melbourne, Sydney and all around Australia and saying, ‘It was outrageous.’ Their incomes were going up and down every time there was a change in their share portfolio. That is what the Labor Party did. Before the 1998 election, what was Labor going to do? It was going to put a capital gains tax on everything you had purchased before 1983. Who was that going to affect? It was mainly going to affect older people and pensioners.

What of older people with private health insurance? They were struggling. I had people coming to me and saying that they were struggling to pay their private health insurance. As the numbers went down in private health insurance, as the people with private health insurance aged and as the costs increased for private health insurance, so the premiums went up. Older people were struggling to pay their private health insurance. Did Ms Macklin care? No, she hates the concept of private health insurance. She would get rid of it tomorrow if she could. In fact, she is going to means test it. Any self-funded retiree who thinks they are going to get a rebate under the Labor Party ought to think again, because she will means test them and they will not get their rebate.

Senator Payne—They will change their minds on that, too.
Senator PATTERSON—They will change their minds on that too, Senator Payne. There was no rebate, premiums went up and older people were the ones who were struggling. What of extension of the health benefit card to older people? No, the Labor Party did not do that. When wholesale sales tax went up in 1993, when the Labor Party opposed the goods and services tax in the 1993 election, did it tell older people that it was going to put the wholesale sales tax up? No. There was wholesale sales tax on the sorts of things that older people use: pet food, cordials, cleaning materials.

Senator McLucas—Cordials are used by older people?

Senator PATTERSON—It was imposed on drinks. These are the sorts of things that older people purchase. If you would like to know, older people purchase a considerable amount of confectionery. The wholesale sales tax went up on all of that, on their pet food and on many other goods. There was no compensation. You can sit and laugh on the other side; you were not here. I might excuse you. You must remember what the Labor Party did, and you are part of that policy.

Senator McLucas (Queensland) (3.15 p.m.)—I do not know that many age pensioners are huge consumers of cordial. I suggest that it is mainly young families who are the consumers of cordial. In taking note of Senator Newman’s answers to questions today, I want to note that the theme that developed was the gap—the gap between Senator Newman’s and the government’s rhetoric on families and on welfare and the reality that our communities are facing day in and day out. I refer first of all to the age pension savings bonus. Let us go through the rhetoric of the government that we have witnessed over the last almost 18 months. I remember very vividly Mr Howard on talkback radio during the last election campaign earnestly telling people not to worry about the erosion of their savings, that they would be okay. They were protected because there was going to be this fantastic new system called the age pension savings bonus and everyone out there would get $1,000 to shield them from the impacts of the GST. It was not ‘up to’ $1,000 as Senator Patterson said over and over in her contribution just earlier—and the media has confirmed that in the last couple of days. He said quite clearly, ‘Not to worry, aged person; you will get $1,000 as a buffer against the impact of the GST.’ That is the rhetoric of this government.

Today we had Senator Newman earnestly telling us that she wrote on three separate occasions to age pensioners. She wrote telling them the scope of the program that they were going to receive and that they would be able to receive up to $1,000. That is not what the age pensioners of Australia thought. They clearly are of the view that they were going to get $1,000. She then went on to say that she could not hold their hands while they read their mail. I think that was rather an offensive comment, blaming the reader rather than the writer. She was basically saying it was the fault of the pensioner that they believed that they would receive $1,000. A lot of people out there had that same view. Most people out there had the view that they were going to receive $1,000 as a buffer against the GST.

Let us turn now to the reality that the community are experiencing. It is nothing like the rhetoric of this government and of Senator Newman. Like everyone in this place, I have received calls upon calls from the Mrs Cooks of the world telling me that they are shocked, appalled and offended by receiving a letter from the government with a cheque for $1. Aged people have said to me, ‘It must have cost them more than a dollar to send me a dollar.’ I think we have heard that around this place before. Aged people know the bureaucratic cost of producing that and they know it costs more than $1. But $1 is all they received. An elderly gentleman from Townsville rang me. He said, ‘I voted for Peter Lindsay. I voted Liberal most of my life.’

Senator Hill interjecting—

Senator McLucas—I will give you the file note if you would like it. But you can be assured, Senator Hill, that this gentleman said that he certainly will not be considering voting Liberal at the next election, because he feels betrayed. It is not because he only got $1. He feels betrayed by the process. It was bad enough of this government to mislead
these people, but unfortunately the sad reality is that many of these aged people actually spent that money prior to receiving it. A woman from North Queensland rang me and said, ‘What am I going to do now? I have got a cheque for $1. I have bought an early purchase flight to go to visit my daughter in Brisbane. I can’t cash it in. How am I going to pay for it?’ That is the sad reality of the gap between the rhetoric of this government—the misleading ways of this government—and the impact it has on real people in real situations. I would also like to advise the Senate of the costs. (Time expired)

Senator PAYNE (New South Wales) (3.20 p.m.)—The most effective way to address the issues the opposition have tried in vain to raise this afternoon is to use their own words. One of the things that Senator Evans said before he left the chamber was that he was concerned that people apparently did not understand and that he was not getting the answers that he wanted. In reality, the problem is that those on the other side do not understand. They do not understand why on 1 July this year the world did not end when the goods and services tax and the new tax system was introduced, as they asserted over and over again it would. They do not understand why the nation did not collapse around them on 1 July 2000 as they asserted over and over again that it would. They are still grappling with the fact that their assertions and claims of how everything was going to come to a grinding halt have not come true.

It was ironic indeed that Senator McLucas chose to address the question of the gap between rhetoric and reality. The gap between rhetoric and reality in this debate is really the gap between the rhetoric of the opposition—about how the sky would fall in and the rest of the world would go black because of the introduction of the new tax system—and the reality that Australia is just getting on with the job. Australians, admired for their capacity to do just that, not surprisingly are getting on with the job notwithstanding the desperate planks of the opposition.

The reality is that we are talking about an estimated 2.2 million Australians who will be eligible for either the aged person savings bonus or the self-funded retirees supplementary bonus. These are an integral part of the new tax system and a part of the process that was much publicised and much communicated before its introduction on 1 July.

You would not have heard from the other side, Madam Deputy President, not surprisingly—because you can’t let the facts get in the way of a good story, can you?—that at this stage the average payout figure, which I believe was based on the situation as at the middle of July, is about $760. When the self-funded retirees supplementary bonuses are paid, that average will be boosted even further. But those are not the sorts of things that the opposition would have you hear today.

It is important to note a couple of the remarks that the minister made in response to answers in question time. It is the case that the minister communicated with pension recipients on three separate occasions to explain that the bonuses would be paid up to $1,000. It is also the case, as I understand it, that the Age Pension News provided this information in two editions. The fact that nearly 1.3 million older Australians have been paid a savings bonus since 1 July this year is one of the most important points to have on the record today. As Senator Patterson says, we have always been up-front about the fact that the bonus amounts depended upon income from savings and investments. It is not this side of the chamber that has been confusing and scaring older Australians about entitlements to a bonus.

Pensioners who have little savings, little investments, have already received a four per cent up-front increase to their pension to address the question of compensation for the rise in prices from tax reforms. Centrelink customers themselves had their bonus worked out on the information that they gave to Centrelink to work out their ongoing pension. What Centrelink did in that process was to use the most beneficial information over the two years leading up to the tax reforms. That made claiming the bonus simple and it avoided people having to duplicate and provide information again to Centrelink that was already held by them. As Senator Patterson
has also remarked, it is important that Centrelink are updated by people when their financial circumstances change. Whenever Centrelink communicate with their customers, they are reminded of that. Again, in the Age Pension News they are reminded of that from time to time to reinforce the message.

What we have not heard today, from the other side at least, is about the right to seek a review of the amount of the bonus that has been paid. People can do that by contacting Centrelink. They can update their records correctly. They can be paid an additional top-up of the aged persons savings bonus if they are eligible for a higher amount. However, that sort of detail and accuracy is too much to expect from those opposite.

Senator JACINTA COLLINS (Victoria) (3.25 p.m.)—Senator Payne suggests that we deal in reality and says, ‘Let us see reality.’ That is what I want to concentrate on—not only in relation to the matters that Senator Payne referred to but also the child-care matter to which Senator Newman responded in question time today. In a more general sense, Senator Newman’s answers show that the government is not genuine about welfare reform. The provision of affordable child care is central to any policy aimed at helping people wanting to move from being a full-time carer to participation in the work force. This government may think it is dealing with the big picture in welfare reform by going through the long and drawn-out process to produce yet more reports on these matters, but sometimes the most simple and obvious way to deal with an issue like child care is by ensuring that the money allocated is being spent. Recent announcements that the minister referred to in her answer regarding child care may—and it is a big ‘may’—assist. But the recent past has been problematic in relation to the provision of child-care services and the minister’s ongoing denial of these issues does not reassure us.

Let me go to the particulars of the JET program as a demonstration of this. Minister Newman highlighted this program when she said, ‘This seems to be a rare program which both sides of politics approve of.’ But the minister has been warned since estimates that there has been a decline in spending on child care under this program. The minister has been asked questions in this place by Senator Crossin, Senator Denman and Senator Bartlett about a fall in the amount spent on child care under this program. All the minister has done to date in response to these repeated warnings has been to feign ignorance or to cry, ‘We’ve allocated this money.’ Don’t worry about what you have allocated, Minister. Let us leave the debating points on this matter aside. The experts in the field and the submissions to the welfare review that I reported on have confirmed what we have been saying for months—that there is a problem and it is not just the matter of shifting to accrual accounting that your department seems to be referring you to.

The bigger concern is that the minister does not seem to care about the submissions put to her on this issue under the welfare review; if indeed she is aware of them. In the picture of everything the minister confronts on a day-to-day basis across her portfolio, this is perhaps a small matter in her mind, but I ask her to fix the problem and to ensure that the money is being allocated for child care, which is so crucial to the JET funding working and operating. I ask her to ensure that the money is expended, so that the long-term unemployed in particular who are utilising this program—and this is an area where this government has had the most significant problems in addressing—can get access to child care. Despite all the issues debated today about things such as ‘breaching’, these people are not the people that the minister seems to highlight as the unemployed who need to be breached. These people want to work. They need child care and they cannot access it, despite the money having been allocated. The minister should leave the grand visions for a moment and rectify this problem she has on child care.

Senator Conroy—It is more a vision of a lake from Yarralumla.

Senator JACINTA COLLINS—She should fix this problem before she goes out the door to London or before she continues her aspirations for Governor-General.

Question resolved in the affirmative.
Battery Hens

Senator BARTLETT (Queensland) (3.29 p.m.)—I move:

That the Senate take note of the answer given by the Minister for Communications, Information Technology and the Arts (Senator Alston), to a question without notice asked by Senator Bartlett today, relating to the phasing out of the use of battery hens.

Senator Conroy interjecting—

Senator BARTLETT—The proposal to phase out the battery hen cage, which is to be considered by state, territory and federal agriculture ministers this Friday, has the clear support of a majority of Australians and a significant number of federal MPs. I am sure that Senator Conroy, a person well known for his humaneness, would similarly be keen to end this unnecessary suffering, as he is always keen to prevent unnecessary suffering amongst his colleagues. This issue has already been considered a number of times by agriculture ministers. At the meeting in Sydney on 6 August last year, the Tasmanian Labor minister, David Lewellyn, raised the proposal to phase out battery cages, and it has been on the agenda of the agriculture ministers since that time.

I note that in answer to my supplementary question Senator Alston tried to imply that the support expressed by thousands and thousands of Australians in the last few months for a phasing-out of the battery cage should not be seen as some sort of reason to agree to such a move because that would mean that the government would be making decisions based on emotion, not science. I certainly agree that decisions need to be made on solid factual bases, but any suggestion that somehow this is a purely emotion-driven issue with no basis in fact is, I think, very misleading—to put it mildly.

As senators may know, the European Union agriculture ministers have issued a directive on battery hens which binds all 15 European Union countries to introduce legislation by the start of 2002 to phase out conventional wire battery cages by the start of 2012. This decision, I am sure, was not taken on pure emotion with no basis in fact. Quite clearly, it has been based on fact. The reason a phase-in period was agreed to was to provide more time for the transition and for it to be made to the best possible alternative systems to ensure the standards are as high as possible. Certainly the Democrats completely reject any suggestion or implication by the minister that somehow or other there is no factual or scientific basis to this campaign or view of a significant majority of Australians to phase out the cage.

It was interesting to note that Senator Alston suggested that this is primarily a state responsibility. That being the case, I think it would be important for the federal government not to stand in the way if a majority of states decided that they wanted to go down this path. I think it is quite clear from past meetings of ARMCANZ ministers that a number of state government ministers have indicated their support for going down that path. Tasmania and the ACT Legislative Assembly have already passed legislation with the intent of phasing out the cage. There are indications that ministers from Queensland and New South Wales have also expressed support, with the possibility of the Victorian minister as well. I would not want to put words into their mouths, but certainly there have been reports that they are sympathetic to such a move.

So we could be faced with a situation where just one or two recalcitrant state governments are holding up a reform that the majority of the Australian public clearly want. It is clearly based on science and facts and not purely on emotion—not that there is anything wrong with people having strong concerns and passions for an issue. I do not think you need a degree in rocket science to recognise some of the welfare problems with imprisoning a bird in a cage for its entire life, often with three or four other birds, with not enough space to stretch its wings, stand up or turn around.

Senator Conroy—This is a Democrats party room.

Senator BARTLETT—There are so many of us in the Democrats party room these days that it is getting a bit cramped.

Senator Conroy—It is like a cage.

Senator BARTLETT—We will move into your room next. It is an issue of clear
concern to the Australian public. Certainly, the Democrats hope that the federal government and the federal minister listen to the concerns of the Australian public and that they do not resist this just for the sake of resistance or because some components of the industry are resisting change because they are comfortable with the current situation. It is the best opportunity yet to have a phasing out of the cage, and I urge all state and territory agriculture ministers and the federal minister, Mr Truss, to listen to those community concerns and to move in that direction—not just for the sake of the Australian community, who support such a move, but also for the sake of the more than 10 million battery hens that have to endure these conditions in Australia every year.

Question resolved in the affirmative.

PETITIONS

The Clerk—A petition has been lodged for presentation as follows:

Burma

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

We the undersigned would like the Australian Federal Government and Parliament to:

1. recognise the Committee Representing People’s Parliament (CRPP) as the highest authority in Burma.
2. urge the military junta (SPDC) to enter dialogue with CRPP.
3. urge the military junta (SPDC) to free all political prisoners.
4. urge SPDC to re-open all universities, colleges and legalise the student union.
5. adopt a selective purchasing law banning contract against Australian companies doing business with the present military regime.
6. urge SOCOG to request that the IOC ban the military regime from participation in the Sydney Olympics in the wake of the IOC’s promulgation of an anti-doping code.

by Senator Lightfoot (from 112 citizens).

Petition received.

NOTICES

Presentation

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

That the time for the presentation of the report of the Economics Legislation Committee on the Excise Amendment (Compliance Improvement) Bill 2000 be extended to 17 August 2000.

Senator Sandy Macdonald to move, on the next day of sitting:

That the time for the presentation of the report of the Foreign Affairs, Defence and Trade Legislation Committee on the provisions of the Veterans’ Affairs Legislation Amendment (Budget Measures) Bill 2000 and a related bill be extended to 30 August 2000.

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

That the time for the presentation of the report of the Foreign Affairs, Defence and Trade References Committee on the economic, social and political conditions in East Timor be extended to 7 September 2000.

Senator Ian Campbell to move, on the next day of sitting:

That on Tuesday, 10 October 2000, the Senate adjourn at 6 pm without any question being put.

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

That the Senate—

(a) notes that:

(i) in September 1997, the Australian Capital Territory Legislative Assembly passed legislation to ban the battery cage system of producing eggs because of major animal welfare problems,
(ii) in June 1999, the European Union passed legislation to effectively ban the battery cage system of producing eggs throughout Europe from 2012 because of the major animal welfare problems with the battery cage,
(iii) in the week beginning 6 August 2000, the Queensland Department of Primary Industries released results of public consultations on the future of the all-wire battery cage which showed that the public wants battery cages abolished, with 86 per cent of people saying battery cages are ‘totally unacceptable’,
(iv) in the past month, more than 23 000 Australian people have sent postcards to the federal and state agricultural ministers urging them to ban the battery cage,
(v) the Royal Society for the Prevention of Cruelty to Animals has collected more than 54,000 signatures from people calling for the banning of battery cages, and

(vi) Australia’s federal, state and territory ministers responsible for primary industries and agriculture will be considering proposals to phase-out the battery cage at the Agriculture and Resource Management Council of Australia and New Zealand meeting to be held in Brisbane on 18 August 2000; and

(b) calls on the Federal Government and all state and territory governments to agree to phase-out the battery cage as soon as practicable.

Senator Jacinta Collins to move, on the next day of sitting:
That the Workplace Relations Amendment Regulations 2000 (No. 1), as contained in Statutory Rules 1999 No. 121 and made under the Workplace Relations Act 1996, be disallowed.

Postponement
Items of business were postponed as follows:

General business notice of motion no. 605 standing in the name of Senator Woodley for today, relating to Australian dairy industry, postponed till 29 August 2000.

General business notice of motion no. 620 standing in the name of Senator Greig for today, relating to Mr Konrad Kalejs, postponed till 29 August 2000.

General business notice of motion no. 612 standing in the name of Senator Stott Despoja for today, relating to international trade, postponed till 28 August 2000.

General business notice of motion no. 613 standing in the name of Senator Stott Despoja for today, relating to unemployment and worker protection, postponed till 28 August 2000.

General business notice of motion no. 614 standing in the name of Senator Stott Despoja for today, relating to the work for the dole scheme, postponed till 16 August 2000.

General business notice of motion no. 562 standing in the name of Senator Allison for today, relating to the Albury-Wodonga bypass, postponed till 29 August 2000.

General business notice of motion no. 636 standing in the name of Senator Brown for today, relating to human rights in China, postponed till 16 August 2000.

AVIATION FUEL CONTAMINATION
Motion (by Senator O’Brien) agreed to:
That the Senate—
(a) notes:
(i) the disastrous impact on regional Australia generally, and Flinders Island in particular, of contaminated aviation fuel distributed by Mobil Australia,
(ii) that Mobil Australia:
(A) has acknowledged its liability in the matter by offering, and providing, compensation to aircraft operators who have suffered financial loss as a result of the contaminated fuel,
(b) has acknowledged that it recognised financial loss was also suffered by non-aviation businesses, and
(c) gave indications that the company was seriously contemplating providing compensation to non-aviation businesses, and
(iii) that despite recognising the disastrous impact of the contaminated aviation fuel on non-aviation businesses, Mobil Australia has now refused to provide these business with financial compensation; and

(b) condemns Mobil Australia for its failure to properly compensate all businesses that were severely affected as a result of its distribution of contaminated fuel.

COMMITTEES
Lucas Heights Reactor Committee
Establishment
Motion (by Senator Bolkus) proposed:
(1) That a select committee, to be known as the Select Committee for an Inquiry into the contract for a new reactor at Lucas Heights, be appointed to examine and
report by 4 December 2000, on the following matters:

(a) the need for a new research reactor, including:
   (i) the validity of science and industry enhancement claims of the Australian Nuclear Science and Technology Organisation (ANSTO) and the Commonwealth Government,
   (ii) the adequacy of supply, and the cost, of radioactive sources and nuclear medicines used in diagnosis and treatment,
   (iii) the opportunities for alternative sources of nuclear materials for medical applications, such as additional cyclotrons at appropriate locations,
   (iv) the validity of nuclear expertise and national interest claims of the Department of Foreign Affairs and Trade, the Australian Safeguards and Non-Proliferation Office, ANSTO and the Commonwealth Government for the replacement reactor, and
   (v) consideration of alternative approaches and means through which Australia’s national interests in nuclear disarmament and non-proliferation and nuclear safety can be supported and advanced;

(b) the process leading up to the signing of a contract in June 2000 with INVAP of Argentina for the construction of a new nuclear reactor at Lucas Heights, with particular reference to:
   (i) the quality and accuracy of information relied on in assessing the tenders, including a review of how the economic, environmental and public health impacts were considered,
   (ii) the probity of the tender arrangements and the accuracy of the cost assessments,
   (iii) the checks made of the record of the preferred tenderer, INVAP, and its capability to undertake the project safely and economically and its record in matching international best practice in other projects, and
   (iv) public access to information about the proposal and the consideration of issues raised through the public consultation process;

(c) the nature of the contractual commitments entered into and the degree to which they are binding on the Commonwealth, including in the event that not all approvals are obtained and all other preconditions met, or that a future Government decides not to proceed with the reactor, with particular reference to:
   (i) the timeframe and process to be followed by the Australian Radiation Protection and Nuclear Safety Agency in considering the issue of a construction licence and an operating licence, and the consequences under the contract if such licences are not issued,
   (ii) any other requirements for approvals from the Commonwealth, state or local governments and the consequences if such approvals are not obtained,
   (iii) the consequences if preconditions set in the Environmental Impact Statement and other previous inquiries are not met at the time of granting of a construction licence,
   (iv) the nature of any provisions in the contract related to the ability of either party to terminate the contract prior to completion and the provisions in relation to compensation for termination, and
   (v) whether all or part of the contract and other documents created during its consideration and approval should now be made public;

(d) whether the preconditions set by previous inquiries and assessments into this proposal have been adequately met prior to the contract being entered into, with particular reference to:
   (i) fulfilment of each of the conditions for approval set out in the draft Environmental Impact Statement and its supplement report, including requirements for waste management,
   (ii) whether the recommendations of the Economics References Committee inquiry into the Lucas
Heights proposal which reported in September 1999 have been ade-
quately responded to,

(iii) the adequacy of occupational and
public safety protection proce-
dures, and

(iv) the adequacy of nuclear incident
plans and emergency procedures; and

(e) the adequacy of proposed fuel and
waste management provisions in the
contract (or yet to be finalised), with
particular reference to:

(i) the specific fuel proposed to be
used and its source, the type of fuel
rods and where they will be manu-
factured,

(ii) the proposed spent fuel manage-
ment arrangements during opera-
tion,

(iii) the arrangements made to ensure
that spent fuel rods can be repro-
cessed, stored and ultimately dis-
posed of safely,

(iv) whether the new reactor is subject
to negotiation of satisfactory con-
tracts for international reprocessing
of spent fuel rods; and, if so, which
countries will be involved and will
these contracts be subject to a pro-
vision which requires the return of
Australian waste as is the case with
some of the existing Lucas Heights
fuel rods, and

(v) the timing of any requirement for
the provision of an Australian long-
term waste storage facility for rods
from a new reactor.

(2) That the committee consists of 7
senators, 3 nominated by the Leader of
the Government in the Senate, 3
nominated by the Leader of the
Opposition in the Senate, and 1
nominated by minority groups or
independents in the Senate.

(3) That the committee proceed to the
dispatch of business notwithstanding that
not all members have been duly
nominated and appointed and not
withstanding any vacancy.

(4) That:

(a) the chair of the committee be elected
by the members of the committee;
(b) in the absence of agreement on the
selection of a chair, duly notified to
the President, the allocation of the
chair shall be determined by the
Senate;
(c) the deputy chair of the committee be
appointed by the chair from the
committee immediately after the
election of the chair;
(d) the deputy chair act as chair when
there is no chair or the chair is not
present at a meeting; and
(e) in the event of the votes on any
question before the committee being
equally divided, the chair, or the
deputy chair when acting as chair,
have a casting vote.

(5) That the quorum of the committee be 4
members.

(6) That the committee have power to
appoint subcommittees consisting of 3 or
more of its members and to refer to any
such subcommittee any of the matters
which the committee is empowered to
consider, and that the quorum of a
subcommittee be a majority of the
senators appointed to the subcommittee.

(7) That the committee and any
subcommittee have power to send for
and examine persons and documents, to
move from place to place and to sit in
public or in private, notwithstanding any
prorogation of the Parliament or
dissolution of the House of
Representatives.

(8) That the committee be provided with all
necessary staff, facilities and resources
and be empowered to appoint persons
with specialist knowledge for the
purposes of the committee, with the
approval of the President.

(9) That the committee be empowered to
print from day to day such documents
and evidence as may be ordered by it,
and a daily Hansard be published of such
proceedings as take place in public.

(10) That the committee may report from time
to time its proceedings and evidence
taken or any interim conclusions or
recommendations arising from this
inquiry, and may make regular reports on
the progress of its proceeding.
Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (3.36 p.m.)—I have no objection but I seek leave to make a short statement, and I seek leave to move amendments standing in my name to the motion proposed by Senator Bolkus.

The DEPUTY PRESIDENT—Is leave granted?

Senator Ian Campbell—I wish to make a statement by leave if I may.

The DEPUTY PRESIDENT—I am trying to give leave to Senator Stott Despoja.

Senator Ian Campbell—I will be giving leave and will then seek leave to say something else.

Leave granted.

Senator STOTT DESPOJA—I understand that the Manager of Government Business in the Senate was perhaps going to outline the arrangement that the parties have come to involving us each speaking for a limited period of time and allowing me to move the amendments standing in my name. Very briefly, I am glad to see this debate finally almost reach a point of resolution. The Australian Democrats wish to put on record our disappointment at the fact that our terms of reference for an independent commission of inquiry died a very clear death yesterday in the Senate. I commend the Labor Party on coming to the position of supporting a public inquiry into the proposed new nuclear reactor at Lucas Heights. We were very much heartened by the comments at their national conference last month, although we are concerned that their terms of reference are not as comprehensive as the those of the Democrats. More importantly, they do not provide for that independent assessment that the Democrats and other interested groups that we have consulted widely with were seeking, including environment groups, from the ACF through to the key people involved—members of the Sutherland Shire, as well as other activists and concerned members of that region.

We believe the independent commission role would have been a more appropriate one. Similarly, I hope to amend the ALP motion to reflect our particular concern and interest in the issue of waste management. We would like to include two sentences at the end of paragraph (1) that deal with those specific issues.

The second amendment standing in my name relates to the issue of the appointment of a commissioner to assist with the inquiry. Again, I am just trying one last time to ensure that this inquiry is not simply a Senate political inquiry but an independent inquiry. Finally, I will be supporting on behalf of the Democrats the motion moved by the ALP. It has taken a while to get to this point, but I am glad they have adopted this position and I think they, as do the Democrats and the Greens, acknowledge that there are many good reasons why we should have an inquiry.

They are outlined in both the terms of reference supplied by Senator Bolkus and the terms of reference tabled previously by me. To suggest that we have had the McKinnon review and that we have had the Senate economics committee inquiry is to fail to understand that this debate has moved on and it has moved fast. Certainly Senator Minchin can attest to the fact that it is moving very quickly. I will be supporting Labor’s terms of reference, although I still would have preferred ours to have succeeded. I move:

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

; (f) the transparency and accountability of the tendering and contracting processes for the replacement reactor proposal, including provision for waste management by the preferred tenderer; and

(g) the requirement for the provision of waste storage sites and a suitable waste management strategy before contract finalisation.

(2) After paragraph (2), insert:

(2A) That the committee appoint a Commissioner to assist it with its inquiry and that the Commissioner be a person who is (or has been) a judge of a superior court or a senior counsel.

The DEPUTY PRESIDENT—The question is that the amendments be agreed to.
Tuesday, 15 August 2000

The Senate divided. [3.45 p.m.]

(The President—Senator the Hon. Margaret Reid)

Ayes……………… 10
Noes…………….. 51
Majority……….. 41

AYES
Allison, L.F. Bartlett, A.J.J.
Bourne, V.W. Brown, B.J.
Greig, B. Lees, M.H.
Murray, A.J.M. Ridgeway, A.D.
Stott Despoja, N. Woodley, J.

NOES
Abetz, E. Bishop, T.M.
Bolkus, N. Boswell, R.L.D.
Brandis, G.H. Calvert, P.H.
Campbell, G. Campbell, I.G.
Carr, K.J. Chapman, H.G.P.
Collins, J.M.A. Conroy, S.M.
Cook, P.F.S. Coonan, H.L.
Cooney, B.C. Crane, A.W.
Crossin, P.M. Crowley, R.A.
Denman, K.J. Eggleston, A.
Evans, C.V. Ferguson, A.B.
Forshaw, M.G. Gibbs, B.
Gibson, B.F. Hogg, J.J.
Hutcheson, S.P. Knowles, S.C.
Ludwig, J.W. Lundy, K.A.
Macdonald, J.A.L. Mackay, S.M.
Mason, B.J. McGauran, J.J.J.
McKerlie, J.P. McLucas, J.E.
Minchin, N.H. Murphy, S.M.
O’Brien, K.W.K. Patterson, K.C.
Payne, M.A. Ray, R.F.
Reid, M.E. Schacht, C.C.
Sherry, N.J. Tambling, G.E.
Tchen, T. Tierney, J.W.
Troeth, J.M. West, Watson, J.O.W.

* denotes teller

Question so resolved in the negative.

The PRESIDENT—The question now is that motion No. 635 moved by Senator Bolkus be agreed to.

Senator MINCHIN (South Australia—Minister for Industry, Science and Resources) (3.50 p.m.)—by leave—I feel compelled to speak on this motion with respect to the research reactor at Lucas Heights because, regrettably, this is nothing more than a pretty cynical political stunt by the Labor Party and the Democrats. This does amount to a complete waste of time for the Senate and of the resources of the Senate. What is exposed today is nothing more really than a grubby bidding war between Senator Bolkus and Senator Stott Despoja for the votes of the extreme antinuclear activists in our community. Regrettably, this also highlights the extraordinary weakness of Mr Beazley. He has obviously simply rolled over to the left on this issue. He has utterly humiliated the shadow minister for science, Martyn Evans, who strongly supports what we are doing. Of course, Senator Bolkus is a trademark humilator. He has already humiliated Senator Schacht.

This is really nothing more than a cynical pitch for votes of a tiny sector of the Australian community. It has nothing to do with good science or good public policy. The travesty is that we have had numerous public inquiries into the question of a replacement reactor. There have been the Australian Science and Technology Council inquiry in 1992, the Research Reactor Review in 1993, the environmental impact assessment process in 1997 and 1999, the Senate Economics References Committee inquiry that reported in 1999, and, last but not least, the inquiry of the Joint Public Works Committee of this parliament, which unanimously endorsed the decision to proceed with a replacement reactor. The hypocrisy of the Labor Party on this is exposed by the fact that four members of the Labor Party, including Senator Shayne Murphy, agreed to the Public Works Committee resolution that Australia needed a new reactor. It was also exposed by Gareth Evans’s infamous letter to Helen Garnett about this new reactor when he was deputy leader of the Labor Party, when he basically stated that it was an utterly political exercise and there were no grounds for the Labor Party’s opposition to a new reactor at Lucas Heights.

The inquiry that is about to be set up also refers to the tender process for the new reactor, and I assert without equivocation that that has been utterly independent, at arm’s length, and exacting. All relevant documentation relating to that tender process is publicly available on the public record on the ANSTO web site. Senator Bolkus and Senator Stott Despoja could have asked for absolutely full briefings on the whole tender process. We would have happily given them that. They have not even asked for full briefings about the whole tender process. Not one serious question has been raised about the propriety
or otherwise of the tender process, and all these issues could have been pursued through the Senate estimates process.

I regret that this inquiry has the potential to do quite significant damage to our relations with Argentina in particular and South America in general. It does appear that this inquiry has been picked on because the successful tenderer was INVAP from Argentina. I think it is a very regrettable outcome of this unfortunate inquiry. I also think that Labor's quite cynical position does represent a direct threat to the nuclear medicine industry in this country, which benefits 1,000 Australians every single day.

Finally, this whole fiasco exposes the hollowness of the knowledge nation pitch of the Labor Party. The Labor Party, through this sort of inquiry, is acting without any regard for the extraordinary knowledge and scientific expertise we have built up at ANSTO over the last 40 years. It is one of our truly great centres of scientific knowledge. The science and medical communities of Australia strongly support what the government is doing. We have support from the Australian Academy of Technological Sciences and Engineering, the Federation of Australian Scientific and Technological Societies, the Australian Academy of Science, the Institution of Engineers and, last but not least, the Australian Medical Association. They now know how hollow and empty the Labor Party's claims are that it believes in and stands for the knowledge nation. I regret that such a cynical political exercise is being entered into and that the Senate's time is being wasted yet again.

Senator BOLKUS (South Australia) (3.54 p.m.)—by leave—As a person who has instigated this notice of motion this afternoon, there are a couple of points from the Democrats that I need to respond to and also some from Senator Minchin. With respect to the Democrats, there are only two differences between what they are doing and what their substantive notice of motion does. They want an independent commissioner; we do not want that. We think that it is a prospect that may be superficially attractive, but it could very well backfire and has all sorts of practical problems.

Senator Stott Despoja claims that her terms of reference are broader but, were she to look at subclause 2 of my notice of motion, the tender arrangements are covered well and truly. If she is concerned about encompassing the issue of waste storage, subclause 5 of the Labor Party's notice of motion well and truly covers just about every conceivable aspect of the waste process. I put it to you, Senator Stott Despoja, that the notice of motion before us now is a bit broader in its ambit than your notice of motion. I submit that the only difference, from your perspective, would be the commissioner.

As for Senator Minchin, he has come to be known as the Dr Strangelove of Australian politics, and we have seen again this afternoon why. It was another emotional outburst from the minister. He has come in here, as the minister responsible to this parliament, saying that the parliamentary process is a waste of time. It may very well be inconvenient for Senator Minchin, but it is not a waste of time when governments are held accountable, and this minister, more than anyone else—the Dr Strangelove of industry—needs to be held accountable. He says that we have had inquiry after inquiry. We have not had a full public inquiry looking specifically at whether Australia needs a new nuclear reactor. We have not had that. We have not had the inquiry that was recommended by McKinnon in 1992. This is not a grubby bidding war; this is a matter of holding this minister accountable to this parliament. We are not talking about petty cash here. We are talking about a $500 million outlay. We are talking about Minchin's $500 million white elephant. That is what we are talking about here, Senator Minchin. It goes up and up, and it will continue to go up. You will not be here to pay the bill at the end of the day, so you can say what you like, but the public will pay $500 million for your white elephant. Let me put it to you that it needs accountability.

The DEPUTY PRESIDENT—Order! Senator Bolkus, address the chair please.

Senator BOLKUS—Mr Beazley put his position on the record before the last election in opposition to the reactor. It is something that Senator Minchin chooses to forget in his discussion now. He says that all documents
could be publicly available, but he would not even tell us the type of fuel at one stage. Can we get the contract now? Of course not. Specious claims of commercial-in-confidence have made this process less and less transparent and less and less accountable. If you are concerned about a knowledge nation, you do not pump $500 million of much sought after funds into one white elephant at Lucas Heights, when you could spend so much more money across the spectrum getting into new technologies and new industries. There is something like $65 billion of potential investment floating around our region over the next 10 years in new industries. And what are you doing? You are still digging yourself into a brown coal hole. That is what you are doing. I do not need to talk much longer, other than to make the point that this is an inquiry that is much needed, and it is one that the opposition is proud to initiate.

Senator BROWN (Tasmania) (3.58 p.m.)—by leave—I supported the Democrat amendments to Senator Bolkus’s motion because they would have further improved the inquiry that will now take place by the Senate into this really important matter of a new nuclear reactor in Australia in the post-nuclear age. In particular, in the last 24 hours we have had an example as to why this is so necessary, with an announcement by Senator Minchin of a low-level nuclear waste dump in South Australia, in which he claimed to have got the opinion of stakeholders. That comes in the wake of an opinion poll in South Australia saying that 87 per cent of South Australians—in the minister’s own home state—do not want that low-level nuclear waste dump. None of us is so naive as to think that that is not the site for co-location of a dump for medium- and/or high-level radioactive waste in the future, including the intractable problem of what to do with waste from the new reactor to be built in Sydney. If the government says that this reactor is the best thing to do for Australia—if the government says that it is in the nation’s interests—it should be supporting this inquiry.

Original question put:
That the motion (Senator Bolkus’s) be agreed to.

The Senate divided. [4.04 p.m.]

(The President—Senator the Hon. Margaret Reid)

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**AYES**

Allison, L.F. Bishop, T.M.
Bolkus, N. Bourne, V.W.
Brown, B.J. Campbell, G.
Carr, K.J. Conroy, S.M.
Cook, P.F.S. Cooney, B.C.
Crossin, P.M. Crowley, R.A.
Dennman, K.J. Evans, C.V.
Forshaw, M.G. Gibbs, B.
Greig, B. Hogg, J.J.
Hutchins, S.P. Ludwig, J.W.
Lundy, K.A. Mackay, S.M.
McKiernan, J.P. McLucas, J.E.
Murphy, S.M. Murray, A.J.M.
O’Brien, K.W.K * Ridgeway, A.D.
Schacht, C.C. Sherry, N.J.
Stott Despoja, N. West, S.M.
Woodley, J.

**NOES**

Abetz, E. Alston, R.K.R.
Boswell, R.L.D. Brandsis, G.H.
Calvert, P.H * Chapman, H.G.P.
Coonan, H.L. Crane, A.W.
Eggleston, A. Ellison, C.M.
Ferguson, A.B. Gibson, B.F.
Herron, J.J. Kemp, C.R.
Knowles, S.C. Lightfoot, P.R.
Macdonald, I. Macdonald, J.A.L.
Mason, B.J. McGauren, J.JJ.
Minchin, N.H. Newman, J.M.
Patterson, K.C. Payne, M.A.
Reid, M.E. Tambling, G.E.
Tchen, T. Tierney, J.W.
Troeth, J.M. Watson, J.O.W.

**PAIRS**

Collins, J.M.A. Ferris, J.M.
Faulkner, J.P. Heffernan, W.
Ray, R.F. Hill, R.M.

* denotes teller

Original question so resolved in the affirmative.

Senator Ian Campbell did not vote, to compensate for the vacancy caused by the resignation of Senator Quirke.

**COMMITTEES**

**Economics References Committee**

**Meeting**

Motion (by Senator O’Brien, at the request of Senator Murphy) agreed to:
That the Economics References Committee be authorised to hold a private meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate on 16 August 2000, from 3.30 pm to 5.30 pm, in relation to its inquiry on mass marketed tax effective schemes and investor protection.

**Economics References Committee**

**Meeting**

Motion (by Senator O’Brien, at the request of Senator Murphy) agreed to:

That the Economics References Committee be authorised to hold a public meeting during the sitting of the Senate on 16 August 2000, from 6 pm to 8 pm, to take evidence for the committee’s inquiry into the provisions of the Fair Prices and Better Access for All (Petroleum) Bill 1999 and the practice of multi-site franchising by oil companies.

**Superannuation and Financial Services Committee**

**Extension of Time**

Motion (by Senator Calvert, at the request of Senator Watson) agreed to:

That the time for the presentation of the report of the Select Committee on Superannuation and Financial Services on the provisions of the Financial Sector Legislation Amendment Bill (No. 1) 2000 in respect of proposed changes to the Superannuation Industry (Supervision) Act 1993 be extended to 30 August 2000.

**Economics Legislation Committee**

**Extension of Time**

Motion (by Senator Calvert, at the request of Senator Gibson) agreed to:

That the time for the presentation of the report of the Economics Legislation Committee on the Financial Sector Legislation Amendment Bill (No. 1) 2000 be extended to 30 August 2000.

**ENVIRONMENT: QUEENSLAND LAND CLEARING**

Motion (by Senator Brown) agreed to:

That the Senate—

(a) notes:

(i) that AMP, through its fully-owned subsidiary Stanbroke Pastoral Company, has permits and applications to clear 140,900 hectares of woodlands in Queensland, and

(ii) that the company has placed a temporary moratorium on the clearing of 8,822 hectares of old-growth woodland, but has made no such commitment for the balance of 132,000 hectares of regrowth, all of which is at least 10-years-old and potentially decades older;

(b) considers that clearing on such a massive scale, with potential impacts on biodiversity, salinity, land degradation and greenhouse gas emissions sets a highly irresponsible model, by a company which is showcasing itself to the world as insurance partner to the Sydney 2000 Olympic Games; and

(c) calls on AMP to:

(i) protect all remaining old-growth vegetation on its properties in perpetuity; and

(ii) halt all regrowth clearing on its properties until a thorough environmental assessment has been completed.

**COMMITTEES**

**Legal and Constitutional References Committee**

**Meeting**

Motion (by Senator O’Brien, at the request of Senator McKiernan) agreed to:

That the Legal and Constitutional References Committee be authorised to hold public meetings during the sitting of the Senate on 17 August 2000, from 3 pm to 8 pm, and on 31 August 2000, from 4 pm to 6.30 pm, to take evidence for the committee’s inquiry into the Government’s response to the recommendations of the report, Bringing Them Home.

**Corporations and Securities Committee**

**Meeting**

Motion (by Senator Calvert, at the request of Senator Chapman) agreed to:

That the Parliamentary Joint Committee on Corporations and Securities be authorised to hold a public meeting during the sitting of the Senate on 16 August 2000, from 9 am to 1.30 pm, to take evidence in relation to the provision of bank statements to customers.

**Environment, Communications, Information Technology and the Arts References Committee**

**Meeting**

Motion (by Senator Allison) agreed to:

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 31 August 2000, from 6 pm, to take evidence for the committee’s inquiry into telecommunications and electro-magnetic emissions.

LAUWERS, MR VINNY

Motion (by Senator Allison) agreed to:
That the Senate—
(a) notes:
(i) that Mr Vinny Lauwers has become the first disabled person to sail unassisted around the world, and
(ii) Mr Lauwers, who lost the use of his legs in a motorcycle accident in 1990, has sailed 21 600 nautical miles during his 8-month solo voyage since leaving Melbourne in December 1999;
(b) congratulates Mr Lauwers for his efforts in undertaking a major journey during which he raised $40 000 for his charity PARASAIL; and
(c) commends Mr Lauwers for being an inspiration for all disabled people to overcome the difficulties and challenges they face in their daily lives.

ENVIRONMENTAL LEGISLATION AMENDMENT BILL (No. 1) 2000
In Committee

Consideration resumed from 14 August.

The CHAIRMAN—The committee is considering opposition amendments Nos 6 and 10 on sheet 1846, moved together by Senator Bolkus. The question is that the amendments be agreed to.

Senator O’BRIEN (Tasmania) (4.12 p.m.)—There was a message that we received that the government was not going to proceed with this bill and that it was going to go to the tax No. 11 bill. Obviously, wires have been crossed somewhere. Understanding that that was the case, I was going to seek some time to allow the organisation of this side to be better prepared. I think we may now be in a position to proceed if I can get the nod from my colleague Senator Bolkus. Yes, it is so.

Senator IAN CAMPBELL (Western Australia—Manager of Government Business in the Senate) (4.13 p.m.)—The only change to the program, as I understand it, was that we had approached the opposition to say that when we have completed this bill, instead of going to the copyright bill, which is listed as second on today’s agenda, we will go to a tax laws amendment bill because not everyone was ready to do the other one. That was the only change. Otherwise we intend to proceed with this bill, and we hope that it will have a speedy passage. The minister is on his way so I think we may as well proceed and I will carry it until he gets here.

Senator BOLKUS (South Australia) (4.14 p.m.)—Madam Chair, they may have told us what we think is the wrong thing but they have probably told the minister that as well. The minister is not here, but Senator Campbell says he is on his way. We could probably get most of the bill through by the time he gets here.

Senator BROWN (Tasmania) (4.14 p.m.)—I want to reiterate what I said last night in regard to this legislation. What we have here is a so-called trigger mechanism, which would mean that the federal government and the Minister for the Environment and Heritage would be required to make an assessment of any project in Australia that was a big producer of greenhouse gases. The obvious need for this trigger comes from the fact that, despite Australia getting the laxest conditions of all under the Kyoto agreement whereby we can increase pollution through greenhouse gases by up to eight per cent over 1990 levels by the year 2010, the federal government, in particular the minister for the environment and the Prime Minister, have been totally remiss in doing anything constructive, in making any real contribution towards reducing Australia’s greenhouse gas situation. By the year 1998—that is, halfway through the period of the Kyoto agreement—Australia was producing 18 per cent more greenhouse gases than the 1990 levels. That is, it had overshot the increase permitted by more than 100 per cent under this minister for the environment, this do-nothing minister for the environment.

We have here a trigger mechanism which says, ‘You’ll have to do at least something about such things as new power stations and new massive vegetation clearance projects, which produce greenhouse gases; new highways, which lead to an increase in greenhouse gas production; and so on.’ It is a re-
responsible sort of move that has been in place for years in many European countries. The Labor Party says, ‘Let’s restrict it to new projects which are going to introduce more than half a million tonnes of carbon dioxide or its equivalent into the atmosphere each year.’ The Democrats are saying 100,000 tonnes, and the motion I have put forward on behalf of the Greens says 50,000 tonnes, which catches quite a few projects like gas-burning power stations and cogeneration plants—projects that we need to take into Commonwealth consideration if this country is going to take seriously its obligation, not just to the world but to itself, to rein in the awesome potential threat of global warming. I do not think that in the year 2000 any member of this chamber would say that global warming is any longer a matter of contention. I ask the Labor Party and the Democrats to look at the more stringent Greens provisions here. Whatever we end up with, putting a provision like this into the Environment Protection and Biodiversity Conservation Act will override the government yet again. That act, which the Democrats and the government guillotined through this parliament last year, should have had some teeth in it then to deal with global warming, as most Australians would want it to do.

Senator BOLKUS (South Australia) (4.17 p.m.)—By way of clarification, there are three sets of amendments here: there are the opposition’s, the Democrats and Senator Brown’s, and they are all in respect of a greenhouse trigger. Can I indicate now, as I indicated yesterday evening, that the opposition will not be in a position to support either the Democrats or the Australian Greens trigger. We have our own trigger, which I believe is probably the first one that should be put before the Senate.

Senator HILL (South Australia—Minister for the Environment and Heritage) (4.18 p.m.)—As it is a new day, I will confirm what I said yesterday. That is, the government has in place a process by which it is negotiating, pursuant to the provisions of the Environment Protection and Biodiversity Conservation Act, the possibility of a greenhouse trigger. A preferred option has been developed by the government and has been transmitted to the states. When that consultation has been completed, a report will be made back to cabinet and the government will make a decision in that regard.

Senator BARTLETT (Queensland) (4.19 p.m.)—As I indicated when we were debating this yesterday, the Democrats support the insertion of a greenhouse trigger in the Environment Protection and Biodiversity Conservation Act. Last night I outlined some of the reasons for that and some of the reasons why we are increasingly concerned about the direction of the government’s overall approach and what appears to be a backward movement in relation to national control of greenhouse related issues.

It is worth responding to a couple of other things that were raised yesterday. Firstly, in the context of the original passage of the EPBC Act, as was indicated yesterday the issue of a greenhouse trigger was put forward last year. As the government is indicating now, its approach at that time similarly was not to support such a trigger. The important point that needs to be emphasised again and again—it does not seem to be recognised by some senators—is that the overall total bill that was passed, and the new act that we now have, has clearly been recognised by virtually all environment groups as a significant advance over what we had previously under a range of different, not terribly well interconnected legislation. So the window of opportunity that was there last year to pass that legislation, which was significantly and substantially amended, meant an overall improvement in the national legislation governing the environment. A greenhouse trigger is an improvement again but it is not yet acceptable to the government, as is evidenced by its attitude even now. Last year it rejected such a move; tying the trigger to the legislation then would have meant no new act at all, no significant advance for the environment over what we had before, and no opportunity to have any greenhouse mechanism at all in the powers of the environment minister under environmental law. The mechanisms in the platform which senators are now seeking to use to improve that would not even exist without the legislation passed last year. That
highlights why it was important to put in place a good platform—for further improvements and further expansion of Commonwealth environmental power.

I now want to talk in relation to what Senator Bolkus has just said about not being willing to support the Democrats amendment, which has not been moved yet and which sought to put in a stronger greenhouse trigger, or Senator Brown’s amendment, which sought to do a similar thing with a lower threshold again. That being the case, I indicate that we will not proceed with the Democrats amendment, not wanting to cancel each other out in this regard. We support the opposition amendment, based on those comments. Nonetheless, I think that the amendment that Senator Brown is putting forward—which, as I read it, is a range of different triggers contained within the one amendment rather than each of them being put separately—would be preferable from a greenhouse point of view, and the Democrats would have been willing to support that as well. Hopefully that will clarify the Democrats rationale in relation to our votes on this issue.

We will support the opposition’s amendment for similar reasons, as I have said. It is not as good as what might otherwise be, but it is better than not having anything at all, which has been the focus of the Democrat attitude in relation to this whole area of national environment legislation not just in the last 12 months but indeed when any opportunity presents itself for modifying environment related legislation. That has been a key focal point for the Democrats in our entire time in this chamber, over 22 or 23 years now.

Senator BROWN (Tasmania) (4.23 p.m.)—We have to remember that a greenhouse trigger was put forward, as Senator Bartlett said, for this legislation when it was guillotined through here in June of last year. What he did not say was that it was the Democrats who enabled that guillotining through here in June of last year. What he did not say was that it was the Democrats who enabled that guillotining. What Senator Bartlett also did not say was that he has not got any corroborative evidence saying that conservation groups now think this is the best legislation. In fact, it is quite the contrary. Of the four conservation groups out of hundreds in this country which gave assent to this legislation last year, I doubt that one of those would support it now. And another, the Tasmanian Conservation Trust, has withdrawn its support and now has a policy opposed to this legislation because it is against the national environmental interest.

What we have here today is a series of minor amendments by the government but more major amendments coming from the Greens, the Labor Party and, in an extraordinary attempt at catching up, the Democrats, who guillotined this legislation through this place against the wishes of the Greens and the Labor Party and almost—not quite but almost—every conservation group in the country this time last year. We will have to hope that we do not end up in the situation where, because of these amendments, the government simply allows the totally inadequate bill that the Democrats and the government put through last year to go unamended because these amendments are put on the shelf.

That having been said, at this juncture I want to ask the minister a question, because we are talking about a mechanism which would make him responsible for ensuring that projects which are going to be greenhouse gas polluters in the future have that greenhouse impact minimised. In the wake of the Democrats now saying that they had a commitment from the government last year that within 12 months the government would act on this and the minister’s own indication that he is negotiating a greenhouse trigger with the states, I ask the minister: were these amendments not to go through, when will that greenhouse trigger be implemented, which states are agreeing with a mechanism and which are not, and what form is that trigger mechanism going to take? In other words, what is the cut-off that the minister for the environment is contemplating for this legislation? Particularly in view of the minister’s comments about how badly the states are performing, why doesn’t he, if not supporting one of the amendments from the Labor Party, Greens or Democrats at this juncture, have a trigger mechanism here to enable him to ensure that the states do perform?

Senator HILL (South Australia—Minister for the Environment and Heritage) (4.26 p.m.)—It is a little unusual to be asking the
minister about amendments that the government has not brought forward, but we do not have a time frame on the process of negotiation we have with the states. At the moment we are obviously seeking to resolve matters as quickly as possible. It is quite complex. We put to the states our preferred model, which was 500,000 tonnes of carbon dioxide equivalent, but that is subject to negotiation in itself. I think it is fair to say that so far opposition from the states to the measure has been widespread. In fact, I cannot immediately recall any state that has embraced the idea with enthusiasm, but I am pleased to advise Senator Brown that the ACT is prepared to support this initiative.

I would like to think that the opposition of the states results from a misunderstanding of the consequence of what we are doing, because it seems to me that the states would appreciate that it is the Commonwealth government that entered into the international obligation and therefore it is not unreasonable for the Commonwealth government to have some say, some involvement, in the assessment process on developments that may individually have a major consequence in terms of the Commonwealth meeting the commitment it has made. That does not seem to me to be unreasonable. Bearing in mind also that all of the states say that they assess these matters in any event, I cannot see that there should be for the states any hidden trap in this process. So it has been a little puzzling to appreciate exactly why they are so opposed, but I am hoping that, out of better explanation as to what we are putting before them and from the benefits of discussion, they will see merit in what has been proposed, and that will help me in making my recommendations to cabinet.

Senator BROWN (Tasmania) (4.29 p.m.)—I thank the minister for that. As he knows, I always try to put a positive spin on what he has to say. What I hear here is that the minister is at least endorsing the Labor Party’s amendment for a trigger mechanism for new projects which emit more than half a million tonnes of carbon dioxide or equivalent and the states are almost universally saying no to that, except for the ACT. It is a tribute to Chief Minister Kate Carnell, no doubt under pressure from Greens MLA Kerry Tucker and no doubt without the problem of a thermal power station within ACT boundaries, but nevertheless she is to be congratulated at least for being the one to be positive about this.

What the minister is indicating is that you cannot have a good environmental solution when you devolve power to the states because you end up with the lowest common denominator. The most recalcitrant state sets the standard and the environmental standard is going to be the lowest possible. That is what is wrong with this legislation. Essentially, it is a process of devolving powers which the Commonwealth has had, and which the minister for the environment in particular has, to the states and trammelling the Commonwealth with a halter which says that you cannot make action unless the states agree to it. It is going to be quite a haul back to recognition that the Commonwealth does have national responsibilities for the environment and that the minister for the environment has a national obligation to act on those responsibilities. The Democrats failed to see that when they supported this legislation last year. Nevertheless, I am pleased that even the unsatisfactory amendment that Labor is putting forward here does have the tacit approval of the minister, but I am not going to put that spin so far as to say that he is not going to call a division over it because he indicated yesterday that he would not call a division if he saw that Labor and the Democrats were going to vote for a motion and he felt he did not have the numbers. Could the minister say whether he is going to represent Australia at the sixth conference of the parties on the climate change convention—it is called COP6 for short—at The Hague in the Netherlands in November and, if so, who he will be taking with him?

Senator HILL (South Australia—Minister for the Environment and Heritage) (4.32 p.m.)—I should correct some of the aspects of the contribution that we just heard from Senator Brown. There is no question of the states having a veto on this particular issue. In fact, as this act has been structured, the additional triggers are determined by the Commonwealth but the Commonwealth must
first consult with the states, and it is that process of consultation that is taking place at the moment. It is not a matter of devolving power to the states at all. But in so many of these areas of environmental protection in Australia, the processes and practice of protection are within the hands of the states. Therefore, to attempt to work cooperatively with the states in that regard seems to this government to be sensible. In relation to COP6, the composition of the delegation has not been determined but I expect that I will be leading that delegation. As it has not been determined, then obviously the balance of the delegation is yet to be decided.

Senator BROWN (Tasmania) (4.33 p.m.)—Can I ask the minister whether he will again be attended by the coal industry or the aluminium industry, either as part of that delegation or advising him or that delegation during the period of that conference or the lead-up to it?

Senator HILL (South Australia—Minister for the Environment and Heritage) (4.34 p.m.)—We consult with a broad cross-section of industry on greenhouse matters. One of the strengths of the Australian position in the international negotiations has been support that we have had from Australian industry. That has been a little tested in more recent times, I have to acknowledge, as we have moved from contributions of a no regret nature to contributions that will actually be an additional cost to industry, but by and large industry is still supportive of what we are seeking to do, which is to get a good greenhouse contribution from Australia at minimum cost. We want to retain the competitiveness of Australian industry while reforming the Australian economy in a way that is less energy intensive. Not surprisingly, sectors of industry that have felt that they have had most to lose or are most threatened by greenhouse reform have sought to play a leading role in these industry groups. The coal industry and the aluminium industry are clearly examples of that. No doubt they will continue to seek to have their voices heard. It is the approach of this government that we listen to all industry voices and any others that can assist us in developing the best policy options.

Senator BROWN (Tasmania) (4.35 p.m.)—That about summarises why the country is in such a mess as far as global warming is concerned. It is the polluters who are calling the shots and, yes, they will be there at The Hague as they were there at Kyoto and indeed in Berlin. The situation in which the coal industry and other mass polluters have a seat at the table as Australia goes to these conferences compounds the fact that they also have an enormous behind the scenes power over the states. They are calling the shots both ways. The forest industry as well—and we will see this in a piece of legislation coming before the Senate this week—have got the minister into the situation where they are going to be able to burn woodchips from native forests in furnaces and call it ‘green energy’, for goodness sake, and get a premium, get support, through Commonwealth legislation to do just that. What an incredible circumstance! This is why the country is in the situation where, following Kyoto, our promise of a 108 per cent cap over 1990 has blown out to somewhere between 120 and 130 per cent, which will be the real figures by the year 2010 because there is no legislation with teeth in it being brought before this parliament by this minister.

The process of consultation the minister talks about with the states was in hand this time last year, it is in hand now and it will be in hand this time next year. But the minister has done nothing. Here is his opportunity to say, ‘Time is up. This legislation is before the Senate. I cannot support the Democrats amendment because it is a bit tough and I certainly cannot support the Greens amendment because that is tougher still. I will come in with the Labor Party policy because that is what I put to the states. I am getting nowhere with them. In the nation’s interest, including its economic interest, I now act on this.’ But instead he is going to vote against it. What an appalling performance.

Senator BOLKUS (South Australia) (4.38 p.m.)—Has the minister had any positive responses at all from the states? Has any particular state indicated a positive response? When did he last communicate with the states
in respect of a greenhouse trigger and proposing one to them?

**Senator HILL** *(South Australia—Minister for the Environment and Heritage)* (4.38 p.m.)—Again we continue this exercise of questioning me on amendments being put forward by other parties, which I find somewhat quaint. I am very tempted, of course, to engage in the broader greenhouse debate and tell Senator Brown of the major contribution that Australia is making towards a better global outcome. But I know it is only going to lead to hours of diversionary activity, so I will not do so. I have not had any encouragement from the states as yet. At the moment I am putting together further material which I hope might assist me in my argument with them. As I said a little while ago, this process is going to take some time longer. I will continue on a path that will lead me to being able to make a recommendation to cabinet and to meet my obligations in that regard.

**Senator BOLKUS** *(South Australia)* (4.39 p.m.)—The second part of my question was: has the minister actually put a proposal to the states? Was it the 500,000 one, the basis of which we are discussing at the moment before the Senate?

**Senator HILL** *(South Australia—Minister for the Environment and Heritage)* (4.40 p.m.)—Obviously Senator Bolkus was consulting when I advised the Senate some little time ago that I did put a preferred model to the states for discussion and that the 500,000 tonnes of carbon dioxide equivalent was the figure I used within that model. In fact, I think I released it publicly.

**Senator BOLKUS** *(South Australia)* (4.40 p.m.)—In terms of the delegation to go to The Hague, has any state been invited at this stage? Is there a completion date on the consultation process? Does the government intend, for instance, to address this issue within the next month? Has the government decided to address it before COP6?

**Senator HILL** *(South Australia—Minister for the Environment and Heritage)* (4.42 p.m.)—I said a little while ago that there was no time frame but I am seeking to complete the consultation process as quickly as possible. I did, however, form the view that some further information could assist the states in their deliberation. That information is being put together at the moment. My approach is to get on with it. I have not been bound in that by any consideration in relation to the timing of COP6.

**Senator BARTLETT** *(Queensland)* (4.43 p.m.)—In relation to those issues and some of the responses that the minister has been
given, it is important to emphasise that a lot of the minister’s responses have indicated that this is just a matter of convincing the states that it is in their interests and that it is a positive thing. I am quite sure that it is a positive thing and that it is in the states’ interests; it is certainly in the nation’s interests and in the environment’s interests. But what has been glossed over is part of why it is important to move with this amendment now. It is not just a matter of convincing the states; it is a matter of convincing federal cabinet, the Prime Minister and some other people such as Minister Anderson. It is quite clear that it is an ongoing fight for the federal government to hold firm to this as well. It is important to emphasise that because it is not just important from the environment’s point of view but it is also a clear commitment that the government gave. It was not some little wink on the side; it was quite a clear-cut commitment. The Democrats certainly continue to place a lot of importance on the commitment that the Prime Minister himself made.

It is important that the Senate sends a clear message to the Prime Minister and the government more broadly that we believe this is a matter that should be inserted in the act, it is a matter of urgency and the government should move this way. As the minister correctly said, given the wording of the existing act now as it has been amended, there is no requirement for the states to agree. They do not have a veto. Obviously it is preferable they support changes, but if we had a consultation process that dragged on until the states were happy, that would in effect give them a veto. I emphasise again that it is not just a matter of the states being happy but a matter of cabinet itself agreeing and sticking to the commitments the Prime Minister gave. It is an important issue. The Senate should be sending a clear message to the government more broadly that it believes it is important, by supporting this amendment.

I take this opportunity to correct the record slightly in relation to some aspects of comments that have been made in relation to the Democrats’ support for this act. I will try not to do this repeatedly, but it is important to again make it clear. I certainly do not try and hide the fact that the Democrats were crucial to this act coming into place or that that was done via a guillotine which limited debate. The Democrats did not do that lightly but, as I have said a number of times already, it was done because we believed there was a window of opportunity to achieve a significant improvement to federal environmental legislation. That may well have closed. The fact that the government has had trouble sticking to its own commitments and the Prime Minister has had trouble sticking to his commitments since then gives a clear indication that the window may well have closed. We would not have a framework for inserting a greenhouse trigger if we had not taken that opportunity and put this new, improved environmental legislation in place. It is worth re-emphasising. I certainly do not suggest there was universal support at the time from the environment movement for that action of the Democrats. As I said, we chose to take a hard decision because we were concerned about getting the best outcomes for the environment. I have not heard of too many environment groups going around calling for a repeal of the EPBC Act and a return to the previous legislative regime.

Senator Brown’s comments last night in the second reading stage might have given an indication that there were mechanisms there before, such as the corporations power. He may want to return to the government having to use indirect mechanisms such as the corporations power, and the decision making minister being people such as Senator Minchin rather than the environment minister, but the Democrats certainly do not. We believe where we have got to under this legislation is a significant advance. I have not heard of many environment groups that seek to move backwards to that previous regime. It is worth emphasising again some of the assessments that people have made since they have had the time to examine it. I acknowledge that, because of the way in which the bill was passed, there were a lot of changes that people had to have time to look at. But, given the ongoing ‘misunderstanding’, to put it politely, of the Democrats’ motivation and role in this, it is important to put on the record again the reasons why the Democrats agreed to improve our national environment
legislation. I would have thought it would be pretty clear why we would take an opportunity to improve the overall mechanism for national, federal control over the environment—but apparently not.

Simon Molesworth QC, who is national president of the Environment Institute of Australia and founder of the Victorian Environment Defenders Office, said at a conference last year in Sydney organised by the Environment Defenders Office that the EPBC Act is:

...equal to any environmental legislation I know of in any comparable jurisdiction around the world. There will be isolated provisions which are better, but as a composite whole, the advances in this act are better than any I know of in Europe. It is certain that there is nothing comparable in any of the Asian or Pacific countries.

I could read any number of quotes like that. I am sure others who wish to continue to oppose the existing act could find quotes to say the contrary, but it is clear that there is a significant body of opinion from people who understand environmental legislation and the history of it in Australia that this is a significant advance overall. That is the reason the Democrats supported it. We certainly do not try and hide the fact that we were responsible for guillotining it through or that that was clearly a less than ideal process, but we do not resile from what I believe is significant achievement in providing not just a major advance in overall federal environmental protection but a platform for further improvement. We have a mechanism in place for further expansion of federal environmental powers that would not otherwise have been here and we would not be having this debate today. Maybe the minister might have preferred that. I am sure we will be having similar debates in the future with future governments about continuing to use this platform to further strengthen federal environmental protection. I thought it necessary to correct the record in relation to this issue and looked to making further improvements. It is pleasing that the opposition is again putting this trigger forward—and I acknowledge it was put forward last year. It is important that opportunities be taken wherever possible to increase the overall strength of our commitment at national level to overseeing, regulating and controlling our greenhouse emissions. It is clear that our performance is getting worse rather than better and it is also clear that it is a serious global issue. I urge the government, when it gets the amended bill, to take account of the views of the Senate and agree to retain this trigger as an added protection. As the minister himself said in his statements earlier, this is a commitment that the federal government has taken on board in the international arena and it is, quite frankly, a bit ridiculous that we have a federal government now sending out messages that it is resisting opportunities to give itself legislative power to ensure that its international commitments are able to be met.

Senator BROWN (Tasmania) (4.53 p.m.)—I certainly have commiserations for Senator Bartlett’s lament. I am glad that he has found someone somewhere who supported the Democrats’ action in getting this legislation through. He says that he has not heard many people complaining about it since the act went through. That is because it is a fait accompli. Goodness, we might next hear the Democrats saying that they have not heard anyone complaining about the GST, which they guillotined through the parliament in the same week last year as part of the government-Democrat alliance which was in full swing at the time.

That said, the minister excused his inaction on a trigger, even though he supports the Labor amendment, by saying that the states wanted more time for more information. This is a two-way flow, of course. If you are going to allow the states to set the timetable for ministerial action or inaction on a matter as hugely important as global warming, you have to accept that the states have a responsibility to get their own house in order. That brings me to the question of the global
The warming component that comes from the massive loss and clearance of native vegetation in states like Queensland and Tasmania. The Prime Minister faced yet another protest about his warrant on the destruction of the Torres Forest in the Southern Hemisphere when he was in Tasmania last weekend.

The important matter that flows from that—I was talking with the German minister for the environment about this a couple of months ago—is that to date the government in Tasmania has turned a blind eye to the fact that the woodchipping industry there is effectively destroying the largest carbon bank—that is, the largest hedge against global warming—in the Southern Hemisphere at the greatest rate in history under Prime Minister Howard’s regional forest agreement. Yet they are not accounting for it.

The minister for the environment and Prime Minister Howard want to count plantations—that is, little seedlings going in the ground—as a plus that Australia is doing. These sop up carbon dioxide. Australia is pushing worldwide to lead—and the Americans will be potential powerful allies in this—by allowing the planting of little seeds around the country to be seen as what is called a sink, which is an absorbing mechanism that allows entities such as the coal industry to balance off the increase in carbon dioxide that they are putting into the atmosphere. It goes out via the power station chimney and gets sopped up by seedlings being planted nearby. That is the theory. Plantations provide about one per cent of the carbon storage in the country. Huge forests and native vegetation, where there is 95 per cent, are being destroyed by this government with the release of carbon dioxide into the atmosphere, and it is not being accounted for. A year has passed since the bill went through and I ask the minister: what are the figures now for carbon dioxide release into the atmosphere from logging in Tasmania and from native vegetation clearance in Queensland and overall from the destruction of native vegetation in this great country of ours?

Senator HILL (South Australia—Minister for the Environment and Heritage) (4.58 p.m.)—That is a very complex question. The question is not complex, but the answer and the data are complex to compile because we are talking about an ongoing process. We can measure what has occurred, but we are being asked here to answer a question in relation to the carbon consequences of what is occurring. I have provided some answers to questions on notice to Senator Brown that address the general issue, but I will check with the Australian Greenhouse Office as to the most recent data that is available, which might update some of the figures that Senator Brown already has, and we will provide that to him.

Senator BROWN (Tasmania) (4.59 p.m.)—The problem with that is that the Australian Greenhouse Office does not have any idea because it does not do any independent assessment. It relies on the very self-interested entities like Forestry Tasmania for those figures. Forestry Tasmania has deliberately avoided grappling with this issue. I am not going to traverse the whole argument on this again, but I have to say this: Forestry Tasmania is currently moving in on places like the Styx River Valley in Tasmania where the tallest and biggest living entities in the Southern Hemisphere exist—the tallest trees. They are up to 100 metres high, and certainly over 90 metres. It is cutting them at the greatest rate in history. The woodchip trucks take something like 150,000 truck loads—imagine that: these are huge trucks—to the woodchip mills every year and the rate is increasing under the Prime Minister’s warrant for that destruction.

However, a lot of wood is left on the forest floor. The branches are cut off the lower trunks, which is sometimes 17, 18, or 20 metres around. We are talking about national monuments here. Part of the prescription of the Prime Minister in following through on the regional forest agreement is to allow Forestry Tasmania to fly over and drop napalm-like incendiaries on that clear-fell forest and to burn everything. So that goes straight into the atmosphere. The component that goes into woodchips—and 90 per cent of these forests are going in that direction—ends up in the atmosphere because it goes through the paper cycle, and pretty quickly it is in rubbish dumps somewhere in the Northern Hemisphere. Then there is the firebombing—and,
by the way, all the wildlife is killed as a result of the Prime Minister’s prescription for this treatment of the forest—and then of course they bring in the poisoning to make sure that wildlife does not come in and touch the seedlings, which are counted as a result of the government warranting modified fast-growing eucalypts to replace these rainforests and tall forests in the Southern Hemisphere. What a situation!

The Australian Greenhouse Office has no idea of what is going on there in terms of the release of carbon dioxide. There is work being done at a university quite near to us which I think will indicate that, in the near future, the back-of-envelope figures used in Australia are way too low in terms of the greenhouse pollution from this devastating cutting and burning of Australia’s native forests. When I say ‘way too low’, I mean maybe by a factor of somewhere between 100 per cent and 600 per cent too low. Yet the minister cannot give an answer in the Senate as to what is the rate.

He cannot because the Australian Greenhouse Office cannot; and he cannot because the state authorities are self-invested and do not want people to be like me, on our feet, saying ‘This should stop; it is criminal; it is devastating.’ To put the best spin on it, it is just such head-in-the-sand stuff from Prime Minister Howard when you look at the economic consequences of that. Senator Hill is going to have to go to The Hague in November and try to explain it to people in the Northern Hemisphere who are horrified by this process occurring not just in Tasmania but in Western Australia, Victoria and New South Wales as the woodchip industry bores ahead doing what it likes under the authority of Prime Minister Howard.

Amendments agreed to.

Senator Hill—I said no.

The TEMPORARY CHAIRMAN—The next item on the sheet was the Democrat amendment which I understand the Democrats are not moving. We now move to Australian Greens amendments Nos 5 and 9 on sheet 1843. Are you moving those amendments, Senator Brown?

Senator BROWN (Tasmania) (5.03 p.m.)—Because of that vote, which effectively nullifies the Greens amendment on the 500,000 tonnes trigger mechanism, I will withdraw that amendment. I seek leave from the committee to enable the different trigger mechanisms in my amendments Nos 5 and 9 to be treated separately.

The TEMPORARY CHAIRMAN—You do not need leave to do that. You just move those parts of your amendments separately.

Senator BROWN—The first amendment is the trigger mechanism on native vegetation. This trigger aims to end the stalemate between Queensland and the Commonwealth over the massive clearing of native vegetation in the sunshine state. For senators who are not aware—and I think most will be—there are estimates that this year somewhere between 300,00 and 600,00 hectares of Queensland will be scraped off the face of the earth by the clearance of native vegetation, and a lot of that by large pastoral companies.

We saw a motion go through the Senate this afternoon calling on AMP, the big Australian corporation involved in insurance, amongst other things, to put a halt to the devastating clearance of native vegetation on its several pastoral properties in Queensland, extending from nearly the New South Wales border to the Gulf, but really the responsibility comes back to the state and federal governments. Once again, we have the situation where the state government is not acting because it says that the federal government is not providing compensation and so the environment is sacrificed under Premier Beattie and the federal government is not going to so act and it is powerless to override the state government and here we are providing a mechanism for him to have the power. I would have thought that he would support that. I move:
Schedule 1, page 3 (after line 4), before item 1, insert:

1T After Subdivision FA

Insert:

Subdivision FB—Native vegetation

24D Requirement for approval to clear native vegetation

(1) A person must not take an action that will lead or is likely to lead to clearing of native vegetation in excess of 100 hectares in any year if the action will have or is likely to have an adverse impact on any of the following:

(a) the habitat of flora or fauna;
(b) ecological processes;
(c) the genetic diversity of flora and fauna and their potential for evolutionary development in the wild;
(d) greenhouse gas emissions;
(e) erosion, salinisation and other forms of land degradation;
(f) wetlands, waterways and water resources;
(g) landscape quality.

Civil penalty:

(a) for an individual—5,000 penalty units;
(b) for a body corporate—50,000 penalty units.

(2) Subsection (1) does not apply to an action if:

(a) an approval of the taking of the action by the person is in operation under Part 9 for the purposes of this section; or
(b) Part 4 lets the person take the action without an approval under Part 9 for the purposes of this section; or
(c) there is in force a decision of the Minister under Division 2 of Part 7 that this section is not a controlling provision for the action and, if the decision was made because the Minister believed the action would be taken in a manner specified in the notice of the decision under section 77, the action is taken in that manner; or
(d) the action is an action described in subsection 160(2) (which describes actions whose authorisation is subject to a special environmental assessment process), or the giving of an authorisation (however described) of such an action.

24E What is native vegetation?

In this Act:

clearing, in relation to native vegetation, means:

(a) lopping native vegetation; or
(b) destroying native vegetation; or
(c) removing native vegetation.

native vegetation means vegetation that is indigenous to the land, local government area, Territory or State in question.

Senator BOLKUS (South Australia) (5.06 p.m.)—Without wanting to prolong the debate, the opposition also has a land clearing trigger which is listed to come up straight after Senator Brown’s trigger.

Senator BROWN (Tasmania) (5.07 p.m.)—I just want to clarify that what I am moving is subdivision FB of amendment No. 5, not amendment No. 6.

The TEMPORARY CHAIRMAN (Senator Murphy)—So you are moving amendment No. 5. Is everybody clear on that?

Senator Bolkus—Totally unclear.

The TEMPORARY CHAIRMAN—It is totally unclear at the moment, Senator Brown.

Senator BOLKUS (South Australia) (5.07 p.m.)—I think Senator Brown is referring to amending the subdivision that relates to native vegetation. It refers to the clearing of vegetation in excess of 100 hectares in any year. Amendment No. 6 is an amendment in the alternative, I gather—that is, it is one that goes to land clearing of native vegetation in excess of 1,000 hectares in any five-year period. In essence I think Senator Brown is putting up this one first and may try the other one in the alternative. I will toss up another one in the alternative—that is, the amendment that I have listed as coming on straight after this. Basically we are covering the same area and sharing the same concern. As with
the previous debate, our trigger is somewhat more flexible than the Greens’ trigger. We are talking about 1,000 hectares in any period of two years, whereas Senator Brown talks about 100 in a year or 1,000 in five years. Essentially, we are talking about the same mechanism, the same process and the same assessment but the trigger mechanism is set off at different levels. I do not think I need to prolong the debate much further, other than to say that we do share a concern here and we think that our trigger could well and truly cover the situation, particularly the situation that Senator Hill, the government and the whole nation face in respect of some land clearing going on at the moment, particularly in Queensland.

The TEMPORARY CHAIRMAN—Just to clarify things, Senator Brown, I understand that what you are moving is on page 5, which is subdivision FB, native vegetation, 24D and 24E. Is that correct?

Senator Brown—That is correct. I am moving the whole of subdivision FB, which is all of page 5. You are right: it is 24D and 24E.

The TEMPORARY CHAIRMAN—With the exception of the last little bit?

Senator Brown—You are right, as ever.

The TEMPORARY CHAIRMAN—The question is that the amendment be agreed to.

Senator BROWN (Tasmania) (5.09 p.m.)—Again, I am glad that Labor has an amendment here but I am sorry that it is not quite up to the mark. I think there is a reason for that. I know that Senator Bolkus is going to be on the side of the environment here but is not going to be able to say anything, because there are bigger forces at play in the Labor Party. The reason is that, if we required the federal minister to get an environmental impact assessment where there is clearing of more than 100 hectares of native vegetation rather than 1,000 hectares, as Labor’s amendment would have it, you would involve not only the clearing of native vegetation in Queensland but also this devastating logging of native forests in Tasmania and in the mainland states. Because of the sheer density of fibre in those great forests of Tasmania, it is very likely that the clearing of 100 hectares of the Tasmanian forests will have as much impact as—if not more impact than—the clearing of 1,000 hectares of the native vegetation on the plains and the hill country of Queensland.

There is a blind spot within the Labor Party when it comes to Tasmania. The Labor Party is directed by the woodchip industry in Tasmania through the forest component of the CFMEU—I am sure this is new to you, Mr Temporary Chairman. That is what is happening in Tasmania. So we had the situation at the recent Labor Party conference in Hobart where, despite thousands of citizens protesting outside that conference in favour of an end to the destruction of the tall forests, a couple of union people inside were allowed to take the floor and make even worse—minor amendments—Labor’s policy whereby the Leader of the Opposition, Kim Beazley, is hand-in-hand with Prime Minister Howard in supporting this destructive impact on Tasmania’s heritage and its wildlife by the corporate woodchip interests. I add that Labor in Tasmania wanted an even worse settlement under the regional forest agreement than the Liberals. But since the regional forest agreement was signed in 1998, despite the promise by both Labor and Liberal of jobs, jobs, jobs—and over $70 million worth of Commonwealth money flowing in to the logging industry in Tasmania as a result of it—some 500 to 1,000 jobs have been shed; that is, workers in Tasmania have been sacked by the woodchip corporations and the CFMEU have never stepped off the footpath. Never at any stage did it complain about that. It was left to the Greens. It is not as if the job shedding of this industry, while it cuts down the forests at record levels, is giving a return to the Tasmanian people, who own the forests, because it is not. We are allowing these woodchip corporations to do that at the lowest royalty levels in history, dictated by the paper corporations of Japan. That is Labor policy and that is Liberal policy, and that is why Labor will not be supporting this Greens amendment on this occasion.

In view of the far more astute awareness of the Australian people, which is opposed by such a majority to this appalling destruction of forests, I think we have a long way to go
in a political system where both the big parties support this destruction. I think that the Labor Party and Mr Beazley should hang their heads in shame for supporting this Howard prescription that allows this destruction of the forests. As I said last night, I for one will not be willing to see Greens preferences go to the Labor Party—they certainly will not go to the Liberals, if I have anything to do with it—in circumstances where they are pursuing the same Howard destructive policy towards the great forests of Tasmania and those of the other states of Australia—Western Australia, Victoria and New South Wales.

Coming back to the amendment at hand, it is a failure of Labor policy that it is not supporting the Greens’ amendment. The reason behind that is the woodchip corporations. This is Labor bending at the knees to the woodchip corporations. I know Senator Bolkus would be sympathetic to me on this score, but he cannot say anything about it because that is the way the policy has been arrived at—from the woodchip companies through the Labor hierarchy—and at this stage it does not appear to be amenable to changing that. I think it would be very sensible if it did change it. Certainly many Australian voters would come on side if it were to make such a positive move. It is an issue that is not going to go away, and I would recommend to the Leader of the Opposition, Kim Beazley, that he give it a lot of thought.

Senator BARTLETT (Queensland) (5.16 p.m.)—I just want to put the Democrats’ position on the record in relation to this. I think the amendment that is formally before the chamber is the one by Senator Brown, and that Senator Bolkus has just been speaking to his foreshadowed amendment. I am assuming we are in the situation we have been in a few times already where the ALP is not going to support the stronger amendment and will go with one that is less strong. Obviously the Democrats would support anything that is an overall advance, but in that circumstance we indicate that we support Senator Brown—we are willing to vote for Senator Brown’s amendment and Senator Bolkus’s if the other one does not get up, as it appears it will not.

I have spoken in this chamber a number of times about the land clearing problem, particularly in my home state of Queensland. It is a serious problem and, as I said yesterday, one where, unfortunately, to date, there has been a serious absence of political will and an inability to strike a positive outcome for the environment and for the long-term benefit of the Queensland community and the Australian community. It is pleasing to see senators taking the opportunity to use the mechanisms that are available through the EPBC Act that has been put in place courtesy of the Democrats, and we will support moves to strengthen and get more action happening on controlling the clearance of native vegetation in Australia more broadly. Obviously I have a particular interest in Queensland.

Related to that, I would like to use this amendment—I think it is as appropriate a time as any—to ask the minister a question or two which link to the provisions of the existing act and the abilities that are in the act as it stands in relation to threatened ecological communities. Under section 181 of the act the minister is required by an instrument to establish a list of threatened ecological communities, and under section 185 he is required to maintain it in an up-to-date condition. I am aware that a large number of nominated areas around Australia cross different states, and I think nominations for significant parts of Queensland have been put to the department or the government outlining endangered ecological communities. They were submitted to the government some time back, and I would like some indication from the minister as to when he is going to comply with establishing a list of threatened ecological communities, particularly in relation to many of those areas that have already been put forward or proposed to him or his department as areas that should be put on that list. Once that list is established and gazetted, it provides another mechanism—indeed, an-
other obligation—for the federal government to protect those threatened ecological communities. Obviously they need to be listed in detail before they can be defined and protected, but I do not think anyone would argue that they are not out there, and we would like an indication from the minister as to when that listing is likely to be established.

Senator HILL (South Australia—Minister for the Environment and Heritage) (5.20 p.m.)—I will try to be helpful. Under the ESP Act ecological communities are transferred to this legislation. Those that have been nominated under the previous piece of legislation continue to be processed under the new legislation. Those that have been listed under state legislation are currently being analysed for their suitability for inclusion under this piece of legislation, and I expect that matter to be resolved in the near future.

Amendment not agreed to.

The TEMPORARY CHAIRMAN (Senator Murphy)—We now go back to Senator Brown’s amendment No. 6.

Senator BROWN (Tasmania) (5.15 p.m.)—We are not quite at 6; it is the next component, subdivision FC of 5. I move:

Schedule 1, page 3 (after line 4), before item 1, insert:

1U After Subdivision FB

Insert:

Subdivision FC—Dams

24F Requirement for approval to build a dam

(1) A person must not authorise or construct a dam, instream or offstream, with a water storage capacity exceeding 10,000 megalitres and including any associated canals, channels or irrigation development if the authorisation or construction will have or is likely to have an adverse impact on any of the following:

(a) the habitat of flora or fauna;
(b) ecological processes;
(c) the genetic diversity of flora and fauna and their potential for evolutionary development in the wild;
(d) greenhouse gas emissions;
(e) erosion, salinisation and other forms of land degradation;
(f) wetlands, waterways and water resources;
(g) landscape quality.

Civil penalty:

(a) for an individual—5,000 penalty units;
(b) for a body corporate—50,000 penalty units.

(2) Subsection (1) does not apply to an action if:

(a) an approval of the taking of the action by the constitutional corporation, Commonwealth agency, Commonwealth or person is in operation under Part 9 for the purposes of this section; or
(b) Part 4 lets the constitutional corporation, Commonwealth agency, Commonwealth or person take the action without an approval under Part 9 for the purposes of this section; or
(c) there is in force a decision of the Minister under Division 2 of Part 7 that this section is not a controlling provision for the action and, if the decision was made because the Minister believed the action would be taken in a manner specified in the notice of the decision under section 77, the action is taken in that manner; or
(d) the action is an action described in subsection 160(2) (which describes actions whose authorisation is subject to a special environmental assessment process), or the giving of an authorisation (however described) of such an action.

This deals with requiring a trigger mechanism for approval to build a dam. I put this mechanism in there because everyone is aware of the importance of proper management of catchments, of the enormous reliance Australia has on water, of the conflicts that occur when a large dam is built in this country—downstream as well as in the catchment—and of the consequences of dams for the environment. At the moment the Commonwealth has got no direct say in mooted water developments, wherever they might be. One case I was involved with in recent years was the proposal to dam the Fitzroy River in
the Kimberley. Fortunately, that dam has not gone ahead, not least because of the pressure of the Punuba people, who, in the precinct which the dam was going to flood—it was going to be for cotton growing—have now turned it into a wet season tourist venture, taking rafters down the Fitzroy River in the monsoon on what can only be described as a rafting experience of the first order in world terms.

There is no mechanism for downstream impacts to be assessed anyway where these cross state boundaries. The Murray-Darling is a case in point there, and cotton growing is a never ending reason for putting in more dams on the already very damaged Darling system. This would require of the minister an environmental impact statement for dams bigger than 10,000 megalitres in storage. It is an amendment which would not only give national authority but also put in place national responsibility for Australia’s water catchments.

Senator BOLKUS (South Australia) (5.23 p.m.)—As I said in the second reading debate, the opposition’s approach to this legislation is to amend it and not add much more to it other than four or five major items which we want to revisit from last year’s debate. Consequently, it is not within our capacity to support Senator Brown’s amendment, which is extraneous to that debate. That goes to his next amendment as well.

Senator BARTLETT (Queensland) (5.23 p.m.)—I rise to put the Democrats’ position on the record in relation to this amendment, which is proposed subdivision FC, ‘Requirement for approval to build a dam’. It is worth noting that this is an issue of particular importance to my home state of Queensland. I think I am correct in stating that there would be more proposed dams, weirs and other such things on the drawing board in Queensland than in any other state. I think I am also correct in stating that, as a consequence, most of those present a serious threat to the broader natural environment. Obviously they will not all be built, but many of those that are close to receiving approval will create significant environmental impacts both in the region of the dam and also downstream—significantly downstream in many instances. It is of particular concern in Queensland. It is again worth noting the benefit of having the new framework of the EPBC Act in place to enable this sort of power to be given to the Commonwealth government or for the Commonwealth government to take on this sort of power. That opportunity to increase Commonwealth power in this area would not be there, had the Democrats not passed the EPBC legislation initially.

The areas of particular concern for the Democrats in relation to water issues more broadly and to the construction of dams are pretty clear. It is probably not worth going into them in great detail, given the number of amendments we still have to go through, but I remind senators and others listening that we are talking about adding an item to a list of triggers that are matters of national environmental significance. Finally, Australia is starting to realise that water issues do not affect just one individual state. Many times what is done in one state in relation to dam construction, irrigation, water licences, et cetera has significant impacts on many other states downstream. Queensland, again, is a classical example of that. States south of Queensland have a right to be concerned about the potential water usages that the Queensland government is considering allowing to happen. It is a good example of another area of activity that should not be seen as solely, totally and always in the hands of state governments. It should be seen in certain circumstances, such as those outlined in this amendment, as an activity that has significance beyond the boundaries of an individual state. In any circumstance such as that, it is appropriate that the Commonwealth government have oversight and approval power in relation to any proposed actions. The Democrats support this amendment as a logical further extension of federal government environment powers.

Amendment not agreed to.

Senator BROWN (Tasmania) (5.27 p.m.)—I move:

Schedule 1, page 3 (after line 4), before item 1, insert:

1V After Subdivision FC

Insert:
Subdivision FD—genetic engineering

24G  Offence relating to release of genetically modified organisms

(1) A person is guilty of an offence if the person releases a genetically modified organism into the environment before 1 July 2005.

Note: Chapter 2 of the Criminal Code sets out the general principles of criminal responsibility.

(2) An offence against subsection (1) is punishable on conviction by imprisonment for a term not more than 7 years, a fine not more than 420 penalty units, or both.

Note 1: Subsection 4B(3) of the Crimes Act 1914 lets a court fine a body corporate up to 5 times the maximum amount the court could fine a person under this subsection.

Note 2: An executive officer of a body corporate convicted of an offence against this section may also be guilty of an offence against section 495.

24H  Requirement for approval of genetic engineering actions

(1) On or after 1 July 2005, a person must not take a genetic engineering action that has, will have or is likely to have an adverse impact on the environment.

Civil penalty:
(a) for an individual—5,000 penalty units;
(b) for a body corporate—50,000 penalty units.

(2) Subsection (1) does not apply to an action if:
(a) an approval of the taking of the action by the constitutional corporation, Commonwealth agency, Commonwealth or person is in operation under Part 9 for the purposes of this section; or
(b) Part 4 lets the constitutional corporation, Commonwealth agency, Commonwealth or person take the action without an approval under Part 9 for the purposes of this section; or
(c) there is in force a decision of the Minister under Division 2 of Part 7 that this section is not a controlling provision for the action and, if the decision was made because the Minister believed the action would be taken in a manner specified in the notice of the decision under section 77, the action is taken in that manner; or
(d) the action is an action described in subsection 160(2) (which describes actions whose authorisation is subject to a special environmental assessment process), or the giving of an authorisation (however described) of such an action.

24J  Interpretation

In this Act:

*genetically modified organism* means:
(a) an organism that has been modified by gene technology; or
(b) an organism that has inherited particular traits from an organism (the *initial organism*), being traits that occurred in the initial organism because of gene technology; or
(c) anything declared by the regulations to be a genetically modified organism, or that belongs to a class of things declared by the regulations to be genetically modified organisms; but does not include:
(d) a human being, if the human being is covered by paragraph (a) only because the human being has undergone somatic cell gene therapy; or
(e) an organism declared by the regulations not to be a genetically modified organism, or that belongs to a class of organisms declared by the regulations not to be genetically modified organisms.

*Genetically engineering action* means the release of a living, genetically modified organism into the environment.
minister for the environment—in this case, Senator Hill—a mechanism for making sure that genetic engineering and the release of GE entities into the environment are not allowed until 1 July 2005, and that a Commonwealth environmental impact statement will be required for releases that come after that time.

At the moment, we have a totally unsatisfactory situation. I think the Prime Minister is wholly in favour of multinational corporations releasing whatever they like, and he will take a cue from them. But there is growing public concern here, as in Europe—including consumer resistance—about genetically modified organisms being in food and about the growing of it, in terms of the danger that it imposes on Australia’s environment. This amendment on behalf of the Greens makes the environment minister responsible for deciding upon the release of genetically engineered organisms into the environment, instead of having—as at present or even as proposed—a weak advisory role to the health minister under the Gene Technology Bill 2000.

It needs to be said here that the New Zealand Labour government of Prime Minister Helen Clark have responded to the positive role of the seven Greens elected to the New Zealand parliament in last November’s elections by setting up a royal commission into the impact of genetically modified organisms and the potential for good and bad in that country. We in Tasmania have close parallels with New Zealand, and I think this country as a whole does. There is no sign of such an inquiry in Australia. We are again in circumstances where the minister has allowed the corporate entities to move in on Australia and plant these crops—and ‘Let’s hope everything turns out all right.’ Again, the Australian public is way ahead of political opinion on this and wants to be assured that, if multinational corporations like Monsanto or Novartis want to grow crops, even experimental crops or seed crops, in Australia, they will show that they are safe before they do that—and we are a long way from that. This amendment is a very modest move to give the minister the responsibility for doing an environmental impact statement before the release of such organisms. That is very sensible. It is not the ideal in terms of prudence, but it is a step in that direction. It is an amendment that I would hope the Labor Party and the Democrats, and even the government, would support. It would be a very commensurate response to public opinion’s thirst for some regulation, were we to put this trigger into this legislation with this amendment.

The TEMPORARY CHAIRMAN (Senator Murphy)—The question is that the amendment moved by Senator Brown be agreed to.

Senator Brown—I do not want to take it on record that I am the only one supporting this amendment because of the absence of other support in the chamber. I hope that is not the case.

The TEMPORARY CHAIRMAN—I will put the question and we will try and see if we can deduce what the status of support is.

Senator BARTLETT (Queensland) (5.32 p.m.)—Given the Democrats’ long record in this chamber on genetic engineering issues, I am certainly keen to speak to this issue. For close on a decade the Democrats have been raising concerns in relation to genetic engineering and potential impacts on the environment—with predecessors such as former Senator John Coulter strongly advocating correct labelling of foods before we had GM foods. It is unfortunate that it has taken until now—a number of years after the introduction of GM foods—to have some labelling regime put in place. This issue is also important to the Democrats because it is another area where the government has backtracked on its commitment—a whole of government commitment, not just an idle whim of the minister—to involve the environment minister in any process of release of organisms into the environment. We have already had indications that the ALP and the government will not be supporting this amendment as a whole.

The issue, as I think Senator Brown mentioned in his remarks—I missed part of them—is being considered at present by the Community Affairs References Committee
via the Gene Technology Bill 2000. A whole range of issues—a very important one being environmental consequences but not only that—are being considered by that committee. Indeed, they are conducting hearings next week in a number of places around the country. This is an issue that the Democrats have been active on for close on a decade not only in this place but also at state level. Some of our Democrat colleagues in South Australia have been particularly active in terms of the impacts there with respect to not only the potential damage to the environment but also the potential economic consequences to the agricultural industry. I think it is important to note the concerns that many agricultural producers have with the improperly regulated release of GMOs and the potential impact it may have on the ‘clean, green image’, as it is called in shorthand terms, that many states are now looking to try to develop—Tasmania, of course, being one of those that has focused on that a lot. The Democrats are already on record in terms of exploring the possibility of moratoriums at state level, such as in Tasmania, and we think the Gene Technology Bill is the best place to do that.

With respect to the amendment overall, the proposal to insert a trigger to require the assessment and approval of the federal environment minister is something that the Democrats support. Again, it is something that goes to the heart, I think, of what is clearly a national issue, not just a states’ issue. That is why it is important that any regulatory regime that is put up, such as through the Gene Technology Bill that is currently proposed, is one that is as effective as possible and is consistent across the country, whilst allowing opportunities for different approaches at the state level such as the Tasmanian government is looking for.

The area of concern that I have in relation to the amendment is not so much putting it as a trigger, but that I think it is a bit confusing why the government have backed away from the logic behind the setting up of a comprehensive piece of national environmental legislation and have separated out this particular area of activity and said, ‘We’ll keep that separate from our overall environmental framework and we will set up another completely separate regulatory regime over to one side with no direct linkage back to the environment minister through that overarching environment legislation.’ To the Democrats, it seems quite an illogical approach—let alone a breaking of the government’s commitment to the Australian people in relation to the issue. It is certainly an issue that we will be pursuing closely through the Senate committee inquiry. The one component of the amendment that I do have some concerns about is the immediate imposition of a nationwide moratorium on any release of any GMO into the environment prior to 1 July 2005. I think there are potential problems with the workability of a blanket, overnight, automatic guillotine coming down.

Senator BOLKUS (South Australia) (5.38 p.m.)—The Opposition oppose this amendment. This is an area which we think demands greater attention than three clauses as part of an overall environment bill. Genetic engineering is an area with a whole range of diverse issues which have to be addressed and I do not think they are adequately addressed by the way that Senator Brown is pursuing this this afternoon. That is while keeping in mind that there is a bill before the parliament at the moment with a more holistic, comprehensive approach to the area. That bill will be subject to enormous scrutiny in this place and there will be public submissions through the Senate committee process, which I am sure will lead to quite substantial amendment of that legislation. The whole area needs greater diversity and scrutiny. Secondly, to us an immediate moratorium for the next five years is not the way to go. It might very well be impractical, but we are not in the business of embracing something like this without any real assessment of the implications of it.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (5.39 p.m.)—I congratulate Senator Brown on bringing this amendment to the chamber and on drawing our attention to the issues of genetic engineering. Similarly, I compliment my fellow senator Senator Bartlett, who has referred to the Democrat history on this issue, a history that certainly predates him and me in this place. In fact, the
Democrats were talking about the need for the labelling of genetically modified foods back in 1992, four years before the introduction of genetically modified foods into Australia. Through you, Chair, to Senator Brown: if there was ever a need for a moratorium it was in 1996, when our governments, both the last government and this government, allowed, due to inadequate regulatory regimes, genetically modified foods to come into Australia by stealth.

Having said that, I recognise one thing: the horse has bolted. I think there are difficulties in calling for a moratorium in relation to 'genetic engineering action', to use the terminology in this amendment. That is not to say that this does not warrant further debate, as has been articulated by Senators Bartlett and Bolkus. Senator Bolkus’s contribution I particularly appreciate and it makes me wonder why, on at least two occasions that the Democrats have brought to the Senate chamber motions for the creation of a Senate committee to investigate issues in relation to genetic modification or gene technology generally, both the government and the opposition have voted against them each time. I know why in many respects. There are a number of reasons: some would argue vested interests, powerful players and other influences; others might suggest ignorance or other political priorities—at least, the explanation that has been put on record by both the old parties is that there are other political priorities.

This has to become a political, social and legal priority for governments at all levels—federal, state and territory. We have already seen the potential public backlash on the inaction in relation to genetically modified foods. Yes, we have seen a labelling regime introduced—or proposed and agreed to last month—and certainly I commend the government and the state and territory health ministers on the work that they have done. Of course, I acknowledge too that it does not go as far as we would like to see it go. I think exempting, for example, takeaway and restaurant meals from the labelling provisions is short-sighted. I also think it is a bit silly of this country when you look at, for example, the UK where, whether you buy your pie at a piecart or whether you are going to a restaurant, you are entitled to know—and you will know—whether or not that food has been genetically modified. We have seen elements of the public response to issues like genetic modification or genetic engineering when people do not feel that they are involved in the process, that they understand the process or that they have been informed.

There are many other issues that are related to this technology that the parliament is going to have to get to grips with. I know that the parliament is sick and tired of me talking about the issue of genetic discrimination, but once again I put on record the fact that we have had a private member’s bill in this place for debate. I do not expect everyone to agree with it but I do expect people to try to comprehend it—at least understand the potential opportunities for discrimination on the basis of genetics. In fact, I should not say ‘potential’ anymore because as of yesterday there were 54 cases revealed in a New South Wales survey. We saw last month in the newspapers and other media a number of cases—documented cases, well-researched cases—that clearly demonstrate that people are being discriminated against on the basis of their genetic information. I call for a moratorium, if we are going to talk about moratoriums—a gene freeze, a genetic testing freeze, unless, of course, it is for personal medical or positive employment discrimination cases.

That is not to say that I do not see the dazzling benefits of this technology. That is not to say that I do not recognise that genetic testing offers us some of the most amazing health benefits that we have ever seen. But I do recognise too that with this dazzling technology—and it is: biotechnology is astounding; I can imagine us spending all our days in the parliament discussing this stuff, I think it is so fascinating, but obviously not everyone else does—we should be investigating the consequences that come with this technology. Senator Brown is offering one way of dealing with this. He is talking about civil penalties that would relate to people who broke the moratorium. But I would say to Senator Brown personally—through you, Chair—that I would need clarification. It is one thing to say that a person must not take a genetic en-
engineering action that has, will have or is likely to have an adverse impact on the environment. Does that mean that if it is proven not to have an adverse impact it is okay? These are issues that we must clarify. These are issues on which we have to be pedantic.

As Senator Bolkus and Senator Bartlett have said, we have an inquiry into this currently under way. The first day of hearings for the inquiry into the Gene Technology Bill 2000 took place yesterday, and there is a week of hearings next week. I suspect that a week is not going to give us enough time to fully comprehend these issues or to come up with the best answers. Nonetheless, I think that is a better forum than the chamber today in which to come up with possible solutions. That is not to say that I do not appreciate what Senator Brown is trying to achieve here, but I think we are going to have to be realists. The horse has bolted, GMOs are out there, and genetic engineering is a reality whether people think it is for better or for worse. I happen to think that there are huge benefits. The science is amazing, and we should ensure that it works for all Australians and that it is regulated. We have legislation on this, and concerns about that have already been put on record, particularly with regard to the need for greater transparency and accountability in decisions made by the gene technology regulator. We have to talk about whether or not we should designate in law buffer zones and refuge zones. Do we deal with these issues on a case by case basis, and is that sufficient regulation? That is what happens now under GMAC guidelines. Is that sufficient? Is it appropriate? These are the debates that we have to continue to have.

With regard to an opt-out provision for the states, as Senator Bartlett pointed out the Democrats will pursue in the chamber an amendment that will entitle the states to opt out. Again, I recognise that we still have to have debates surrounding the constitutional impact or legality of such a move, as well as on what this means for our obligations internationally and domestically in relation to trade agreements. These are the debates that we have to have. I am not suggesting that anyone in this chamber necessarily has the answer, and for that reason I look forward to the community affairs committee deliberations and recommendations, although I do not necessarily think that the committee has sufficient time in which to report.

These issues are at the forefront of the Democrats senators’ minds. They have certainly been a priority for us, and it is great to see everyone else catching up. A Hansard search of other people’s involvement in this issue—a search of all non-Democrat parties, of all non-Democrat senators—reveals that everyone has been pretty slow on the uptake. However, I am sure that Barry Jones must have said something on the record, and I should go back and check the House Hansard as well as the Senate Hansard. People like Senator Coulter and other senators led the way on this, and I have been pleased to see that we have been working at it for many years. Certainly since 1996 in this place we have made sure we have been fully aware of some of the social, legal, environmental and health concerns surrounding genetic engineering action. I just lament the fact that we have had very little assistance.

If we needed to highlight just how far behind our parliament is, we only had to listen to Senator Vanstone’s response to my question yesterday. It is unforgivable that cases of genetic discrimination and other adverse consequences of this technology are being brought to our attention and yet the relevant minister—or, in this case, the Minister representing the Attorney-General—either was not aware of it or did not deign to discuss it in response to a question. The parliament has to get with it. In the United States, the state legislatures and the Congress have had to deal with these issues. Whether or not you agree with the way in which they have dealt with them, you must acknowledge that at least they have been tackling them; at least President Clinton has sought to ban within all federal agencies discrimination on the basis of people’s genetic information. There is a lot of work to be done in our states, in our territories and nationally. I have sympathy for the amendment but, as Senator Bartlett outlined, we will not be supporting it—certainly not in its current form, although I am happy for Senator Brown to respond to my query regarding adverse consequences. I look for-
ward to seeing the keenness that was re-
lected in this debate—certainly in the Labor
Party—being brought to the Senate commu-
nity affairs committee’s deliberations. If one
day we put forward a proposal for a commit-
tee inquiry—a cross-party Senate inquiry or
preferably a select committee inquiry—into
the broader issues of genetic engineering,
perhaps it will not simply be the Democrats,
the Greens, One Nation and Senator Har-
radine who support the proposal.

Senator BROWN (Tasmania) (5.49
p.m.)—I appreciate that contribution from
Senator Stott Despoja. I do not have any con-
cern with the amendment as I brought it for-
ward. It is very important that we do get a
trigger for the Minister for the Environment
and Heritage that gives him or her the ability
to ensure that we do not have unsafe releases
of genetically modified organisms into the
environment. Gene technology dictates that
we are going to have to grapple with it all the
way down the line. The precautionary princi-
ple says that you do not allow such a release
until you know that it is safe, and the terms in
which this amendment is couched say, ‘If you
can show it is safe, you can proceed.’ It is
effectively the precautionary principle writ
large into this piece of legislation. That is
why it is here. It is a good piece of legisla-
tion. It is sensible and it meets the concerns
of Australians in the absence of action by the
Commonwealth.

I know that we have legislation coming on
for debate very shortly about genetically
modified organisms, but why should we not
take this opportunity of empowering the
minister for the environment to protect the
environment, including the all-essential ‘what
we eat’ component of the environment? I am
sorry that I do not have support on this par-
ticular amendment but, in saying that, I do
recognise what Senator Stott Despoja and
Senator Bartlett had to say about the Demo-
crats having raised this issue and their being
public advocates for action. I am putting for-
ward a form of action now which I think
should be taken.

I want to conclude this contribution by
saying that this amendment puts into play
what the Labor Party are doing in Tasmania. I
find myself in the happy situation of sup-
porting the Bacon Labor government in Tas-
mania and their minister for environment, the
Hon. David Llewellyn. That is a very unusual
circumstance. They are the same ones that I
was just criticising for their totally irrespon-
sible attitude which is allowing five million
tonnnes of woodchips to be exported out of the
state at the expense of native forests and
wildlife.

They have called a moratorium on GMOs
in Tasmania. Because organic farming has
such a premium for our state, because the
clean, green environment in Tasmania is such
an important entity, the Food Council of
Tasmania, after long deliberations, just last
weekend came out and called for a complete
moratorium. On that occasion the Liberal
Party conference was on in Tasmania and the
Prime Minister visited. I suppose helped
along by the Prime Minister, the Leader of
the Opposition in Tasmania, Sue Napier, tried
to have a bob each way and say, ‘Well, we
want the clean, green environment in Tasma-
nia but we don’t want to stop genetically
modified organisms on our farmlands.’ That
is a completely muddled approach, whereas
the Labor government has put in a morato-
rrium—I hope it becomes an extended mora-
torium—because it is in the economic inter-
est of our state. What this Australian Greens
amendment is saying is, ‘Let’s have a mora-
torium unless and until a company purveying
genetically modified organisms can show that
the release of them into the environment is
safe.’

Amendment not agreed to.

Senator BROWN (Tasmania) (5.53
p.m.)—I move subdivision H of amendment
5:

Schedule 1, page 3 (after line 4), before item 1,
insert:

1W At the end of Division 1
Add:

Subdivision H—Actions outside exclusive
economic zone
25A Offence relating to actions outside
exclusive economic zone

(1) A person must not take an action out-
side the exclusive economic zone if that
action would be a controlled action if it
were taken within the exclusive eco-
nomic zone.
Civil penalty:
(a) for an individual—5,000 penalty units;
(b) for a body corporate—50,000 penalty units.

(2) Subsection (1) does not apply to an action if:
(a) an approval of the taking of the action by the constitutional corporation, Commonwealth agency, Commonwealth or person is in operation under Part 9 for the purposes of this section; or
(b) Part 4 lets the constitutional corporation, Commonwealth agency, Commonwealth or person take the action without an approval under Part 9 for the purposes of this section; or
(c) there is in force a decision of the Minister under Division 2 of Part 7 that this section is not a controlling provision for the action and, if the decision was made because the Minister believed the action would be taken in a manner specified in the notice of the decision under section 77, the action is taken in that manner; or
(d) the action is an action described in subsection 160(2) (which describes actions whose authorisation is subject to a special environmental assessment process), or the giving of an authorisation (however described) of such an action.

This amendment would give the environment minister the ability to act on actions by companies overseas. This would mean that any action that would require an environmental impact assessment if it were done in Australia would require an environmental impact assessment if it is done outside Australia by an Australian company. It would need to be done by an Australian citizen or company so that they were familiar with how things work in this country. It would deal with the examples of environmental delinquency outside Australia—which have given such a bad reputation to our country—by companies like BHP at Ok Tedi, that horrendous environmental disaster in Papua New Guinea, and the Western Australian entity Esmerelda with the infamous release of cyanide down the river systems and finally into the Danube from their half-owned Romanian goldmine. We believe that companies should have to abide by domestic law, as far as the environment is concerned, in what they do overseas. This country has taken a lead in matters of arraigning citizens who do the wrong thing as far as abuse of children overseas is concerned; they face the Australian courts over that. In an age where globalisation is the mantra of the government, this is simply saying, ‘Let’s globalise responsibilities for Australian corporations to the global environment when they are acting outside our borders.’

Senator BARTLETT (Queensland) (5.55 p.m.)—I thought I should put on the record the Democrat position in relation to this. The Democrats have been calling for action for some time now and have renewed those calls a number of times, one of the more serious and most recent occasions being the Esmerelda episode in Europe. I think arguments could be put forward about whether or not this is the best way to go about trying to get accountability for Australian companies operating overseas, but I think there is a need to put in place some mechanism for doing so and to send the signal that we take seriously the responsibilities and operations of Australian corporations and the obligation to protect the environment. Sending that signal is something the Democrats have advocated for some time and, on the basis of that position we have taken consistently, we support this attempt to try and do so.

Senator BROWN (Tasmania) (5.56 p.m.)—I know that the shadow spokesperson is not here just at the moment, but I would like an indication from the opposition as to whether or not they support this or what alternative they would envisage as being appropriate to cover the circumstances which this trigger mechanism aims to cover.

Senator O’Brien—Mr Temporary Chairman, I draw your attention to the state of the chamber—

The TEMPORARY CHAIRMAN (Senator Murphy)—I think the quorum has just arrived.
Senator BOLKUS (South Australia) (5.57 p.m.)—I took the worst time of the day to leave the chamber, and that was the time when Senator Brown chose to make his shortest contribution ever—not just in terms of today’s debate but I must say ever, Senator Brown. We understand why you are moving this. I think there has to be real national concern about the behaviour of Australian corporations internationally. You have mentioned some of the instances that are of concern to us and instances that should have been of concern to the government, particular the Esmerelda situation when it first arose.

We have been addressing this issue and, in addressing it, a whole range of issues need to be confronted. An offence provision such as this has some appeal, but I must say there are some real problems as to the constitutional reach of this nation in terms of the activity you are trying to bring in under this umbrella. There is real concern as to the evidentiary situation as well. To try and apply Australian law internationally is a difficult thing to do. It has been done on the odd occasion but, when you are talking about corporations acting in other parts of the world, sometimes within the provisions of other countries, within the environmental provisions that may apply through organisations such as the European Union and so on, issues of conflicts of laws arise as well. For those reasons we are not at this stage of a view that a provision such as this actually tackles the problem sufficiently. That, together with the fact that, as I said earlier, our major purpose in this debate was to try and contain the debate to the issues arising from both the legislation last time around and the amendment bill this time around, leads us to a position where we cannot support the amendment.

Amendment not agreed to.

The TEMPORARY CHAIRMAN (Senator Murphy)—Senator Brown, do you intend to proceed with amendment No. 9 or are you going on to amendment No. 6?

Senator BROWN (Tasmania) (6.00 p.m.)—By leave of the committee, we might go to amendment No. 6 and take them in order.

Senator Bolkus—On a point of order, Mr Temporary Chairman: since we have already canvassed this issue and made a decision with respect to the clearing of native vegetation, should we not be going on to the next item?

The TEMPORARY CHAIRMAN—As I understand it, amendment No. 6 is an alternative to your amendment and also to Australian Green amendment No. 5.

Senator Bolkus—We had this debate earlier in the afternoon.

The TEMPORARY CHAIRMAN—Hopefully Senator Brown will take note of the point you make.

Senator BROWN—Senator Bolkus is saying that the Labor amendment has gone through.

The TEMPORARY CHAIRMAN—No, Senator Brown, it has not. The indication is that yours is not likely to be supported and we should move on.

Senator BROWN—I think when I outline it, there will be a change in those circumstances.

The TEMPORARY CHAIRMAN—Very good.

Senator BROWN—I move amendment No. 6:

(6) Schedule 1, page 3 (after line 4), before item 1, insert:

1T After Subdivision FA

Insert:

Subdivision FB—Native vegetation

24D Requirement for approval to clear native vegetation

(1) A person must not take an action that will lead or is likely to lead to clearing of native vegetation in excess of 1,000 hectares in any period of 5 years if the action will have or is likely to have an adverse impact on any of the following:

(a) the habitat of flora or fauna;
(b) ecological processes;
(c) the genetic diversity of flora and fauna and their potential for evolutionary development in the wild;
(d) greenhouse gas emissions;
(e) erosion, salinisation and other forms of land degradation;
(f) wetlands, waterways and water resources;
(g) landscape quality.

Civil penalty:
(a) for an individual—$5,000 penalty units;
(b) for a body corporate—$50,000 penalty units.

(2) Subsection (1) does not apply to an action if:
(a) an approval of the taking of the action by the person is in operation under Part 9 for the purposes of this section; or
(b) Part 4 lets the person take the action without an approval under Part 9 for the purposes of this section; or
(c) there is in force a decision of the Minister under Division 2 of Part 7 that this section is not a controlling provision for the action and, if the decision was made because the Minister believed the action would be taken in a manner specified in the notice of the decision under section 77, the action is taken in that manner; or
(d) the action is an action described in subsection 160(2) (which describes actions whose authorisation is subject to a special environmental assessment process), or the giving of an authorisation (however described) of such an action.

24E What is native vegetation?
In this Act:
clearing, in relation to native vegetation, means:
(a) lopping native vegetation; or
(b) destroying native vegetation; or
(c) removing native vegetation.
native vegetation means vegetation that is indigenous to the land, local government area, Territory or State in question.

This amendment is a fall-back situation for the Greens. We wanted to have the environment minister enabled to take action to do an environmental impact assessment where native vegetation clearance of more than 100 hectares was involved. This would have enabled the clear-felling that is currently eating into forests in Western Australia, Tasmania, Victoria and New South Wales to become a matter for action by the minister for the environment. As I said, the Labor Party did not support that because it has similar support for the woodchip corporations when it comes to their activities in Australia’s forests. We now have an amendment before the committee that lifts the area which would require the minister to take action to 1,000 hectares of native vegetation being cleared over five years. I understand that the ALP amendment would make that 1,000 hectares over two years, which is a looser trigger and would involve the minister for the environment on fewer occasions. I am not quite sure why the ALP does not support the amendment we have brought forward. In all likelihood, Queensland would be the only state that is affected.

At the moment, clearing in Queensland is estimated in the current year to be somewhere between 400,000 and 600,000 hectares. It is just extraordinary. It is being correctly paralleled with the destruction of the Amazonian and Indonesian rainforests. There is currently a Mexican stand-off between the state government and the federal government. We have to get some action here. The Labor Party has been supportive of at least one motion I put through the Senate to try to get action on this and I am glad that it has an amendment coming down the line. However, I believe that the Greens amendment, because it is stronger, is better.

Senator BARTLETT (Queensland) (6.04 p.m.)—I put on the record, for reasons similar to what we said when we considered an alternative amendment on native vegetation before, that the Democrats are happy to support this particular amendment.

Amendment not agreed to.

Senator BROWN (Tasmania) (6.04 p.m.)—If the chamber does not mind, in the wake of that vote I will ask Senator Hill whether he has an action plan to implement the Senate’s motion passed this afternoon, calling on AMP to desist from clearing 130,000 hectares of native forest vegetation in Queensland. Is he considering taking action to stop AMP undertaking that massive clearing operation, at least until there has been an environmental impact assessment done?

Senator HILL (South Australia—Minister for the Environment and Heritage) (6.05 p.m.)—I do not distinguish the position of AMP from other major pastoral interests in
Queensland. I think that Queensland is being significantly overcleared. The figures quoted by Senator Brown earlier in this debate are probably about right. My advice is that probably about 500,000 hectares are being cleared this year in Queensland. I do not think that is in the national interest. The Queensland government ought to meet its primary responsibility for responsible natural resource management within its state and take action. It has passed legislation in relation to endangered and of concern land on freehold, but has not brought that legislation into effect. It has taken no action in relation to the balance of the state, bearing in mind that the endangered and of concern land is only a very small proportion of the state. It is not properly addressing whether the clearing that is taking place is sustainable. It is not learning the lessons of the experience in southern Australia where overclearing has resulted in very major dryland salinity and loss of both economic and ecological values. Therefore, like most Australians, I urge the Queensland government to meet its responsibility, which is not only to provide a regulatory bottom line in relation to land clearing but to meet its financial responsibility to pay for it as well, in the same way as my state did 15 years ago.

Senator BROWN (Tasmania) (6.07 p.m.)—There is that old saying that all that needs to happen for the world to go to ruination is for good people to do nothing. Unfortunately, that is the position that the minister is taking on this matter. Here we have a real opportunity for him to empower himself and to act—he undoubtedly has those powers—to stop this indefensible destruction of native vegetation in Queensland, and he simply fobs it off by saying that it is somebody else’s job. This is a Pontius Pilate resolution to a difficult situation. It is part of the total failure of the Howard government to honour this nation’s environmental heritage. We are talking about areas like the ACT being cleared of native vegetation annually off the face in Australia under this government. Species are being lost to extinction that are unknown and undescribed. Whole habitats are being destroyed. The government is saying that it is somebody else’s responsibility while at the same time in so many ways—through tax breaks, for example—it is giving actual assistance to those who are creating the environmental vandalism. The Howard government is part and parcel of it.

It is very sad indeed to have a minister for the environment who knows the problem but who wrings his hands, turns his back on his own empowerment and says, ‘I cannot do anything.’ Here is his opportunity to do the right thing by this nation and he is failing it. Here is his obligation to stand for the quality of the environment that this country will give to future generations and he is turning his back on those future generations because there are more immediate corporate interests at the door. It is just an appalling shortfall in responsibility by the Howard government. It is not the minister; he has weakly tried to talk about topics like this. But because he is so inactive on the environment—he is not outspoken on the hard issues of the environment anywhere in the country—when he gets to cabinet he has got very little leverage.

The Prime Minister’s office has turned its back on the Australian environment. It is part of the problem, and it will be remembered for it. The Howard government—and this is saying something—is the worst government on protecting and being responsible for Australia’s environment that we have seen in this nation’s history. The current minister must bear some responsibility for that, but the current Prime Minister bears total responsibility for it.

Senator BOLKUS (South Australia) (6.11 p.m.)—by leave—I move:

(1) Schedule 1, page 3 (after line 4), after item 1,
   insert:

   1NA  After subdivision FA
   Insert:

   Subdivision FB—Native vegetation

   24D  Requirement for approval to clear
   native vegetation

   (1) A person must not take an action that
   will lead or is likely to lead to clearing of
   native vegetation in excess of 1,000
   hectares in any period of 2 years if the
   action will have or is likely to have an
   adverse impact on any of the following:
   (a) the habitat of flora or fauna:
   (b) ecological processes;
(c) the genetic diversity of flora and fauna and their potential for evolutionary development in the wild;
(d) greenhouse gas emissions;
(e) erosion, salinisation and other forms of land degradation;
(f) wetlands, waterways and water resources;
(g) landscape quality.

Civil penalty:
(a) for an individual—5,000 penalty units;
(b) for a body corporate—50,000 penalty units.

(2) Subsection (1) does not apply to an action if:
(a) an approval of the taking of the action by the person is in operation under Part 9 for the purposes of this section; or
(b) Part 4 lets the person take the action without an approval under Part 9 for the purposes of this section; or
(c) there is in force a decision of the Minister under Division 2 of Part 7 that this section is not a controlling provision for the action and, if the decision was made because the Minister believed the action would be taken in a manner specified in the notice of the decision under section 77, the action is taken in that manner; or
(d) the action is an action described in subsection 160(2) (which describes actions whose authorisation is subject to a special environmental assessment process), or the giving of an authorisation (however described) of such an action.

24E What is native vegetation?
In this Act:
clearing, in relation to native vegetation, means:
(a) lopping native vegetation; or
(b) destroying native vegetation; or
(c) removing native vegetation.
native vegetation means vegetation that is indigenous to the land, local government area, Territory or State in question.

I indicate that the debate on these amendments is essentially the debate we have had on and off for the last hour or so in terms of vegetation.
Amendments agreed to.

Senator BOLKUS (South Australia) (6.11 p.m.)—by leave—I move:
(1) Schedule 1, page 3 (after line 4), after item 1, insert:

1T Section 34 (after table item 13D)
Insert:

13E Section 24D native vegetation

3B Paragraph 44(d)
Omit “and approval”.

3C Subparagraph 45(2)(a)(iii)
Omit “and approval”.

3D Subparagraph 45(2)(a)(iv)
Omit “and approval”.

3E At the end of subsection 45(2)
Add “However, an agreement which delegates authority to a State or a self-governing Territory to approve actions is not a bilateral agreement under this Act”.

3F Section 46
Repeal the section.

3G Subsection 48(3)
Repeal the subsection, substitute:
Relationship with section 47
(3) Subsection (1) does not limit section 47.

3H Subsection 48A(1)  
Omit “46 or”.

3J Subsection 48A(2)  
Repeal the subsection.

3K Subsection 51(2)  
Repeal the subsection.

3L Subsection 52(2)  
Repeal the subsection.

3M Subsection 53(2)  
Repeal the subsection.

3N Subsection 54(2)  
Repeal the subsection.

3P Section 65A  
Repeal the section.

(17) Schedule 1, page 5 (after line 19) after item 3P, insert:

3Q Subsection 82(2)  
Omit “or would be apart from Division 1 or 2 of Part 4 (which provide that approval under Part 9 is not needed for an action covered by a bilateral agreement or declaration)”.

In moving these amendments I indicate that they go to one of the most critical areas of concern that not just the opposition has but also an ever growing number of people in the community have about the government’s environment legislation which was passed through this place last year. Essentially the legislation provides that a bilateral agreement may declare a certain class of action exempt from the approval processes either if they have been approved by the Commonwealth, a state or a territory or a specified agency in the specified manner or if the actions are in accordance with the strategic assessment. The only limitation on ministerial discretion to enter into such an agreement is that the minister must be satisfied that the process adequately considers the impact on the matter of national environmental significance. What we have here is a delegation of powers to what we said a year ago would be uncertain regimes, inconsistent regimes and inadequate regimes. Through this minister’s attempt to get regimes operating under these provisions and his attempt to introduce regulations, over the last 12 months we have had the evidence proving that what we were concerned about a year ago was spot on.

We might have before the Senate in the not too distant future the question of regulations made under this legislation. We need to go to those regulations to see what sort of deception the Democrats were subject to last year, what sort of naivety they showed and how inadequate the regime that was adopted by the Senate last year is to protect the environment. We heard Senator Bartlett talking earlier on about this great piece of legislation. Senator Bartlett, most people learn from their mistakes, but I have to say that I found that sort of teeming naivety that came out earlier on quite overwhelming. I was bemused by it. You are talking about someone saying a year ago that this is the best legislation to protect the environment. Let us have a look at these provisions that devolve authority, devolve assessment processes and devolve approval. Let us look at the regulations that this government is now trying to bring in to give some substance to these provisions.

We have before the Australian people—published after we got up for the winter break—a set of regulations which do not provide any safeguards in terms of process or outcome. The regulations do not demand that the states establish essential features or attributes of state assessment. The regulations say that the states need only establish a system of admin guidelines to underpin an assessment process. There is no real prerequisite as to what needs to be taken into account. There is no fundamental prerequisite as to EISs, public environment reports or inquiries under the EPBC legislation.

Basically, the states will be in a position to readily grant approval after an assessment approach by way of a mere admin decision. There is no invocation of what you were promised a year ago, Senator Bartlett—best contemporary practice—and no reflection of any real requirements as to adequate assessment procedures. The legislation we adopted in this place last year has allowed the states to do what the Commonwealth could have been doing, not on the basis of any adequate guidelines, regulations or structures but at a mere whim under an administrative guide-
There is no provision for public comment, no broadening from the fundamental floor of the act, which only asks that relevant impacts be taken into account in the assessment process, not for all the impacts on the environment to be considered. This was the debate we had last year.

Regulation 303(2) restricts access to documentation. The Democrats come in here time after time and claim that they are ‘of the people’ and they want to give the people say in the process. Their deputy leader and others claim they know what the people think and want to get them right into the system. Well, under 303, subdivision 2, there will be restriction of access to documentation in circumstances where the states are able to determine what constitutes ‘national security’, where the states are able to determine what constitutes ‘advice to the minister’, and where the states are able to determine what constitutes ‘commercial in confidence’. It is a bodgie set of regulations under this legislation that was passed a year ago. It is big on promise but very short on delivery. Those are the clauses that we now want this parliament to knock off. They are clauses that basically devolve responsibility for approval and assessment to the states—from a minister who spends most of his time trying to blame the states for what he claims they are not doing properly to adequately protect the environment. What does he do in response to this damming criticism that he levels at them continually? He gives them more of his power for them not to fulfil and not to meet responsibly and adequately. It is a fundamental flaw in the legislation. Senator Bartlett, maybe that eminent QC you referred to earlier on needs to look at these regulations and needs to revisit the advice he gave the EDO some 12 to 14 months ago. In the opposition we believe that this is an opportunity for this chamber to get it right and an opportunity for the Australian Democrats to get right now what they got wrong 14 months ago. I ask the chamber to support these amendments, which basically remove the devolution capacity of the approvals process.

Senator BARTLETT (Queensland) (6.18 p.m.)—Firstly, I note that a number of amendments that Senator Bolkus has moved and a number that Senator Brown has circulated and is proposing to move relate to a similar issue but conflict in various ways. I would be interested to hear from either of those moving or proposing to move those amendments what the distinctions are and what the benefits are of one over the other. This is another area where I can highlight the rationale of the Democrats’ actions in relation to this. Despite Senator Bolkus urging me to recognise my naivety, I certainly do not back away from the strength of those actions. I do not think at all that the Democrats’ action was naive in relation to what we agreed to and what we managed to get in place. Having said that, I think it is important to retain a tiny bit of naivety or hope in a broader sense. I am sufficiently naive to still hope that the Labor Party may have a genuine commitment to the environment, if they ever get back into office, although some of their state governments do not give me much hope for that. However, one has to retain a tiny bit of hope somewhere in one’s approach or else give up, and I think we have to keep persevering in this area. I should also mention that the opinion I quoted earlier from Simon Molesworth QC, the national president of the Environment Institute of Australia, was from October last year, so it was certainly a number of months after the bill was passed through this place.

It is reasonable for people, particularly coming from Queensland, to have concern about the potential risk of giving too broad a power to state governments to approve actions that may be of national environmental significance. One could point to any number of actions in the past or currently. There is some irony in people who, quite reasonably, continually attack the federal environment minister, Senator Hill, for being ‘completely inadequate, incompetent, hopeless and generally useless’ on the environment wanting to make sure that he keeps absolutely all the power to himself. But I can understand the concerns people have about state governments being perhaps even more hopeless, if such a thing were possible. That is a bit of a flippant comment, which I should not make too often because it can be misinterpreted. It is understandable that people may have legitimate concerns about what state govern-
ments may do, but the suggestion that federal governments will always protect the environment and state governments will always seek to destroy it is a little bit one-dimensional. Obviously, history shows there are particular pressures on state governments that make them more prone to be supportive of inappropriate development, but to suggest that that will always be the case on every issue in every state on every occasion for all eternity is perhaps a bit naive, if I might use that word. It is also appropriate to detail what is actually in the act as was passed with the Democrat amendments. Again, without getting into an endless quotation war, I mention another one. This issue has often been pointed to as a ‘dramatic handing over of extra powers back to the states, an abrogation of Commonwealth responsibility and a diminution of the power of the Commonwealth in environmental areas’.

Whilst I can understand people making that statement when they look at this single section of the act, when they look at the act in totality—which is what the Democrats did when we made our judgment about supporting improvements to our national environment legislation—I honestly cannot see how anyone can continue to reasonably assert that this is somehow a reduction in federal environment powers and is handing back powers to the states. At the same EDO conference that Mr Molesworth attended, another speaker there, John Scanlon, was at the time the chief executive of the South Australian environment department—I am not sure whether he still is—and also a founding chair of the South Australian Environmental Defenders Office. He stated quite unequivocally that the EPBC Act does not represent a handing back or delegation of Commonwealth powers to state governments compared with what was in existence previously. The act clearly represents an expansion of Commonwealth involvement in environmental issues. The expansion is both in the area of interest and in the role of the federal environment minister. The act is very large, so I will not point to all the different areas where there has clearly been an expansion of Commonwealth powers over the states, but it is quite clear that there has been an expansion.

I should acknowledge a previous comment by Senator Brown that he found it surprising I had not heard people complaining about this act. I have heard people complaining about it and they continue to complain about it. The ones that complain about it most loudly are the mining industry, property developers and the state governments, because they believe that it has handed too much power to the federal government and made things a lot tougher for them. I do not have a problem with that and I do not apologise for the Democrats’ role in it. I am not trying to suggest that every environment group is completely happy with every single aspect of the act as it stands. As I have said a number of times here, the Democrats are not completely happy with every component of the act as it stands. That is why we have supported a number of amendments and moved some ourselves. It is a pretty simple concept to acknowledge and to point to the extreme improvements in the federal environment legislation compared with what was there before while still pointing to areas where we could have further improvement. I am not sure why people have trouble holding those two concepts in their head at the one time. Certainly, it seems pretty straightforward to me if you are still looking at an overall gain in the strength of environmental protection.

Turning to the process that is currently in place in this area, approvals are able to be done only under approved management plans which are in force under a law of the state or the Commonwealth and which meet minimum standards, specified in regulations. Those management plans would be disallowable by either house, so the Senate alone could disallow any of those management plans. The management plan may not have unacceptable or unsustainable impacts on matters of national environment significance contained within it, or it can be challenged and overturned legally. Actions not covered by an approved management plan revert back to ministerial approval processes under the act and the Commonwealth has to be involved with all approval powers. A significant number of safeguards have been put in place.
I refer again to Mr Scanlon from the South Australian environment department. His comments at the EDO forum last year indicated that, given all the requirements that have been put in place, he could not imagine any circumstance where a state government was likely to go down the path of getting an approval bilateral because it would be so tortuous, so difficult and it would put them in a situation where they would be subject to overruling by the Senate. Again, that is not something the Democrats apologise for because we think it is appropriate in an act such as this. To paint this issue as some major yawning gap that the Democrats naively left in the legislation that allows Senator Hill or any future environment minister to willy-nilly hand over approval processes to state governments to do what they want in contravention of all the components of the act is a very inaccurate picture of what is already in place under the act. That is not the situation. The Democrats would not have supported the legislation were that to have been the situation.

It is worth noting that, as part of the overall requirements of bilaterals moving from the area of approvals to assessment, the mechanism that has now been put in place, which this issue relates to—if not being directly related to the specific clauses that are contained within the amendment—provides an opportunity, which hopefully will not be lost, to significantly improve the assessment regimes of state and territory governments around the country. That is an opportunity that should be acknowledged and hopefully grasped. As I have stated, people quite reasonably have concerns about the record and adequacy of state governments and the adequacy of some of their legislation, including their environmental assessment procedures and requirements. The Democrats, not having representation in some state parliaments, such as Queensland, are always keen to explore opportunities where we can use the federal parliament to improve the performances of state governments as well. This mechanism provides an opportunity for the federal parliament, or the federal act, to significantly improve the assessment processes at the state level. Any improvement in relation to that should be acknowledged.

I would be interested in any comments the minister may have about any potential approval bilaterals that may be in their initial stages. As far as I am aware, there is no approval bilateral in place or close to being put in place. As things currently stand, under the act all approval powers still reside with the federal minister. I would be interested in an indication from the minister as to whether that situation is likely to change in the foreseeable future. Having said that, I would be interested in any further elaboration from both Senator Brown and Senator Bolkus about the distinctions between their two amendments and the benefits each may have over the other.

Senator BROWN (Tasmania) (6.29 p.m.)—In brief, the difference between the ALP amendment and the Greens amendment is that the ALP amendment allows for assessments to be delegated to the states by the Commonwealth, but not the approvals. The Greens amendment would prevent the delegation of both assessment and approval to the states. Senator Bartlett, on behalf of the Democrats in their continuing effort to defend the indefensible whereby, 12 months ago, they guillotined the inadequate environmental legislation that we are now trying to amend through this chamber, says, ‘There are going to be management plans and this is going to improve the situation.’ Let me explain to Senator Bartlett that the major management plans which have come into being under Commonwealth-state arrangements since this legislation was guillotined in the Senate by him and his Democrat colleagues 12 months ago—and, by the way, built into this legislation is the stripping of Commonwealth powers for forests for the next 20 years—are called regional forest agreements. There are several of them, for example, in Western Australia, Victoria and New South Wales which have been approved since this legislation came into place.

Am I hearing from Senator Bartlett that the Democrats feel that this extraordinary destruction of wildlife and forests in Victoria, Western Australia and New South Wales is a good outcome? I am sure the monumental disaster in Tasmania was signed a bit earlier than in other states, but the outcome has not
been much different. Senator Bartlett will come back and say: ‘But that was not covered by this legislation.’ It was not covered because the Democrats did not make sure that it was covered. They struck an agreement with John Howard and left it out, and we cannot do anything about it. When the Greens tried to rectify that situation in this chamber in June last year, Senator Lees and all her Democrat colleagues guillotined the debate. We could not even discuss the matter. Now we have Senator Bartlett saying: ‘This is good legislation and we can improve it and management is going to be good under bilateral agreements.’ Tell that to the environment groups that are trying to fight the destruction of forests and wildlife in the several states I have just spoken about.

It is important that the Commonwealth takes responsibility for major actions affecting the environment; it is important that it does the assessment as well. Senator Bartlett cannot have it both ways. He cannot say on the one hand that this will improve the states’ performance but on the other hand that the states, not least the Labor states, have an appalling record on the environment. The need is for this nation to act like other nations with suitable environmental powers for, and requirements of, the minister to act on behalf of the environment. He goes into cabinet to represent the environment; he should be there without exception to act in the interests of the nation’s environment. But that is not how this system is working.

We have an apologist system, not just with this government but with past governments, whereby ministers in this portfolio, unlike ministers in other portfolios, are not out there making sterling speeches on behalf of their portfolio in the run-up to cabinet decisions. You do not see that with the current minister on difficult issues like forests. You see him steering clear of it. The Democrat involvement in this legislation last year is inexcusable. Sure, there will always be some people who will say that it is fine. The only way this is going to be fixed is by the Greens and the Labor Party leading with amendments. But the very entity that Senator Bartlett just criticised for its environmental record—the Labor Party—is the one upon which he and his Democrat colleagues now rely to fix up the extraordinary shortcomings of the legislation which they guillotined through the Senate a year ago.

The Greens amendment will ensure that the Commonwealth takes proper responsibility. It will effectively put an end to this devolution of responsibility, of power and, therefore, of shortcomings to the states. I would like to know from the minister how this federal-state relationship has worked. What action for the environment has come out of this legislation since it went through with the support of the Democrats 12 months ago? What bilateral agreements have come into place which have acted materially to protect the environment, which would not have been done had this been a federal power and had there been a trigger mechanism not only empowering the minister but also requiring the minister to act?

Senator HILL (South Australia—Minister for the Environment and Heritage) (6.35 p.m.)—Firstly, with respect to matters raised by Senator Bartlett, the government has been concentrating on the development of assessment bilaterals rather than approvals bilaterals. As I said last night, the draft bilaterals have been published. In the case of a number of states, negotiation of the details of those bilaterals are well advanced and I cannot
see any reason why the first assessment bilaterals cannot be concluded in the near future. In the meantime, applications are being assessed by the Commonwealth in the terms of the legislation. As I said, in respect of approval bilaterals, with very few exceptions that matter has not been significantly advanced because our efforts have been concentrated towards the assessment bilaterals and, as I said in the debate just over a year ago, the granting of power from the Commonwealth to approve on behalf of the Commonwealth will be an unusual event.

In relation to Senator Brown’s question of what has therefore happened to applications since the legislation came into effect a month ago, a number of applications have been made in terms of the legislation and the government has been responding to those applications within the time frame set out in the legislation. I personally have signed off on one of those matters, and I think the department might be in the process of signing off on another two. So there has been a handful of applications and they are being handled by the Commonwealth in terms of the legislation. If we get to the stage of an assessment needing to be done under any of those applications, we will consider whether it should be done by the Commonwealth or whether we might consider it being done by a state under a one-off agreement, a single project based agreement. But we have not got to that stage yet.

Senator BARTLETT (Queensland) (6.39 p.m.)—I wish to again clarify the situation for those listening who may be interested and for the purposes of the record. I find a bit curious why Senator Brown does not want to use the mechanisms in the act for the potential of improving states’ assessment procedures. As I said before, people’s concerns about state governments and some of their records and actions are understandable, but I do think it is ignoring the reality of the system of government we have in Australia to try to suggest that states should have no role whatsoever under any circumstances and to have as much as possible removed from any activity they may do in relation to this area. Surely, given that we have state governments—some people may wish that we did not but we do, and I think we are likely to for the foreseeable future—we should try to ensure that those state governments adopt the best possible regimes at the state level for environmental assessment. So I find perplexing why that opportunity should not be explored and utilised.

Senator Brown continues to point out that various measures are not in the act because the Democrats guillotined the original bill and some of the amendments were not able to be moved. I say the same myself, so I am happy to keep each of us saying the same thing about that historical fact. Clearly, measures are not in the bill because the Democrats guillotined it, and I do not hide from that fact. To highlight those two basics points: the opportunity of having an expanded, stronger, national environment legislation is one that the Democrats believe is important, because we are interested in trying to get positive improvements in environmental outcomes. And the fiction that this new act is now stopping people who are concerned about the environment from being able to prevent environmental destruction suggests that somehow or other under the previous legislative regime they were able to stop this destruction and now they cannot. I think the facts clearly demonstrate that is not the case. The previous regime was significantly weaker and provided fewer opportunities for people to try to prevent some of that activity. As I say, the other main group of people who seem to be sending the same message as Senator Brown about opposing the existence of this act and its coming into being are property developers, the mining industry and state governments. Most environmentalists I work with are looking at using the new existing legislative regime to further enhance environmental protection, and that is certainly the Democrats’ focus as well.

I did have a few more quotes but I will not go further down the path of others who, while looking at the act, are providing strong support for a lot of the new mechanisms now in there that were not there before. I say that only because I think the suggestion that somehow it was just an isolated couple of people I was desperately dredging around to
find quotes from is misleading. They are particularly from people who actually worked with the legislation, which is a different focus from some people who focus more on campaigning. Both have their important roles in terms of having to work with the legislation and, firstly, trying to get better legislative mechanisms in place; and, secondly, exploring avenues for getting those mechanisms used. It is many of those people in particular who are recognising some of the potential that is now in this new act.

The other immediate question I have is to the opposition. I think it is their amendments at the moment that we are exploring. I seek clarification from Senator Bolkus that his amendments that seek simply to remove the approval bilaterals are an indication that the ALP does not have a particular opposition to the ongoing existence of assessment bilaterals. I would be interested in hearing Senator Bolkus’s view on that.

I must say that I have had ongoing contact with a large number of environmental organisations, including some that were among the more critical of the Democrats’ actions last year. I have gone through some of the large piles of documentation, letters, requests and proposals from some of those groups; I do not recall seeing, and still could not find in here, any particular urgings for removing the assessment bilaterals. It is not something that has been raised with me. Certainly the approvals are a different issue, and I have made some comments on that before.

I am sure that Senator Bolkus, despite his animated conversations with the minister, might have picked up on my questions to him. I am just wanting to get an indication about your amendments, which, as I understand them, are simply seeking to remove the bilateral approvals, not the assessments. Is that an indication that the ALP is reasonably comfortable with the bilateral assessment processes that are in the existing act or is it more a matter of just minimising the number of areas that you want to move amendments on at this stage?

Senator BOLKUS (South Australia) (6.46 p.m.)—We had decided to minimise the number of amendments, and that is essentially why we took this action, though, when you refer to that conversation with the minister, one of the issues I raised concerned the actual regulations that had been promulgated under the legislation. We are giving them some fairly close scrutiny. The minister may laugh, but these regulations were supposed to provide the structures under which these processes, assessment and approval would work, and there are some enormous gaps in those regulations. They are the gaps I mentioned earlier in terms of the state processes that are necessary and so on. So we are taking a very close look at whether we can disallow some of those regulations and send the government back to start the process again. If the government would like to talk to us about what our concerns are, obviously we will be in the business of that as well, but there is some genuine ongoing concern about the assessment processes that are provided for under the regulations under this act.

Senator HILL (South Australia—Minister for the Environment and Heritage) (6.47 p.m.)—We have had enough of this debate today.

Progress reported.

RENEWABLE ENERGY (ELECTRICITY) BILL 2000

RENEWABLE ENERGY (ELECTRICITY) (CHARGE) BILL 2000

Report of Environment, Communications, Information Technology and the Arts References Committee

Senator ALLISON (Victoria) (6.48 p.m.)—I present the report of the Environment, Communications, Information Technology and the Arts References Committee on the provisions of the Renewable Energy (Electricity) Bill 2000 and a related bill, together with the Hansard record of the committee’s proceedings, and documents and submissions received by the committee.

Ordered that the report be printed.

Senator ALLISON—I seek leave to move a motion in relation to the report and to have my tabling statement incorporated in Hansard.

Leave granted.

Senator ALLISON—I move:

That the Senate take note of the report.
The statement read as follows—

On 29 June 2000, the Senate referred the Renewable Energy (Electricity) Bill 2000 and the Renewable Energy (Electricity) (Charge) Bill 2000 to the Environment, Communications, Information Technology and the Arts References Committee for inquiry and report by 15 August 2000. The impetus for the Renewable Energy legislation stems from Australia’s potential obligations under the Kyoto Protocol to the Framework Convention on Climate Change, which was agreed in December 1997 and signed by Australia in April 1998 although Australia has not yet ratified the Protocol. The mandatory target for the uptake of renewable energy in power supplies was first outlined in the Prime Minister’s statement Safeguarding the Future: Australia’s Response to Climate Change. The Bills aim to give effect to the commitment made in the government statement.

Electricity generation contributed 65.2 per cent of ‘stationary energy’ emissions and 37 per cent of total national emissions in 1998. Electricity emissions are currently showing very high levels of growth: 30.6 per cent between 1990 and 1998 and 10.3 per cent in the last of those eight years, that is for 1997 and 1998. Those figures underline the importance of encouraging the development of renewable and cleaner sources of energy.

The Committee was impressed with the enthusiasm with which this measure is being greeted by large sections of the electricity industry, representatives of the green movement and electricity users from industry. Although most witnesses appearing before the Committee sought amendments to the legislation, they stressed that they wished the legislation to proceed in one form or another. This support was not unanimous: a number of large industrial users of electricity were highly critical of the legislation and expressed concerns that are dealt with in the Committee’s report. In some cases they sought clarification of the intent of the legislation and in others, they sought amendments to the Bills.

The Committee has made a number of recommendations which arise from its consideration of the issues raised and which, in its view, would help in cleaning up air quality, reducing our dependence on fossil fuels and assisting, at the same time, the development of new energy industries such as wind and solar, with all the jobs and economic opportunities those industries will bring.

Concern was expressed in submissions and by witnesses that the level at which the shortfall charge is currently set in the Bill ($40 per megawatt hour) was too low and that it might encourage liable entities to choose to pay the charge instead of buying renewable energy certificates. That would defeat the purpose of the legislation and provide no incentive for the development of renewable energy sources.

The Committee is recommending that the Government increase the proposed $40/MWh penalty to a level that encourages liable entities to purchase renewable energy certificates rather than pay the penalty.

The Committee makes no recommendation as to the level of the penalty but urges the Government to consider the fact that even though the market will determine the value of renewable energy certificates, a penalty of $40/MWh is likely to deliver a rate of $70-$80/GWWh which will be inadequate for the development of significant wind and solar energy industries. At $80/MWWh it is likely that only the windiest sites would be viable and, as experience has shown overseas, these are often the sites which are the most environmentally and aesthetically contentious. Australia also has very significant solar resources which are unlikely to be tapped if the value of certificates is too low.

The tax treatment of the penalty is discussed in some detail in the report and the Committee is recommending that the issue should be clarified, that the penalty should clearly not be tax deductible and that it should at least be indexed for CPI increases.

A majority of submissions raised concerns relating to the forms of biomass wastes that would be made eligible, and in particular, of the effect that the inclusion of waste from old growth or native forests could have on our forests. The Committee shares those concerns and recommends that non-plantation native forest wood products and wood wastes be specifically excluded from the list of eligible renewable energy sources.

A number of submissions raised concerns relating to the forms of biomass wastes that would be made eligible, and in particular, of the effect that the inclusion of waste from old growth or native forests could have on our forests. The Committee shares those concerns and recommends that non-plantation native forest wood products and wood wastes be specifically excluded from the list of eligible renewable energy sources.

A majority of submissions called for a legislated review of the effectiveness and design of the measure. The Committee was persuaded by the arguments put forward and it is recommending that the legislation be amended to provide for a wide-ranging review, to be held within 3 years of the introduction of the measure. It should be conducted by a person or body independent of any particular industry sector, and provide for public submissions to both the initial inquiry and public comment on its draft conclusions.

The Committee recognises that, once the Bills are passed, a great deal of work will need to be done before the measure is fully operative. The Committee urges the government to work towards having the national accreditation of renewable energy generators in place by 1 January 2001 so that no further time is lost in implementing a
measure of great potential benefit to the environment.

I would like to thank the Committee Secretariat for yet another excellent report prepared in a very short time frame and under the usual pressure. I would particularly like to thank Ms Roxane Le Guen for her outstanding work as Committee Secretary, for the very high level of skills she brings to that demanding role and the enormous task of organising the many very substantial inquiries this committee has conducted in the past few years. I very much appreciate the unflagging support she has given to the committee and to me as chair. Thank you, Roxane, I hope you enjoy your new position with information technology after the 25th of August.

I commend the report to the Senate.

Senator ALLISON—I seek leave to continue my remarks.

Leave granted; debate adjourned.

ADJOURNMENT

The DEPUTY PRESIDENT—I propose the question:

That the Senate do now adjourn.

Goods and Services Tax: Media Coverage

Senator MURRAY (Western Australia) (6.50 p.m.)—On 25 November 1998, the Senate referred issues relating to the GST and the proposed new tax system to a select committee and three Senate references committees. Four of our seven Democrat senators sat on those committees. By the time the final report came down five months later, in April 1999, these committees had produced five reports, totalling 1,508 pages, including the Democrats’ minority reports. The main report lists the number of submissions received as 1,544, with 777 form letters and six petitions. Twenty-seven public hearings were held. A number of expert modellers and economists were used as consultants. Although I was the Democrat with principal portfolio responsibility for tax reform, all senators contributed. We were assisted by our very expert senior adviser, John Cherry. Senator Lees had oversight of the whole process. We largely wrote the terms of reference for the Senate committees. After five months of committee work, in April and May Senator Lees and I, along with our advisers, found ourselves negotiating with the Treasurer and the Prime Minister on the new tax system. Compro-

mises were made, agreement was reached, and the modified new tax system came into being.

Why am I spelling this out? Firstly, to place firmly on the record the grave error on the part of those people who, with a grim determined perversity, still believe that the Democrats went to the October election in 1998 opposing a GST. The reverse is true. It was there in black and white, on radio and TV, debated and publicised throughout the 1998 election campaign. Our public 42-page tax reform paper in September 1998 became the Democrats’ October 1998 tax reform platform. It outlined the basis on which the Democrats would accept a modified GST. We slogged through the detail of tax reform for more than a year, tracked by the professionals in the media. Sadly, however, a few media commentators still write as if we arrived at the negotiations with blank minds and blank pieces of paper.

So my second purpose is to reflect on some media people who simply did not do the hard yards on tax reform. That does not include journalists like Paul Cleary, then of the Herald and now of the Financial Review; Phil Hudson of the Age; Steve Lewis of the Financial Review; George Megalogenis of the Australian; Tim Colebatch of the Age, along with a number of other diligent journalists who did do the hard yards. They are the more credible for that effort.

I want to outline a consistent bias that I could never get corrected. This is quite simple really: it is about the design of a GST. It is a respectable and defendable position to argue that there should be no indirect tax at all, no consumption tax at all—and I stress ‘at all’—on the grounds that all indirect taxes are regressive. However, once you do decide to support indirect taxes, you can take only one of two positions: no exemptions or some exemptions. The Labor Party, the coalition
and the Democrats all took the ‘some exemptions’ route.

In the course of the debate, most tax experts and business organisations argued for either no exemptions or very few exemptions. The Labor Party wanted the most exemptions, with only goods taxed, not services, and then only at the wholesale level. The coalition and the Democrats wanted both goods and services taxed at the consumption level, but with exemptions. Nearly three-quarters of the countries of the world have GST systems. Nearly all of the systems feature major exemptions. Only four countries, one of them New Zealand, have broader based GST systems than ours. Regrettably, and most frustratingly, some ignore the fact that the coalition proposed extensive GST exemptions for dwelling rentals, health services, education, financial services and exports. The Democrats agreed with those exemptions and then broadened them to include basic and fresh food. We also negotiated extended exemptions to the health, education and charitable services sectors.

Here lies the myth propagated by a few editors and reporters, none of whom I can remember doing the hard yards on tax reform. The myth is that the coalition proposed no exemptions. This is a myth promoted by Alan Wood in the Australian on 4 February. He approvingly quotes John Howard saying:

I mean, our original idea was that you had it on virtually everything and then, because of the need to get the support of the Democrats, we had to agree to take out certain food items.

Hardly an honest appraisal by either. Alan Wood again, on 31 May:

There is no doubt the best design for a GST and the one that confers the most benefits is a single rate tax with virtually no exemptions. This was what the Howard Government originally proposed...

Just a little reminder to Mr Wood that health alone is more than eight per cent of GDP, education nearly five per cent and financial services five per cent—and those are just three of the sectors in John Howard’s original exemptions.

Stephen Koukoulas, in the Financial Review on 3 July, said:

Part of the attraction of the comprehensive goods and services tax regime originally proposed by the Howard Government was its relative simplicity; everything taxed at ten per cent.

Mr Koukoulas declined to mention the coalition’s extensive exemptions covering well over 20 per cent of GDP.

I tried to respond to some articles I saw. My colleagues did similarly. My clipping service indicates the following papers did not print my letters which attempted to correct the record and spelt out the coalition’s exemptions and the Democrats additions: the Courier-Mail, 3 February; the Australian, 4 February; the Australian, 31 May; the Daily Telegraph, 13 June; the Courier-Mail, 14 June; the West Australian, 16 June; the Financial Review, 3 July; and the Canberra Times, 3 July. The myth was allowed to stand. The Herald Sun was an exception and did print my letter on 16 June.

My favourites, though, were the editorial in the Adelaide Advertiser on 1 July and an article on 28 June which claimed that fresh food was exempted at the insistence of Labor and the Democrats. In fact, the Labor Party voted in the Senate to tax all food, not once but three times. Labor’s influential Mr Della Bosca still advocates that position. The Advertiser did at least print my correcting letter a week later.

And now for a fascinating tailpiece. There were three submissions to the Senate select committee which deserve a mention in this story: No. 854 from John Fairfax Holdings Pty Ltd/West Australian Holdings Ltd, No. 1090 from News Limited, and No. 707 from Magazine Publishers of Australia. These submissions all asked for an exemption for newspapers from the GST. For the record, the Democrats declined to try to make the coalition exempt newspapers from the GST. I do not recall any articles in those newspapers I have mentioned on exemptions fessing up to their own pursuit of an exemption.

I have mentioned eight newspapers in this story about exemptions. The Daily Telegraph, the Herald Sun, the Courier-Mail, the Adelaide Advertiser and the Australian are all News Limited. The Canberra Times and the Financial Review are Fairfax. The West
Australian is the eighth newspaper I have mentioned.

Australian Labor Party: Townsville

Senator BRANDIS (Queensland) (6.59 p.m.)—I wish to bring to the attention of the Senate serious fraud which has occurred within the Australian Labor Party in Townsville. That conduct has now seen two prominent Labor Party activists convicted of serious criminal offences and serious allegations made against a number of others.

Last Friday in the District Court at Townsville, Karen Ehrmann, who formerly represented the ALP on the Townsville City Council and was in 1997 endorsed as its candidate for the state seat of Thuringowa, was convicted of 24 counts of forgery and 23 counts of uttering under section 67 of the Commonwealth Crimes Act. Under Australian Labor Party rules in Queensland, participation in a plebiscite for the selection of a parliamentary candidate requires verification by electoral enrolment. The offences to which Karen Ehrmann pleaded guilty related to the lodgment of fraudulent electoral enrolment forms in order to enable phantom votes to be cast in Ehrmann’s pursuit of preselection for the state seat of Thuringowa. In this fraud she was initially successful, defeating Mr Terry Gillman in a preselection battle in 1997. However, when a Commonwealth police investigation revealed her conduct, she was forced to surrender the endorsement. In her sentencing remarks last Friday, Judge Wolfe, the Chief Judge of the Queensland District Court, said:

The crimes you committed affect the confidence of the citizens of Australia in their democratic processes. It cannot be put too highly. You ... interfered with the integrity of the electoral roll.

I seek leave to table Her Honour’s sentencing remarks.

Senator BRANDIS—Judge Wolfe said:

Her Honour sentenced Karen Ehrmann to imprisonment for three years with a minimum of nine months to be served. Earlier, on 17 March 1999, Shane John Foster, another former Labor councillor on the Townsville City Council—

Senator Brandis, I must interrupt you to ask if leave is granted.

Senator Bolkus—No.

Senator BRANDIS—Her Honour sentenced Karen Ehrmann to imprisonment for three years with a minimum of nine months to be served. Earlier, on 17 March 1999, Shane John Foster, another former Labor councillor on the Townsville City Council—

The ACTING DEPUTY PRESIDENT—Senator Brandis, I must interrupt you to ask if leave is granted.

Senator Bolkus—Maybe Senator Brandis has decided to come in here bucket swinging rather than getting himself on top of procedures and processes, but on the basis that, in circumstances like this, normally—

The ACTING DEPUTY PRESIDENT—Senator Bolkus, I understand that you can dispose of this at the end of Senator Brandis’s speech.

Senator Bolkus—He has sought leave and I am responding to it. When someone wants to table a document, they always show it to interested parties—the other side and the minor parties as well. In this particular instance that has not happened. As I said, Senator Brandis has chosen to come in here bucket swinging rather than to look at the processes. If he wants to give us that document to have a look at, then maybe we would consider it.
Senator BRANDIS—Mr Acting Deputy President, the document does not—

The ACTING DEPUTY PRESIDENT—Senator Brandis, standing orders dictate that you need to show that document to the other side before you speak from it.

Senator BRANDIS—I withdraw the application for leave to table the document. Her Honour sentenced Karen Ehrmann to imprisonment for three years with a minimum of nine months to be served. Earlier, on 17 March 1999, Shane John Foster, another former Labor councillor on the Townsville City Council, who was in league with Karen Ehrmann, pleaded guilty to 22 counts of electoral fraud. The conduct of which Ehrmann and Foster were convicted, and for which Ehrmann is now in jail, strike at the very heart of the democratic process. As Judge Wolfe said: The integrity of the electoral roll is sacrosanct. It was not sacrosanct to Ehrmann and Foster. Yet these two people were put forward by the Australian Labor Party to hold offices of high public trust. Both of them are city councillors—

Senator Bolkus—Tell us about Moore.

The ACTING DEPUTY PRESIDENT—Order! Senator Bolkus!

Senator BRANDIS—and Ehrmann as an endorsed candidate for state parliament. But the story does not end there. In truth, the leadership of the Australian Labor Party in Townsville is shot through with illegality and corruption.

Senator Bolkus—Who signed the documents in Moore?

The ACTING DEPUTY PRESIDENT—Order! Once again, Senator Bolkus, I bring you to order.

Senator Bolkus—Mr Acting Deputy President, I rise on a point of order. My point of order is relevance. This young, wet behind the ears senator comes in here—

The ACTING DEPUTY PRESIDENT—Senator Bolkus, you know as well as I do that there is no relevance in this debate.

Senator Bolkus—I have not raised the substance of the point of order.

The ACTING DEPUTY PRESIDENT—What is your point of order? It is not relevance because there is no relevance in this debate.

Senator Bolkus—I am on a point of order, Mr Acting Deputy President. You have to listen to me on a point of order. I am on the point of order. You cannot rule me out without hearing—

The ACTING DEPUTY PRESIDENT—Let me finish, please, Senator Bolkus. I have already said there is no point of order because there is no relevance in this debate. Your point of order was based on relevance, and there is simply no relevance in this debate. You should know that.

Senator Bolkus—Mr Acting Deputy President, on another point of order, once again going to relevance—

The ACTING DEPUTY PRESIDENT—There is no relevance in this debate, Senator Bolkus. Please resume your seat.

Senator BRANDIS—There is also the case of Mr John Peterson. The official records of the Australian Labor Party record that a membership application form in Mr Peter-son’s name, and apparently signed by him, was lodged in 1998. He was issued with an official Australian Labor Party membership card and membership number 22334. The obverse side of that membership card appears to bear Mr Peterson’s signature. The minutes of a meeting of the Annandale Douglas Branch of the Australian Labor Party on 5 September 1998 record ‘J. Peterson’ among the new members present. But the problem was that Mr Peterson never joined the Labor Party.

Senator Bolkus—Tell us about Moore. Who signed the fraudulent papers for Moore’s seat?

The ACTING DEPUTY PRESIDENT—Order! Senator Bolkus, I need to hear the speaker.

Senator Bolkus—Why?

Senator BRANDIS—He never signed the application form, he never signed the membership card and he never attended a branch meeting. On 30 November 1998 Mr Peterson wrote to the then State Secretary of the Aus-
tralian Labor Party, now the member for Woodridge, Mr Mike Kaiser; the then State President, Mr Don Brown; and the Premier, Mr Beattie. He said:

I am writing to inform you of an unsatisfactory and improper experience I have had with the ALP.

My name is John Peterson and I was born on the 29.1.51. My first contact with the ALP was when I rang Ted Lindsay back in March 1998 and I asked him about joining the ALP. Ted posted me a blank application form which I never filled out.

I met counsellor Jenny Hill through my application to the Home Modification Program and during the first half of this year Jenny Hill started visiting me on a regular basis.

She mentioned joining the ALP but once again, I never filled out an application form nor paid any membership dues. I received a new member letter and a membership card in August along with a photocopy of an application for membership that had been filled out in my name.

The membership form was filled out in print and had my name wrongly spelt and stated that I was unemployed. I am not unemployed but I am a pensioner and I would not and did not sign this form. I do not know who signed the form but it was definitely not me. While the signature on the form does resemble my signature I assure you it is a copy of my signature. The form also claims that I paid $17 membership fee but I state that I have never paid any membership dues to the ALP.

These practices of recruitment in the party are dishonest and criminal and are likely to bring the party into dispute. I am requesting that you investigate these issues and take steps to ensure this does not happen in the future.

Yours Sincerely,
John Peterson.

What is particularly disturbing in the case of Mr Peterson is the involvement of Jennifer Hill. Honourable senators should know, was recently endorsed by the Australian Labor Party as its candidate for the federal seat of Herbert in the next federal election. There is clear documentary evidence to suggest that Jennifer Hill has been involved in activities similar to those which now see Karen Ehrmann in prison. On 2 June 1998 Jennifer Hill, who was then secretary of the Douglas-Annandale branch of the ALP, wrote Mike Kaiser a letter, on the stationery of the Douglas-Annandale branch—

Senator Bolkus—On a point of order, Mr Acting Deputy President: what we have here is an allegation by this senator of criminal activity on behalf of a particular citizen. I think that is totally outside the standing orders and I ask you to take advice in respect of that.

The ACTING DEPUTY PRESIDENT (Senator Lightfoot)—The senator is not required to withdraw because it does not relate to a member of parliament either in the Senate or in the House of Representatives. The person about whom Senator Brandis was speaking has the opportunity of redress at some other stage. There is no point of order.

Senator Chris Evans—On a point of order, Mr Acting Deputy President: I accept your ruling; I just wonder if that is quite correct if, in fact, as Senator Brandis is doing, he is actually alleging criminal activity, naming the person and saying that the activity is similar to activity for which someone was jailed. It is an extraordinary allegation for a senator to make the day after his first speech, particularly given the history of the Queensland Liberal Party recently. It just seems to me that by any standard in this chamber that seems to be going too far. We have all on occasion gone a little too far and maybe—

The ACTING DEPUTY PRESIDENT—Your point of order, Senator?

Senator Chris Evans—I wonder whether you might reflect on that judgment and maybe advise Senator Brandis on whether or not this is appropriate behaviour, given that he is making very serious allegations of criminal activity about a person where there is so far very little evidence. Even then it seems to me it is a very serious charge to be making.

The ACTING DEPUTY PRESIDENT—Senator Evans, there is no point of order but I will note the point you made.

Senator BRANDIS—There is clear documentary evidence to suggest that Jennifer Hill has been involved in activities similar to those which now see Karen Ehrmann in prison. On 2 June 1998 Jennifer Hill, who was then secretary of the Douglas-Annandale branch of the ALP, wrote Mike Kaiser a let-
ter, on the stationery of the Douglas-Annandale Branch, which stated, among other things:

John Petersen of 432 Ross River Road, Cranbrook, 4184, is unable to attend a branch meeting due to a medical condition but would like to be registered with this branch (please see attached letter).

The attached letter, also dated 2 June 1998 and apparently prepared on the same typewriter or word processor as Jennifer Hill’s letter, states:

Due to a medical condition, I find I am unable to attend branch meetings of the Australian Labor Party, however I still wish to register with the Douglas Annandale branch of the ALP. Could you please register me with the organisation. If required I can provide a medical certificate to verify my medical condition. Thanking you...

The signature appearing over the letter appears to be ’John Peterson’. The problem is that, as Mr Peterson complained to the three most senior figures in the ALP in Queensland in 1998—the Premier, the then state president and the then state secretary—he signed no application form to join the Labor Party and he attended no branch meetings, although the minutes record that he did. The conclusion, supported by the ALP’s own official records, is irresistible that Jennifer Hill was the author of this fraud. She is the author and signatory of the letter to Kaiser dated 2 June. The accompanying letter, which on Mr Peterson’s version of events he never signed, was sent—and apparently prepared—by her. Furthermore, she was the secretary of the Douglas-Annandale branch of the ALP in 1998 and was presumably the person responsible for preparing the minutes which falsely record that Mr Peterson had been present.

Last Friday, when Karen Ehrmann was sentenced, her barrister, Mr Bob Greenwood QC, told the court that Ehrmann and Shane Foster were not the only ALP activists involved in these fraudulent practices. He implicated Ehrmann’s factional ally Mike Reynolds, the current state member for Townsville. Mr Greenwood QC suggested that Reynolds won his Labor endorsement, and holds his seat in the Queensland state parliament, as a result of the very fraud for which Karen Ehrmann is now in prison. In the Townsville Bulletin this morning, the current Mayor of Townsville—a member of the Australian Labor Party, Councillor Tony Mooney, whom Reynolds defeated for Labor endorsement—is quoted as saying that the electoral forgery of Karen Ehrmann and Shane Foster played a big part in Mike Reynolds gaining preselection for the seat of Townsville. This is the state of the Australian Labor Party in Townsville: one former state candidate and former city councillor in jail, another former city councillor convicted of 22 counts of forgery on his own admission, allegations made by Ehrmann’s QC against the current state member for Townsville, Mike Reynolds, and clear documentary proof of similar fraud by its endorsed federal candidate, Jennifer Hill. (Time expired)

Drugs: Tough on Drugs Strategy

Senator McGauran (Victoria) (7.14 p.m.)—Of late there has been much debate in my state of Victoria regarding the establishment of safe injecting rooms in several Melbourne suburbs with the aim of combating the growing drug problem and drug culture in our society. It is true to say that, for any family, the fear of a child becoming addicted to drugs is the number one fear for parents, given the pervasiveness of the drug culture and, in particular, of the deadly drug heroin. It is a real and serious concern made tangible by the heroin overdose statistics, which have remarkably surpassed the road toll. Although those supporting the safe injecting rooms generally believe that the injecting rooms work in addressing the drug issue, I, along with my party, do not believe that the establishment of injecting rooms would make any inroads into solving the problem. In fact, it is not helpful at all.

The reason is that safe injecting rooms create more problems than they solve. They can become a central hive for drug traffickers, and injecting rooms create a police free zone which disallows rightful police actions. In addition, overseas examples show that deaths by overdose are not reduced. But the main reason is that the acceptance of a safe injecting room is seen as the acceptance of a drug culture as opposed to an antidrug culture. Any state government legislating to establish safe injecting rooms is working towards the acceptance of a drug culture, ac-
ceptance which is in direct contrast to the federal government’s antidrug and antidrug culture approach. In essence, safe injecting rooms are the complete opposite of what the federal government is trying to achieve through its Tough on Drugs strategy.

The strategy so-titled is not just a marketing term; it is a direct attack on the drug culture. It has a three-pronged approach. The first aspect is education. The government has initiated the National School Drug Education Strategy. Shortly all Australian parents will receive information outlining government measures to fight the use of illicit drugs in schools. Furthermore, the government has established a Community Partnership Grants Scheme by which community organisations can apply directly to the government for grants for local support and educational schemes. The second aspect is rehabilitation. The federal government has further funded this most important area, with the aim of re-generating drug users into the community and to support frontline professionals such as GPs and hospital staff to adequately counsel users.

The third and most important aspect is drug busts. This is an area where Tough on Drugs really means something. The attack on drug trafficking is the most effective reinforcement of an antidrug culture in our society. A large heroin bust and the subsequent smashing of a drug ring, particularly of the drug barons, gives great hope to our society that we are fighting back against the destroyers of lives. The actions of the government in pouring extra resources into policing and customs services over the past four years are starting to pay dividends. This success is not just a glib perception of a news story you may see on the 6 o’clock news; it is not just a drop in the ocean that we may be accused of. Rather, the success is tangible and effective. Some telling statistics prove this very point. For example, between 1991 and 1996, 28.2 kilograms of the drug ecstasy was retrieved by the Federal Police. In contrast, from the day of the initiation of the coalition government’s Tough on Drugs approach some four years and 10 months ago until today, we have seen 384.4 kilograms of ecstasy retrieved. That is 384.4 kilograms as against 28.2 kilo-grams in roughly the same time. In the past seven months of this year, we have increased the seizure rate by over 40 per cent from the total of 1999—and remember that 1999 was a record year for drug busts. We are already 40 per cent ahead of 1999 and we are just into August of 2000.

From July 1999 to February 2000, the Australian Federal Police succeeded in prosecuting drug traffickers. Along with those record drug busts come the prosecutions: 13 heroin traffickers, with 132 years and five months in total sentencing and with over 10 years for each on average; 16 cocaine traffickers, with a total of 132 years and eight months and averaging an eight-year sentence each; and 12 ecstasy traffickers, with 89 years and six months in total and an average of seven years per person. That is a rate of two serious drug traffickers jailed per week.

As a member of the Joint Committee on the National Crime Authority, I believe that this is where more of our resources should be allocated in the fight against drugs. It is through the disablement of the drug cartels and dealers that Australia will be able to break and decrease this devastating problem. While tough policing may be seen as an intrusion on civil liberties and the problem of attacking organised crime presents legitimate concerns to those of us who are defenders of civil liberties, it has to be remembered that the civil liberties of Australians are affected by the actions and directions of the crime bosses.

The proof of Tough on Drugs is starting to come through. It is what our society is demanding of us: to create an antidrug culture in our society and to fight the scourge of drugs. The report card I have outlined gives us great hope that we are not losing the war and gives us a lot to aim for in the future. Our society is seeking that this government be tough on drugs, and we are responding in kind.

**Australian Labor Party: Townsville**

**Senator LUDWIG** *( Queensland)* *(7.21 p.m.)*—I rise tonight in the adjournment debate after listening to a new senator, Senator Brandis, trip over a couple of rules that exist in this chamber—but that is not the point that
I wish to briefly speak about tonight. What we have heard from Senator Brandis is a range of allegations about actions of the ALP and particular identities in Townsville. What we have not heard from Senator Brandis is that these allegations have been put by him to the relevant authorities and are being pursued.

Instead, what we have, using your words, Mr Deputy President, is a senior barrister who comes into a chamber to use the chamber, and I would say to use it and its immunity inappropriately, to spray. What we find also is that it is a spray of a range of allegations involving spurious rubbish, as far as we can say at this point, because it has not been tested, has not been put before a court and has not been dealt with in any meaningful way. In fact, a senior barrister has not sought to take the matter to due process and put it in the hands of people who might be able to deal with it. Instead, he comes into this chamber.

But it is not something of his own initiative, not something that he feels passionate about, not something that has affected him—we hear that he has come into the chamber with another sitting in the wings feeding him this material. We see that the member for Herbert is the person who is behind it, who is in this chamber passing the material to Senator Brandis to spray in here. That is a very gutless piece of behaviour indeed. If the member for Herbert has got allegations, he can take them to his chamber and deal with them appropriately, or he can take them to the relevant authorities. Rather, what we have is a unique circumstance. We have Senator Brandis, new, wet behind the ears, who gets fed material and without checking it, without looking at it in any detail, comes in here and says, ‘I have determined it.’ So not only is he a senior counsel; he is also a policeman, an investigator and apparently a judge and jury. It is a very unique position to put yourself in when you come into this chamber. And it is not even on his own behalf. We find it is on the behalf of the member for Herbert. Is the member for Herbert concerned about his own seat? Is the member for Herbert concerned about his popularity in his own electorate? Maybe these are the adjournment topics that the member for Herbert should be giving Senator Brandis information about, not this gutless spraying of unsupportable allegations in this chamber. If Senator Brandis believes these things so firmly and so cogently, then let him say them outside.

**Senate adjourned at 7.25 p.m.**

**DOCUMENTS**

**Tabling**

The following government documents were tabled:

Energy Research and Development Corporation—Report for the period 1 July to 15 December 1999 (Final report).


Treaties—Bilateral—Text, together with national interest analysis—


**Tabling**

The following documents were tabled by the Clerk:

Christmas Island Act—


Exemption amendment order under section 6 of the Travel Agents Act 1985 (WA)—No. 1 of 2000.
Utilities and Services Ordinance—Electricity Fees (Amendment) Determination No. 1 of 2000.

Civil Aviation Act—Civil Aviation Regulations—Civil Aviation Orders—Instrument No. CASA 326/00.

Customs Act—CEO Instruments of Approval Nos 22-32 of 2000.


QUESTIONS ON NOTICE

The following answers to questions were circulated:

**Department of Foreign Affairs and Trade: Cost of Legal Advice Provided from Attorney-General's Department**

*(Question No. 1727)*

Senator Faulkner asked the Attorney-General, 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 Vanstone—The Attorney-General has provided the following answer to the honourable senator’s question:

This answer amends the answer to Question No. 1727 which was published in the Senate Hansard of 8 December 1999 at page 11167 of Hansard by deleting the figures against the Attorney-General’s Department and replacing them with the following:

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<thead>
<tr>
<th>Department/Agency</th>
<th>Legal advice obtained from the Department</th>
<th>Legal advice obtained from other sources</th>
</tr>
</thead>
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<tr>
<td>Attorney-General’s</td>
<td>$4,958,579.38 (excluding disbursements)</td>
<td>$804,095.04 (including some disbursements)</td>
</tr>
<tr>
<td>Department</td>
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**Port Hedland Detention Centre: Detainees**

*(Question No. 2227)*

Senator Brown asked the Minister representing the Minister for Immigration and Multicultural Affairs, upon notice, on 15 May 2000:

With reference to the detainees at the Port Hedland detention centre:

(1) Are any of the detainees from Ambon in the Moluccas; if so, how long have they been in detention.

(2) What assistance has been provided to them, in particular, in applying for protection visas.

(3) How are asylum seekers arriving by air treated differently to those arriving by boat.

Senator Vanstone—The Minister for Immigration and Multicultural Affairs has provided the following answer to the honourable senator’s question:

(1) No.

(2) Not applicable.

(3) There is no difference in treatment of unauthorised arrivals on the basis of whether they arrive by air or boat.

All unauthorised arrivals are interviewed to identify any concerns they may have about returning to their homeland. Unauthorised arrivals can request access to legal advice or apply for a visa at any time.

This process ensures that the provisions of the Act operate in a manner consistent with Australia’s international obligations.

In line with the provisions of the Migration Act, unauthorised arrivals who have no lawful basis to remain in Australia are detained and removed from Australia as soon as reasonably practicable.

**Department of Communications, Information Technology and the Arts: Rents Paid**

*(Question No. 2240)*

Senator Robert Ray asked the Minister for Communications, Information Technology and the Arts, upon notice, on 24 May 2000:
(1) What amount of money has the department and any agency of the department paid so far in the 1999-2000 financial year for properties rented by the department and its agencies.

(2) What amount of money has the department and any agency of the department projected to spend on property rents for the remainder of the 1999-2000 financial year.

**Senator Alston**—The answer to the honourable senator’s question is as follows:

(1) For the period 1 July 1999 to 31 May 2000 for the Department of Communications, Information Technology and the Arts and its associated budget funded agencies rental payments were:

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(2) For the remainder of FY 1999/2000, projected rent payments for the Department of Communications, Information Technology and the Arts and associated budget funded agencies are:

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**Department of Employment, Workplace Relations and Small Business: Rents Paid**

(Question No. 2241)

**Senator Robert Ray** asked the Minister representing the Minister for Employment, Workplace Relations and Small Business, upon notice, on 24 May 2000:

(1) What amount of money has the department and any agency of the department paid so far in the 1999-2000 financial year for properties rented by the department and its agencies?

(2) What amount of money has the department and any agency of the department projected to spend on property rents for the remainder of the 1999-2000 financial year?

**Senator Alston**—The Minister for Employment, Workplace Relations and Small Business has provided the following answer to the honourable senator’s question:

The rental expenditure figures for the Department of Employment, Workplace Relations and Small Business (DEWRSB), the Office of the Employment Advocate (OEA) and the department’s agencies – Australian Industrial Registry (AIR), Comcare (COM), Defence Force Remuneration Tribunal (DFRT), Equal Opportunity for Women in the Workplace Agency (EOWA) and the National Occupational Health and Safety Commission (NOHSC) are given in the following table.

<table>
<thead>
<tr>
<th>Department</th>
<th>Full Year</th>
<th>June 2000</th>
<th>January 1999 – 31 May 2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEWRSB</td>
<td>$28 676 065</td>
<td>$2 752 570</td>
<td>$25 923 495</td>
</tr>
<tr>
<td>OEA</td>
<td>$760 455</td>
<td>$59 270</td>
<td>$701 185</td>
</tr>
<tr>
<td>AIR</td>
<td>$7 042 000</td>
<td>$487 000</td>
<td>$6 555 000</td>
</tr>
<tr>
<td>COM</td>
<td>$2 109 890</td>
<td>$175 825</td>
<td>$1 934 065</td>
</tr>
<tr>
<td>DFRT</td>
<td>$103 620</td>
<td>$8 635</td>
<td>$94 985</td>
</tr>
<tr>
<td>EOWA</td>
<td>$432 866</td>
<td>$36 072</td>
<td>$396 794</td>
</tr>
<tr>
<td>NOHSC</td>
<td>$3 125 180</td>
<td>$260 432</td>
<td>$2 864 748</td>
</tr>
<tr>
<td>Total</td>
<td>$42 250 076</td>
<td>$3 779 804</td>
<td>$38 470 272</td>
</tr>
</tbody>
</table>
Department of Industry, Science and Resources: Rents Paid
(Question No. 2248)

Senator Robert Ray asked the Minister for Industry, Science and Resources, upon notice, on 24 May 2000:

(1) What amount of money has the department and any agency of the department paid in rent so far in the 1999-2000 financial year for properties leased by the department and its agencies.

(2) What amount of money has the department and any agency of the department projected to spend on property rents for the remainder of the 1999-2000 financial year.

Senator Minchin—The answer to the honourable senator’s question is as follows:

(1) The amount of money that the department and any agency of the department has paid in rent so far in the 1999-2000 financial year for leased properties is $28,014,108.

(2) The amount of money that the department and any agency of the department has projected to spend on property rents for the remainder of the 1999-2000 financial year is $2,588,563.

Australian Defence Force Personnel: Fringe Benefits Tax
(Question No. 2254)

Senator Conroy asked the Minister representing the Treasurer, upon notice, on 25 May 2000:

(1) Was Treasury consulted on the Government’s changed position on the new fringe benefits tax (FBT) reporting regime as it applies to Australian Defence Force (ADF) personnel.

(2) What exemptions are now being provided to ADF personnel with regard to the new FBT reporting regime (please provide a list and any accompanying explanatory material).

(3) (a) What was the cost to the budget of this decision; and (b) what, if any estimates have been made on the impact on the budget forward estimates.

(4) What would have been the impact on the budget and the budget forward estimates if the Government were to completely exempt from the reporting regime all ADF FBT items for serving personnel.

(5) Are any legislative changes required as a result of the Government’s changes.

(6) Has Treasury informed the Department of Defence and/or the ADF of the appropriate way to comply with the new position as it now applies to ADF personnel.

(7) Has Treasury undertaken any other modelling or estimated the impact on the budget if the Government were to exempt other groups of employees such as police officers et cetera; if so what is the cost to the budget of such exemptions.

Senator Kemp—The Treasurer has provided the following answer to the honourable senator’s question:

(1) Yes.

(2) These were outlined in joint media releases by the Minister for Defence, the Hon. John Moore, MP and the Minister Assisting the Minister for Defence, the Hon. Bruce Scott, MP dated 19 August 1999 and 27 September 1999.

The exclusions from the fringe benefits reporting requirement are given effect under The Fringe Benefits Tax Amendment Regulations 2000 (No.1) which have now been gazetted.

(3) (a) and (b). This measure and the related costings were outlined in the Mid-Year Economic and Fiscal Outlook 1999-2000 (p. 67).

(4) This is not Government policy.

(5) Yes.

(6) The Department of Defence has liaised with the ATO in relation to this matter.

(7) No.
Non-Government Schools: Students
(Question No. 2289)

Senator Brown asked the Minister representing the Minister for Education, Training and Youth Affairs, upon notice, on 31 May 2000:

(1) Can the following data be provided, for each non-government school in states other than New South Wales, for the schools census year 1999:
   (a) the full-time equivalent number of primary students;
   (b) the full-time equivalent number of junior secondary students; and
   (c) the full-time equivalent number of senior secondary students.
(2) What is the funding level (Education Resources Index Category) for each of these schools.

Senator Ellison—The Minister for Education, Training and Youth Affairs has provided the following answer to the honourable senator’s question:

Copies of the response are available from the Senate Table Office

Department of Foreign Affairs and Trade: Fringe Benefits Tax Paid
(Question No. 2308)

Senator ÒBrien asked the Minister representing the Minister for Trade, upon notice, on 7 June 2000:

(1) (a) What was the value of fringe benefits tax (FBT) payments made by the department; and (b) what was the level of FBT payments made by its agencies in the 1997-98, 1998-99 and 1999-00 financial years.
   (2) What were the incentives paid to departmental officers and employees of agencies that attracted the FBT over the above periods.
   (3) In the above years, what were the compliance costs of calculating the FBT for the department and its agencies.
   (4) What incentives, other than those attracting FBT, were paid to departmental officers and employees of agencies in the above years.
   (5) What were the compliance costs associated with the calculation and payment of these non-FBT incentives.

Senator Hill—The Minister for Trade has provided the following answers to the senator’s questions:

Department of Foreign Affairs and Trade (DFAT)

(1) (a) The following FBT payments were made by the Department during the periods specified:
   (b) 1997-1998 $21,350,384
        1998-1999 $26,698,484
        1999-2000 $25,791,689
   (2) Payments above salary are payable to eligible departmental officers in Australia or on long-term overseas posting. The package of conditions and allowances paid to staff on overseas posting are provided with the aim of compensating them for additional costs incurred and the loss of amenities normally available to them in Australia. The Department paid FBT during the 1997-98, 1998-99 and 1999-2000 financial years on the following conditions and allowances.

In Australia

Approved Private Use of Official Vehicles
Approved Private Use of Official Boat (Thursday Island)
Remote Area Housing (Thursday Island)
Semi-official telephones
Cable Television supplied to official accommodation
Car Parking
Entertainment
HECS Reimbursements
Salary Packaging
**Overseas**
Overseas Living Allowance
Reunion Travel
Assisted Leave Fares
Fares of Dependants (Head of Mission Consultations)
Transfer Allowance
Spouse Accompanied Official Travel
Spouse Language Training
HECS Reimbursements
Household Maintenance & Assistance in relation to official accommodation
Club Membership
Cable Television supplied to official residences
Approved Private Use of Official Vehicles
Approved Private Use of Official Boats
Car parking
Emergency & Essential Health Costs
Representation
Early Termination of Posting Allowance
Salary Packaging

(3) The compliance costs of calculating the FBT for the Department were as follows:

1997-1998 $98,048
1998-1999 $102,723
1999-2000 $235,279

The increased compliance costs in 1999-2000 relate to the introduction of reportable fringe benefits on officer’s group certificates under the New Tax System.

(4) and (5) The Department provides Difficult Post Leave and a Difficult Post Allowance to officers at certain designated overseas posts. These provisions are not regarded as incentives but as compensation for the rigours of service at a particular post and have been accepted as such by the Australian Taxation Office. Difficult Post Allowance is fully taxable at an officer’s marginal rate. The amount of leave and the rate of allowance varies with the classification of the post.

Performance Pay is payable to staff in Australia and overseas under the department’s Certified Agreement. Performance pay is also fully taxable at an officer’s marginal rate.

Processing of these payments is part of the department’s normal payroll processing service.

**Austrade**

(1) (a) Not applicable for Austrade.

(b) The following FBT payments were made by Austrade during the periods specified:

1997-1998 $3,133,136
1998-1999 $4,956,442
1999-2000 $4,751,809

A number of benefits or payments in addition to base salary are payable to employees in Australia or on long term overseas posting. It should be noted that Austrade is in a transitional phase with the introduction of a new terms and conditions package for employees serving on long term posting overseas. The old overseas conditions package delivered benefits to employees which primarily attracted fringe
benefits tax whereas the new package introduced in January 2000 involves payment of allowances primarily taxed under PAYG taxation arrangements.

Austrade paid FBT during the 1997-98, 1998-99 and 1999-00 financial years on the following benefits and allowances:

**In Australia**
- Approved private use of official vehicles
- Representation
- Car parking
- HECS reimbursements

**Overseas**
- Overseas living allowance
- Reunion travel
- Assisted leave travel
- Transfer allowance
- Spouse accompanied official travel
- Spouse language training
- Household maintenance assistance
- Club membership
- Cable television supplied to official residences
- Approved private use of official vehicles
- Car parking
- Emergency and essential health costs
- Representation

(3) Estimated compliance costs for each of the above 3 years are AUD 80,000 per annum.

(4) and (5) Under Austrade’s new overseas conditions of service package, employees are paid overseas assignment allowances in the form of an expatriate adjustment, location adjustment and cost of living adjustment. The expatriate and location adjustments are fully taxable to the employee under PAYG taxation arrangements. The cost of living adjustment is subject to FBT provisions.

Performance based pay is also payable to employees both in Australia and overseas and is fully taxable in the hands of employees.

Processing of all of the above payments is part of Austrade’s normal payroll processing service.

**Export Finance and Insurance Corporation (EFIC)**

(1) (a) N/A for EFIC
(b) 1997-1998 $468,189
    1998-1999 $389,040
    1999-2000 $340,540

No incentives were paid (other than cash bonus for achievement of agreed objectives and special contribution to the organisation). Bonuses form part of employee taxable remuneration, and are not subject to FBT. The types of benefits to which the FBT relates are for:

- Motor Cars
- Loan
- Expense Payment
- Living-away-from-home allowance
- Entertainment
- Car Parking
The motor vehicle and loan benefits formed part of employee remuneration and were provided at no cost to EFIC, i.e. employees have sacrificed salary to purchase the benefits, in addition employees have reimbursed EFIC for the FBT. EFIC estimates the compliance costs at approximately $30,000 pa.

(4) None other than the bonuses referred to at (2) above, which were subject to PAYE tax.

(5) Negligible, the cost of payroll processing.

Department of Family and Community Services: Fringe Benefits Paid

(2312)

Senator O’Brien asked the Minister for Family and Community Services, upon notice, on 7 June 2000:

1. (a) What was the value of fringe benefits tax (FBT) payments made by the department; and (b) what was the level of FBT payments made by its agencies in the 1997-98, 1998-99 and 1999-2000 financial years.

2. What were the incentives paid to departmental officers and employees of agencies that attracted the FBT over the above periods.

3. In the above years, what were the compliance costs of calculating the FBT for the department and its agencies.

4. What incentives, other than those attracting FBT, were paid to departmental officers and employees of agencies in the above years.

5. What were the compliance costs associated with the calculation and payment of these non-FBT incentives.

Senator Newman—The answer to the honourable senator’s question is as follows:

1. (a) $264,362.34 from its inception in October 1998 to 31 March 1999, and $353,499.32 for FBT liabilities due in the year ending 31 March 2000.

   (b) The Child Support Agency FBT liability was $240,216 for the year ending 31 March 1999 and $233,153 for the year ending 31 March 2000.

   The CRS Australia FBT liability was $591,837 for the year ending 31 March 1999 and $572,368 for the year ending 31 March 2000.

   Australian Institute of Family Studies FBT liability was $16,614 for the year ending 31 March 1999 and $21,213 for the year ending 31 March 2000.

   Commonwealth Service Delivery Agency (Centrelink) FBT payments were $3,303,096 for the year ending 31 March 1999 and $4,089,300 for the year ending 31 March 2000.

2. Department of Family and Community Services: Motor vehicles, car parking, expense payments, living-away-from-home allowance and meal entertainment (hospitality) benefits.

   Child Support Agency: Motor vehicles, car parking, spouse accompanied travel, temporary accommodation allowance, entertainment, living-away-from-home allowance, remote airfares, reunion fares, childcare and higher education contributions.

   CRS Australia: Motor vehicles, car parking, living-away-from-home allowance, hospitality, housing benefits, vehicle hire, remote area holiday transport costs, private use of home computers.

   Australian Institute of Family Studies: Motor vehicles, car parking, entertainment (hospitality) and higher education contributions.

   Commonwealth Service Delivery Agency (Centrelink): Motor vehicles, car parking, expense payments, housing, living-away-from-home allowance, entertainment paid by an income tax exempt body, meal entertainment (hospitality) and other benefits (residual).

3. Department of Family and Community Services: $10,545 was paid for assistance in compiling the 1999 FBT return. The detailed information required to answer the honourable member’s question in respect of any additional cost associated with internal staff is not readily available in consolidated form. I do not consider appropriate the expenditure of resources and effort that would be involved in collecting and assembling information for the sole purpose of answering questions of this nature.

   Child Support Agency: estimated at approximately $9,080 per annum.
CRS Australia: as FBT data collection is decentralised across the many locations within CRS Australia, it is very difficult to estimate overall compliance costs and as a result, information to answer this question is not readily available.

Australian Institute of Family Studies: estimated at approximately $2,300 per annum.

Commonwealth Service Delivery Agency (Centrelink): the detailed information required to answer the honourable member’s question in respect of costs incurred to comply with and calculate FBT is not readily available in consolidated form. I do not consider appropriate the expenditure of resources and effort that would be involved in collecting and assembling information for the sole purpose of answering questions of this nature.

(4) Nil.
(5) Not applicable.

Australian National Training Authority Annual Report: Unit Costs

(Question No. 2328)

Senator Carr asked the Minister representing the Minister for Education, Training and Youth Affairs, upon notice, on 8 June 2000:
Can the most recent available figures be provided showing the unit costs in the various sectors of education, as presented in the Australian National Training Authority Annual Report 1996, vol.3, table 8.5.

Senator Ellison—The Minister for Education, Training and Youth Affairs has provided the following answer to the honourable senator’s question:

Using the Australian National Training Authority’s estimates of the unit cost of annual hours curriculum, the cost per equivalent full-time student (based on 720 hours being equivalent to a notional full-time student. Half of all vocational education and training students spent 100 hours or less training in 1998 and only 11 per cent of students spent 500 hours or more), in vocational education and training was approximately $9,648 in accrual (the unit cost amounts for vocational education and training published in 1996 were on a cash basis and are not comparable to the 1998 figure) terms in 1998.

The National Schools Statistics Collection 1999 estimates that the per capita expenditure on government secondary schools in the 1997-98 financial year was $6,960 (approximately).

A recent analysis by the Department of Education, Training and Youth Affairs estimates that the average cost per equivalent full-time undergraduate student in higher education was $9,550 (approximately) in 1998 (based on operating grant allocations to institutions, adjusted for one-off payments and excluding the research quantum, capital roll-in and Indigenous support components. The quantum of total Commonwealth operating grants associated with undergraduate teaching has been estimated using weights established by the Relative Funding Model).

As the figure for vocational education and training is based on an accrual accounting estimate of expenditure, it cannot be compared directly with the estimates for the schools and higher education sectors which are based on cash accounting.

Australian Electoral Commission: Provision of Electoral Rolls to the Department of Family and Community Services

(Question No. 2349)

Senator Robert Ray asked the Minister for Family and Community Services, upon notice, on 13 June 2000:
(1) Has Centrelink used an electronic version of the Electoral Roll provided by the Australian Electoral Commission (AEC); if so, (a) when did the AEC provide the Electoral Roll; and (b) for what purpose(s) has it been used.
(2) Has Centrelink ever sought legal advice as to the lawfulness of using the Electoral Roll for those purpose; if so, from whom has this legal advice been sought.
(3) Following the provision of the legal advice, was Centrelink satisfied that the use of the Electoral Roll was in fact lawful; if so, on what basis was Centrelink satisfied that the use of the Electoral Roll was lawful.

Senator Newman—The answer to the honourable senator’s question is as follows:
Yes. Centrelink has used an electronic version of the Electoral Roll.

(a) Exact details are not available but it appears that the Electoral Roll was first provided to the then Department of Social Security in the late 1980’s.

(b) The Electoral Roll has been used for data-matching to protect Government Programs to detect cases of fictitious identity and also identity theft (ie where the identity of another person is used for fraudulent purposes) and incorrect payment.

(2) and (3) Centrelink has not sought specific legal advice as to the lawfulness of using the Electoral Roll.

**Australian Electoral Commission: Provision of Electoral Rolls to the Department of the Environment and Heritage**

*(Question No. 2356)*

Senator Robert Ray asked the Minister for the Environment and Heritage, upon notice, on 13 June 2000:

(1) Has Environment Australia used an electronic version of the Electoral Roll provided by the Australian Electoral Commission (AEC); if so, (a) when did the AEC provide the Electoral Roll; and (b) for what purpose(s) has it been used.

(2) Has Environment Australia ever sought legal advice as to the lawfulness of using the Electoral Roll for those purposes; if so, from whom has this legal advice been sought.

(3) Following the provision of the legal advice was Environment Australia satisfied that the use of the Electoral Roll was in fact lawful; if so, on what basis was Environment Australia satisfied that the use of the Electoral Roll was lawful.

Senator Hill—The answer to the honourable senator’s question is as follows:

(1) No.

(2) No.

(3) Not applicable.

**Renewable Energy Commercialisation Program: Applications**

*(Question No. 2358)*

Senator Brown asked the Minister for the Environment and Heritage, upon notice, on 13 June 2000:

With reference to the Renewable Energy Commercialisation Program (RECEP) and the answer to question on notice no. 2133 *(Hansard*, 21 June 2000, page 15402):

(1) What are the reasons for the list of applicants for the program and the titles of their projects being considered commercial-in-confidence.

(2) Can the list of applicants and projects be provided.

(3) What is the definition of ‘renewable energy’ for this program.

(4) With reference to the project on gasification of biomass for coal drying: Given that Waterwide Close Coupled Gasifiers are already in commercial production for a range of applications using a variety of fuels, advertised as ‘being able to accept most wastes in the form in which they are produced’, where is the ‘innovation’ in designing, constructing and operating such a well-established technology.

(5) If the ‘innovation’ relates to drying brown coal, how is that justified as a ‘renewable’ energy source.

Senator Hill—The answer to the honourable senator’s question is as follows:

(1) The confidentiality provisions of the Renewable Energy Commercialisation Program are modelled on the programs of the Department of Industry, Science and Resources, particularly the Research and Development Start program. The Industry Research and Development Act, 1986 provides under Section 47 ‘Confidentiality’:

“(1) The Board…..or a member of the staff assisting the Board or assisting a committee shall not, except for the purposes of this Act…..or unless required or permitted by law to do so, supply information to a person if the supplying of the information would constitute a breach of confidence.”

(2) No.
(3) The Renewable Energy Commercialisation Program guidelines define renewable energy as: “Energy derived from the sustainable exploitation of solar, wind, geothermal, biomass, mini- or micro-hydro, river, wave, tidal or ocean resources.”

(4) While the Waterwide technology has been installed in New Zealand, this will be Australia’s first major installation, which will also be available on a commercial basis for trialing various Australian biomass fuels.

(5) The project fulfils the two core objectives of the Renewable Energy Commercialisation Program: renewable energy industry development and reduction in greenhouse gas emissions.

**Telephone Sex Providers: Compliance**

*(Question No. 2367)*

**Senator Allison** asked the Minister for Communications, Information Technology and the Arts, upon notice, on the 20 June 2000:

(1) Which telephone sex service providers are now compliant with the new Telecommunications (Consumer Protection and Service Standards) Act 1999.

(2) How many numbers have been made available in the 1901 range for the telephone sex services.

(3) How many customers have taken up personal identification numbers for telephone sex services.

(4) How many evidentiary certificates have been issued by the Australian Broadcasting Authority (ABA).

(5) (a) How many complaints have been made to the Australian Communications Authority (ACA) regarding the new Act; (b) who were the complainants; and (c) what was the substance of their complaints.

(6) When will the results of the ABA’s monitoring of telephone sex line advertising be available.

**Senator Alston**—The answer to the honourable senator’s question is as follows:

Based on advice from the Australian Communications Authority (ACA) and the Australian Broadcasting Authority (ABA)

(1) As there are no registration requirements on telephone sex service providers, a list of the telephone sex providers compliant with the new legislation is not available.

(2) The Australian Communications Authority (ACA) has issued a block of 100,000 numbers to Telstra for 1901 numbers. The ACA advises that Telstra has issued 225 of these numbers to telephone sex services as at 29 June 2000.

(3) The ACA has advised that Telstra has issued 250 personal identification numbers as at 29 June 2000. However it should be noted that many purchasers of these services are now paying for the service by credit card and do not need a PIN number. A PIN is only needed where the charge for the telephone sex service is to be included in the telephone bill.

Other carriers are currently not offering these services.

(4) To date the ABA has not issued an evidentiary certificate pursuant to section 15 8F of the Telecommunications (Consumer Protection and Service Standards) Act (the Act). However, the ABA has received requests from the ACA for advice on a number of services, which are being considered in this way.

(5) (a) The ACA advises that they have received 14 written complaints as at 29 June 2000. A number of verbal representations have also been received from bureaux and telephone sex service providers.

(b) The complaints can be broken into the following groups:

<table>
<thead>
<tr>
<th>General Public</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone Sex providers</td>
<td>4</td>
</tr>
<tr>
<td>Members of the Federal Parliament</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14</strong></td>
</tr>
</tbody>
</table>

(c) The substance of these complaints can be broken down into the following groups:

- 1900 and 1902 numbers being disconnected by carriage service providers, 1
. Continued advertisement of telephone sex services in print media, 5
. Advertisement of telephone sex services as chat lines, 7
. Request for definition of the term sexual gratification as used in the Act, 1

(6) On 30 November 2000, the Minister directed the ABA to conduct an investigation into the advertising of designated telephone sex services during the period between 1 December 1999 and 30 November 2000. The Minister directed that the ABA provide him with interim reports during the investigation, and a final report by 15 December 2000.

The ABA has provided the Minister with two reports to date.

Department of the Prime Minister and Cabinet: New Tax System Consultants
(Question No. 2369)

Senator Faulkner asked the Minister representing the Prime Minister, upon notice, on 21 June 2000:

(1) How many consultants have been engaged or used by the department, and all agencies in the portfolio, to 31 May 2000, in order to: (a) advise on the internal implementation of the new tax system; and (b) advise on, and/or publicise, the effect of the new tax system on the portfolio’s client group(s).

(2) Can a full list be provided of all consultants engaged or used in relation to the purposes set out in (1), together with the cost of each consultancy.

Senator Hill—The Prime Minister has provided the following answer to the honourable senator’s question:

I am advised by my department as follows:

Department of the Prime Minister and Cabinet:

(1) (a) Nil.

(b) Nil.

(2) N/A.

Public Service and Merit Protection Commission (PSMPC):

(1) (a) Three.

(b) Nil.

(2) Brightstar Information Technology Group Pty Ltd - $81,230. To conduct a GST commercial review, scoping study for configuration of the Commission’s Finance System and implementation of the system configuration. The BrightStar contracts included the provision of taxation advice on the impact of the GST on the PSMPC from Williams, Hatchman and Keane, totalling $6,600 of the above amount.

Ernst & Young - $862.50. GST presentation to the PSMPC Executive.

Australian National Audit Office:

1 (a) One consultant has been engaged by the ANAO to assist with the internal implementation of the new tax system.

(b) No consultants have been engaged to advise on, and/or publicise, the effect of the new tax system on the ANAO’s clients.

2. KPMG Canberra at a cost of $13,678.

Office of National Assessments

(1) (a) Nil.

(b) Nil.

(2) N/A.

Office of the Inspector-General of Intelligence and Security

(1) (a) Nil.

(b) Nil.

(2) N/A.
Office of the Commonwealth Ombudsman

(1) (a) Nil.
(b) Nil.

(2) N/A.

Office of the Official Secretary to the Governor-General (OOSGG)

(1) (a) One accounting firm was engaged to provide advice on the internal implementation of the new tax system, and (b) to a lesser extent, to assist the agency in the preparation of advice to its suppliers about the new tax system.

(2) The name of the firm is Gail Kinsella and Company. The costs to 31 May 2000 were $14,714. The estimated cost of the total consultancy is between $22,000 and $24,000.

Department of the Environment and Heritage: New Tax System Consultants
(Question No. 2373)

Senator Faulkner asked the Minister for the Environment and Heritage, upon notice, on 20 June 2000:

(1) How many consultants have been engaged or used by the department, and all agencies in the portfolio, to 31 May 2000, in order to: (a) advise on the internal implementation of the new tax system; and (b) advise on, and/or publicise, the effect of the new tax system on the portfolio’s client group(s).

(2) Can a full list be provided of all consultants engaged or used in relation to the purposes set out in (1), together with the cost of each consultancy.

Senator Hill—The answer to the honourable senator’s question is as follows:

(1) (a) Two by the Department of the Environment and Heritage and one by the Australian Greenhouse Office; (b) One by the Department of the Environment and Heritage.

(2) The list of consultants engaged or used in relation to internal implementation of the new tax system and/or to advise on, and/or publicise, the effect of the new tax system on the portfolio’s client group(s) follows:

<table>
<thead>
<tr>
<th>Consultant Name</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of the Environment and Heritage</td>
<td>$55,020</td>
</tr>
<tr>
<td>Ernst &amp; Young</td>
<td></td>
</tr>
<tr>
<td>Bureau of Transport Economics</td>
<td>$12,000</td>
</tr>
<tr>
<td>Forestaff Pty Ltd</td>
<td>$140,600</td>
</tr>
<tr>
<td>Australian Greenhouse Office</td>
<td></td>
</tr>
<tr>
<td>Deloitte Touche Tohmatsu</td>
<td>$30,660</td>
</tr>
</tbody>
</table>

Department of Family and Community Services: New Tax System Consultants
(Question No. 2376)

Senator Faulkner asked the Minister for Family and Community Services, upon notice, on 21 June 2000:

(1) How many consultants have been engaged or used by the department, and all agencies in the portfolio, to 31 May 2000, in order to: (a) advise on the internal implementation of the new tax system; and (b) advise on, and/or publicise, the effect of the new tax system on the portfolio’s client group(s).

(2) Can a full list be provided of all consultants engaged or used in relation to the purposes set out in (1), together with the cost of each consultancy.

Senator Newman—The answer to the honourable senator’s question is as follows:

(1) Department of Family and Community Services: (a) two; (b) three. Child Support Agency: (a) one; (b) none. CRS Australia: (a) one; (b) nil. Australian Institute of Family Studies: (a) one; (b) nil. Centrelink: (a) two; (b) one.

(2) Department of Family and Community Services:
Walter and Turnbull, Chartered Accountants - $228,784
DA Consulting Group - $157,500
Atkins & Atkins Advertising - $1,114,720
Hill & Knowlton Public Relations - $200,000
Colmar Brunton Social Research - $229,340

**Child Support Agency:**
Walter and Turnbull, Chartered Accountants - $48,000

**CRS Australia:**
Ernst and Young - $26,000

**Australian Institute of Family Studies:**
APL Management Solutions - $2,000

**Centrelink:**
PricewaterhouseCoopers - $150,000
RAP Consulting P/L - $130,500
Orima Research - $20,649

**Department of Immigration and Multicultural Affairs: New Tax System Consultants**
(Question No. 2384)

Senator Faulkner asked the Minister representing the Minister for Immigration and Multicultural Affairs, upon notice, on 21 June 2000:

(1) How many consultants have been engaged or used by the department, and all agencies in the portfolio, to 31 May 2000, in order to: (a) advise on the internal implementation of the new tax system; and (b) advise on, and/or publicise, the effect of the new tax system on the portfolio’s client group(s).

(2) Can a full list be provided of all consultants engaged or used in relation to the purpose set out in (1), together with the cost of each consultancy.

Senator Vanstone—The Minister for Immigration and Multicultural Affairs has provided the following answer to the honourable senator’s question:

(1) (a) Seven consultants have been used to advise on the internal implementation of the New Tax System (NTS) in the Department of Immigration and Multicultural Affairs.

The Refugee Review Tribunal and the Migration Review Tribunal have not used any consultants to advise on internal implementation of NTS.

(b) Neither the Department nor the two Tribunals within the Portfolio used consultants to advise on or publicise the effect of NTS on the Portfolio’s client group.

(2) The consultants used for advice on implementation of NTS as advised in question (1), and costs to 31 May 2000 are:

- for the provision of advice on, and to subsequently implement changes to the Department’s Financial Management Information System
  - Rengain Consulting $245,875.

- for the provision of advice on, and to subsequently implement changes to the Translating and Interpreting Service’s financial and business systems:
  - CSC Australia Pty Ltd $200,161
  - Paxus Australia $24,089
  - Assist Pty Ltd $84,214
  - Interim Technology Solutions $14,080
  - Bentley’s MRI $12,000

- for advice on taxation policy:
  - Ernst and Young - Telephone Helpline services arrangement by the Department of Finance and Administration and provided at no charge to the Department of Immigration and Multicultural Affairs.

- for advice on the Department’s preparedness for NTS:
Rural and Regional Australia: Infrastructure Spending

(Question No. 2389)

Senator Allison asked the Minister for Communications, Information Technology and the Arts, upon notice, on 21 June 2000:

1. Can a breakdown be provided of the $1.5 billion to be spent on expanding and upgrading infrastructure for rural and regional Australia in the 1999–2000 financial year.
2. Does this $1.5 billion include Federal Government funding for the Rural Social Bonus; if so, how much.
3. (a) What is the total length of optic fibre cable to be laid in the above period; (b) what length of optic fibre cable remains to be laid; and (c) what is the program for completing this work.
4. Has Telstra prepared an audit of its telephone exchanges in rural areas; if so, can a copy be provided; if not, why not.
5. What areas are not serviced by Telstra’s Big Pond Advance Satellite Internet Service.
6. What is the program for extending the service to those areas.
7. What is the schedule of charges for connection to this service.
8. How many remote schools in Queensland have yet to be connected to 64k digital access.
9. What is the program for connection of remote schools elsewhere to 64k digital access.

Senator Alston—The answer to the honourable senator’s question is as follows:

1. The Department is able to provide information on information technology and telecommunications infrastructure expansion and upgrade in rural and regional Australia in the 1999 – 2000 financial year in relation to its funding programs only. Specifically, the Department can provide information on the rural and regional components of the $1 billion Accessing the Future package of Social Bonus programs funded by the second partial sale of Telstra. These programs have the primary objective of improving regional, rural and remote communications and information technology infrastructure and services.

2. Of the $1 billion Accessing the Future package, $670 million has been allocated to programs primarily targeting regional, rural and remote communities. The $670 million covers the following programs:
   . $150 million (over 3 years) to facilitate untimed local calls within extended zones in remote Australia;
   . $120 million (over 5 years) to enhance access to TV reception;
   . $70 million (over 5 years) to build additional rural networks (BARN);
   . $45 million (over 5 years) to assist local government authorities provide online access to information and services including the Internet;
   . $36 million (over 3 years) to enhance access to Internet services;
   . $25 million (over 3 years) for continuous mobile phone coverage along designated highways;
   . $20 million (over 3 years) to improve telecommunications access for remote islands communities;
   . $15 million (over 1 year) towards establishing local area and wide area networks linking Tasmanian schools;
   . $15 million (over 5 years) for the Launceston Broadband Project in Tasmania;
   . $10 million (over 3 years) for trials in the delivery of innovative government electronic regional services (TIGERS);
   . $3 million (over 2 years) to expand mobile phone coverage in South Australia, Western Australia and Tasmania;
   . $158 million (over 5 years) to promote the growth of new and innovative Australian IT&T businesses (BITIS);
   . $3 million (over 3 years) to promote a safer Internet environment for young people (NetAlert).

Of these amounts $179 million was appropriated to be spent in the 1999 – 2000 financial year.
The Telstra Social Bonus program, funded from the second partial sale of Telstra, provides grants for specific projects. Recipients then have the responsibility for choosing the best technology required to implement these projects through a tender process. Information on the laying of optic fibre cable under these grants is not maintained by the Department. However, the National Bandwidth Inquiry, a report of the Australian Information Economy Advisory Council, contains details of the backbone optic fibre network coverage currently available throughout Australia.

Telstra has advised that it has over 5,000 exchanges in Australia. Details of Telstra’s exchanges are maintained on a computer database. Telstra regards information on the database to be commercially sensitive and, consequently, regrets that this information cannot be made available.

Telstra has advised that its Big Pond Advance Satellite Internet Service covers all of Australia, with the exception of the Indian Ocean Territories – Christmas Island and the Cocos (Keeling) Islands.

Telstra has advised that its Special Digital Data Service Plan states that the special digital data service will be provided in the Indian Ocean Territories (Christmas and Cocos Islands) by Telstra’s DDS Fastway™, a dedicated data service which is primarily intended for use by large businesses. In recognition of the need to provide a service which is more orientated to the needs of the consumer, Telstra will work with the Department of Communications, Information Technology and the Arts (DOCITA), and the Department of Transport and Regional Services (DOTRS), on how the special digital data service could be made more efficiently available to these territories.

The Networking the Nation (NTN) program is funding two telecommunications studies in the Indian Ocean Territories:

- a telecommunications audit, feasibility study, implementation strategy and business plan for the Cocos (Keeling) Islands; and
- a telecommunications feasibility study for Christmas Island covering high speed internet access, mobile communications and a range of other issues.

Telstra has advised that the following information summarises its pricing structure for the Big Pond Advance Satellite Internet Service:

**Satellite Equipment**

There is one-off hardware charge of $328.90 plus installation costs (see below). The hardware will include satellite receiver card, dish and mount.

**Installation charges**

<table>
<thead>
<tr>
<th>Site Category</th>
<th>65 cm &amp; 85cm Satellite Dish</th>
<th>1.2m Satellite Dish</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Introductory Offer incl. GST – valid to 1/8/00</td>
<td>Regular Offer incl. GST – valid from 1/8/00</td>
</tr>
<tr>
<td>Support charge for self installation</td>
<td>$108.90</td>
<td>$108.90</td>
</tr>
<tr>
<td>City</td>
<td>$108.90</td>
<td>$218.90</td>
</tr>
<tr>
<td>Rural Major</td>
<td>$214.50</td>
<td>$324.50</td>
</tr>
<tr>
<td>Residential</td>
<td>$214.50</td>
<td>$324.50</td>
</tr>
<tr>
<td>Remote*</td>
<td>$589.60</td>
<td>$589.60</td>
</tr>
<tr>
<td>City</td>
<td>$434.50</td>
<td>$654.50</td>
</tr>
<tr>
<td>Residential</td>
<td>$544.50</td>
<td>$764.50</td>
</tr>
<tr>
<td>Business</td>
<td>$544.50</td>
<td>$764.50</td>
</tr>
<tr>
<td>Remote*</td>
<td>$1366.20</td>
<td>$1366.20</td>
</tr>
</tbody>
</table>

Plus $1.10 per km to be paid directly to the installer, the distance is calculated from the nearest Rural Minor location and includes the return journey.
Monthly charges

<table>
<thead>
<tr>
<th>Plan Type</th>
<th>Speed</th>
<th>Main Usage</th>
<th>Additional Megabytes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Sat</td>
<td>64kbps</td>
<td>$44 per month for 250MB</td>
<td>26.4 cents per MB</td>
</tr>
<tr>
<td>Liberty Sat (Residential only)</td>
<td>64kbps</td>
<td>$54.95 per month unlimited</td>
<td>N/A</td>
</tr>
<tr>
<td>Business Sat</td>
<td>400kbps</td>
<td>$60.50 per month for 1GB</td>
<td>26.4 cents per MB</td>
</tr>
<tr>
<td>Giga Sat (Residential only)</td>
<td>400kbps</td>
<td>$76.95 per month for 3GB</td>
<td>26.4 cents per MB</td>
</tr>
</tbody>
</table>

Minimum cost of the contract

Assuming that a customer does not switch plans during the term of the contract, the minimum cost for 18 months with self installation on Basic Sat is $1,229.80, Liberty Sat is $1,426.90, Business Sat is $1,526.80, Giga Sat is $1,822.90, includes special introductory offer until end of July 2000. Additional installation charges will apply in regional or remote areas and for business customers, and normal telecommunications charges apply.

Special Digital Data Service Obligation Equipment Rebate

Under the Special Digital Data Service (SDDS) Obligation, customers residing in SDDS areas (ie. those that are unable to access ISDN services through their local exchange) are eligible to a rebate of 50 per cent of the cost of the satellite equipment and installation costs associated with receiving the SDDS,

(8) Provision of communication services to schools is a State Government responsibility. The Queensland State Government has advised that they are funding a ConnectED program that connects schools to the Internet.

(9) Provision of communication services to schools is a State Government responsibility. However, a program to establish local area and wide area networks linking Tasmanian schools and to provide additional computers and support resources for the State’s government and non-government schools, has been funded by the Commonwealth Government. $15 million has been allocated from the Social Bonus program from the second partial sale of Telstra, plus $12 million from Tasmania’s existing Networking the Nation allocation. Telstra has also allocated $5 million and the Tasmanian Government is expected to contribute $16 million.

Cocos Islands: Medical Evacuations

(Question No. 2392)

Senator Crossin asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 22 June 2000:

(1) Can the Minister confirm: (a) that in January 2000, an 80-year old man with a fractured hip, was evacuated from Cocos Island using an Indonesian aircraft at a cost of $US80,000; and (b) that this cost was borne by Australian taxpayers.

(2) (a) What arrangements were in place for medical evacuations from Cocos Island in January 2000; (b) which state or Commonwealth department was responsible for providing the service; (c) which operator was contracted to provide the service; and (d) did this operator employ Australian medical and nursing personnel.

(3) (a) What arrangements are currently in place for medical evacuations from Cocos Island; (b) which state or Commonwealth department is responsible for providing the service; (c) which operator is contracted to provide the service; and (d) does this operator employ Australian medical and nursing personnel.

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

In response to Senator Crossin’s question:

(1) (a) Yes, although the aircraft was based in Singapore and the cost was $85,000 Australian.

(b) Yes.
(2) (a) and (c) Arrangements in place during January 2000 were with the Royal Flying Doctor Service (RFDS) to find a suitable aircraft for medical evacuations. Pearl Aviation were the main provider of planes, but their aircraft could not collect the patient for three days after the accident. Alternative arrangements were made through RFDS with AEA, a Singapore-based health provider, to operate the medical evacuation.

(b) The Commonwealth Department of Transport and Regional Services was responsible for providing medical services to the Cocos (Keeling) Islands.

(d) Medical and nursing staff were from Singapore in the case of this evacuation.

(3) (a) and (c) The current arrangement is for RFDS to find a suitable aircraft for medical evacuations.

(b) The Commonwealth Department of Transport and Regional Services is responsible for providing medical services to the Cocos (Keeling) Islands.

(d) It is common for Australian medical and nursing staff to be used in medical evacuations, subject to the operational circumstances of individual evacuations.