SENATE

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No. 10, 2000
17 AUGUST 2000

THIRTY-NINTH PARLIAMENT
FIRST SESSION—SEVENTH PERIOD

BY AUTHORITY OF THE SENATE
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The PRESIDENT (Senator the Hon. Margaret Reid) took the chair at 9.30 a.m., and read prayers.

ABSENCE OF PRESIDENT

The PRESIDENT—I inform the Senate that I will be absent from the Senate from 28 to 31 August 2000, attending a conference of presiding officers of national parliaments in New York.

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

(1) That, during the absence of the President, the Deputy President shall, on each sitting day, take the chair of the Senate and may, during such absence, perform the duties and exercise the authority of the President in relation to all proceedings of the Senate and proceedings of committees to which the President is appointed.

(2) That the President be granted leave of absence from 28 to 31 August 2000.

PETITIONS

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

Mandatory Sentencing Laws

To the Honourable the President and Members of the Senate in Parliament assembled:
The petition of the undersigned 1,304 Victorian citizens show their deep concern over unjust mandatory sentencing.

Your petitioners ask that the Senate should take the steps needed to annul mandatory sentencing laws in Western Australia and the Northern Territory.

by Senator Cooney (from 1,304 citizens).

Medicare

To the Honourable the President and Members of the Senate in Parliament assembled:
The Petition of the undersigned shows:
We strongly support Medicare, our universal public health system. Medicare is an efficient, effective and fair system. Under Medicare, access to care is based on health needs rather than ability to pay.

Access to quality health care for all Australians is a basic human right.

Your Petitioners request that the Senate should:

Do all within its power to ensure the continued viability and strengthening of Medicare by supporting a substantial funding increase for the public health system. Further to this, we strongly urge you to continue to support adequate funding for public health and oppose all government policy initiatives that would undermine the integrity and ongoing viability of Medicare.

by Senator Crowley (from 790 citizens).

Petitions received.

NOTICES

Presentation

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

That the following bill be introduced: A Bill for an Act to impose standards on the conduct of Australian corporations which undertake business activities in other countries, and for related purposes. Corporate Code of Conduct Bill 2000.

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

That the Senate—

(a) notes:

(i) the continuing jobs growth in the Hunter Valley, with 40,000 jobs created in the past year according to the Hunter Valley Research Foundation, and

(ii) that unemployment in New South Wales has dropped to its lowest since 1981, with July 2000 figures from the Australian Bureau of Statistics showing unemployment fell to 5.4 per cent and figures from the Hunter Valley Research Foundation showing unemployment in the Hunter has dropped from previous years to 8.5 per cent;

(b) congratulates the Howard Government on job creation initiatives, such as the Hunter Structural Adjustment Package, which have been set up in response to the closure of steel smelting in Newcastle; and

(c) urges ongoing investment in the Hunter region, which has enormous potential for further job creation and development.

Senator COONAN (New South Wales) (9.31 a.m.)—On behalf of the Standing Committee on Regulations and Ordinances, I give notice that 15 days after today I shall move:

2. That the Australian Postal Corporation Amendment Regulations 2000 (No.1) as contained in Statutory Rules 2000 No.76 and made under the Australian Postal Corporation Act 1989, be disallowed.


6. That the Instrument No.CASA 06/00 made under regulation 152 of the Civil Aviation Regulations 1988, be disallowed.

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

Leave granted.

The document read as follows—

A New Tax System (Goods and Services Tax) Amendment Regulations 2000 (No.2), Statutory Rules 2000 No.77

The Regulations make a variety of amendments to the Principal Regulations relating to the rounding of monetary amounts in tax invoices, financial supplies, GST joint ventures, reduced credit acquisitions and insurance.

New Part 3-1 of the Principal Regulations, inserted by item 3 of the Schedule to these Regulations, appears to be largely a re-writing of the previous Part 3-1, which was made on 20 October 1999. The only apparent difference between the two versions is the inclusion in the new version of subregulations 40-5.09(3) and (4), which provide further details as to what constitutes a “financial supply” for the purpose of the enabling legislation. The provisions within the new Part 3-1 have also been renumbered, the purpose of that being, in the words of the Explanatory Statement, to “more closely align with the numbering used in” the enabling legislation. The renumbering of these provisions may cause additional confusion to this area of the law.

Australian Postal Corporation Amendment Regulations 2000 (No.1), Statutory Rules 2000 No.76

The Regulations prescribe the details which must be recorded when a Customs officer removes a postal article from the normal course of the post for the purpose of its contents being inspected.

Although the details required to be maintained by these Regulations appear to be extensive, there is no requirement that a record be kept of the names of the Customs officers who withdraw an article from the ordinary course of the post for the purpose of inspecting its contents. Also, paragraph 3B(b) provides that, if the article is referred to an agency other than Customs, there be recorded “details of that referral”, but the paragraph is silent as to the extent of the details required to be recorded.


These Regulations prescribe, in relation to those countries with which Australia has maintenance enforcement arrangements, matters relevant to the recognition and enforcement of child support and spousal maintenance liabilities.

The enabling Act for these Regulations – the Child Support (Assessment) Act 1989 – is modified, to a greater of lesser extent, by regulations 6, 7, 10, 11 and 15 of these Regulations. While this is permitted by paragraph 163B(3)(b) of the enabling Act – a fact which is recorded in a Note to regulation 3 of these Regulations – the modifications made to the Act by this instrument are so extensive as to suggest that the relevant changes ought to be made by primary legislation.

Subregulation 25(2) limits the discretion of the Registrar, in making an administrative assessment of the child support payable by a person, to assuming that the person’s income is no more than 2.5 times a figure based on average weekly earnings in Australia for that period. Although it appears from the enabling Act that this formula is used as a basis for assessing child support liability for persons in Australia, the Explanatory Statement does not indicate why it is considered still relevant for persons living overseas.

These Regulations prescribe, in relation to those countries with which Australia has maintenance enforcement arrangements, matters relevant to the recognition and enforcement of child support and spousal maintenance liabilities.

The enabling Act for these Regulations – the *Child Support (Registration and Collection) Act 1988* – is modified, to a greater of lesser extent, by regulations 24, 25, 26 and 29 of these Regulations. The modifications made to the Act by this instrument are so extensive as to suggest that the relevant changes ought to be made by primary legislation.

It is difficult to see how subsection 24A(1) of the enabling Act, subregulation 10(4) of these Regulations, and subregulation 10(3), are to be read consistently with one another. Subsection 24A(1) provides that

> where the Registrar makes a child support assessment under which a registrable maintenance liability arises, the Registrar must immediately register the liability …

However, subregulation 24(4) appears to require the Registrar merely to fulfil his or her obligation of registration as soon as practicable after it arose. While subregulation 10(3), when read with paragraph 10(1)(a), provides that if the Registrar fails to fulfil the obligations imposed by subsection 24(1) of the Act within 90 days after the obligation arose, he or she is taken to have refused to comply with it.

It is also difficult to understand how subsection 25(2) of the enabling Act is to be read with subregulation 12(1). Subsection 25(2) obliges the Registrar to register a registrable maintenance liability within 28 days of receiving a duly completed approved form, whereas subregulation 12(1) requires the Registrar to register a registrable maintenance liability within 90 days of receiving an application for registration.

**Family Law Amendment Regulations 2000 (No.2), Statutory Rules 2000 No.81**

The Regulations allow Australian courts to enforce overseas maintenance orders, or to make maintenance orders for the benefit of persons living in countries with which Australia is entering new international spousal maintenance agreements.

The new definition of *Secretary* substituted by item 2 of the Schedule to these Regulations permits the Secretary of the Attorney-General’s Department to authorise “a person” to carry out functions under the Regulations. There appears to be no limit to the width of this power of delegation, by reference to such matters as qualifications, or the holding of a particular office or employment in the Public Service.

Subregulation 28(2) – inserted by item 10 of the Schedule – and subregulation 28C(2) – inserted by item 11 of the Schedule – oblige the Secretary of the Attorney-General’s Department to make an application calling on a respondent to a petition to show cause why various orders should not be confirmed. However, neither subregulation puts any time limit either on the Secretary’s obligation to make the application, or within which the respondent to the notice must show cause.

New regulation 30, substituted by item 13 of the Schedule, deals with proceedings for the enforcement of some types of overseas maintenance liabilities. Subregulation 30(3) provides

> The Act, these Regulations and the Rules of Court, so far as they are applicable, and with such modifications as are necessary, apply in relation to the proceedings.

It is not clear from the context whether it is intended that modifications may be made to the Act and to the Regulations, as well to the Rules of Court. If the purpose of this subregulation is to permit, inter alia, the modification of the Act, it is suggested that this is beyond the regulation-making power in section 125 of the *Family Law Act 1975*. Even if the intention of the subregulation is to permit modification of the Rules of Court only, it does not specify by whom the modification may be made, nor who is to decide whether such modification is necessary.

New subregulation 39(2), substituted by item 22 of the Schedule, requires the Secretary of the Attorney-General’s Department to apply to a court for confirmation of any provisional order made overseas and transmitted to the Secretary. Subregulation 39(3) obliges the Secretary to serve a copy of that application on the respondent to the order. However, neither subregulations imposes any time limit within which the Secretary must carry out these obligations.

**Instrument No.CASA 06/00 made under regulation 152 of the Civil Aviation Regulations 1988**

The Instrument sets out the specifications in accordance with which members of the Australian Parachute Federation may conduct parachute descents.

Paragraph 4.8.13(a) lists three factors, which cumulatively will render a tandem endorsement not to be current. This appears to be inconsistent with paragraph 4.10(c), under which an APF member who has made fewer than 50 tandem descents may make a tandem descent with a student parachutist.
Senator Vanstone to move, on 30 August 2000:

That the Senate—

(a) notes that 30 August 2000 marks the first anniversary of the United Nations run ballot in East Timor;

(b) recalls the role played by the 50 unarmed Australian Federal Police (AFP) and six Australian Defence Force (ADF) military observers, as members of the United Nations mission in East Timor during the lead-up to the ballot, in ensuring security for the people of East Timor and providing confidence in the integrity of the ballot;

(c) commends the courage displayed by the men and women of the AFP and ADF in the face of violence and intimidation in the lead-up to the poll and the outburst of destruction and killing that followed the announcement of the ballot results; and

(d) recognises that their continued presence in East Timor at the height of the post-ballot violence was crucial to preserving the United Nations role in East Timor.

BUSINESS

Government Business

Motion (by Senator Ellison) agreed to:

That the following government business orders be considered from 12.45 pm till not later than 2 pm this day:

No. 4—Aboriginal Land Rights (Northern Territory) Amendment Bill (No. 3) 2000, and

No. 5—Defence Legislation Amendment (Flexible Career Practices) Bill 2000.

General Business

Motion (by Senator Ellison) agreed to:

That the order of general business for consideration today be as follows:

1. general business notice of motion no. 647 standing in the name of Senator West relating to the maintenance of international pressure on Fiji; and

2. consideration of government documents.
Criminal Code Amendment (United Nations and Associated Personnel) Bill 2000
Indigenous Education (Targeted Assistance) Bill 2000
Protection of the Sea (Civil Liability) Amendment Bill 2000
Trade Practices Amendment Bill (No. 1) 2000
Treasury Legislation Amendment (Application of Criminal Code) Bill 2000
(Paul Calvert)
Chair
17 August 2000
Appendix 1
Proposal to refer a bill to a committee
Name of bill(s):
Interactive Gambling (Moratorium) Bill 2000
Reasons for referral/principal issues for consideration
Possible submissions or evidence from:
Committee to which bill is referred:
Environment, Communications, Information Technology and the Arts Legislation Committee
Possible hearing date:
Possible reporting date(s): 4 September 2000
(signed)
Paul Calvert

NOTICES
Postponement
Items of business were postponed as follows:
General business notice of motion no. 622 standing in the name of Senator Harris for today, proposing an order for the production of documents by the Minister representing the Minister for Transport and Regional Services (Senator Ian Macdonald), postponed till the next day of sitting.
General business notice of motion no. 607 standing in the name of Senator Stott Despoja for today, relating to the work for the dole scheme, postponed till 28 August 2000.
General business notice of motion no. 646 standing in the name of Senator Allison for today, relating to proposals for parliamentary reform in Victoria, postponed till 28 August 2000.

COMMITTEES
Rural and Regional Affairs and Transport References Committee
Meeting
Motion (by Senator Woodley) agreed to:
That the Rural and Regional Affairs and Transport References Committee be authorised to hold a public meeting during the sitting of the Senate on 17 August 2000, from 4 pm to 6 pm, to take evidence for the committee’s inquiry into air safety.

EDUCATION: SES SCORES
Motion (by Senator Carr) agreed to:
That there be laid on the table by the Minister representing the Minister for Education, Training and Youth Affairs (Senator Ellison), no later than immediately after question time on the next day of sitting, the following documents:
(a) draft guidelines on the method of calculation of schools’ SES scores as defined in subclause 4(1) of clause 7 of the States Grants (Primary and Secondary Assistance) Bill 2000; and
(b) SES scores of the 2,262 schools that participated in the 1998 SES simulation project conducted on behalf of the Department of Education, Training and Youth Affairs.

HUMAN RIGHTS
Motion (by Senator Brown) agreed to:
That the Senate calls on the Australian Government to:
(a) state what criteria it is using to measure the effectiveness, or otherwise, of the Australia-China human rights dialogues;
(b) report on the human rights dialogues already undertaken using these criteria; and
(c) demonstrate the effectiveness and usefulness of the Australia-China human rights dialogues in light of the report.

INTERACTIVE GAMBLING (MORATORIUM) BILL 2000
First Reading
Motion (by Senator Ellison) agreed to:
That the following bill be introduced: A Bill for an Act about interactive gambling, and for related purposes.
Motion (by Senator Ellison) agreed to:
That the bill may proceed without formalities and now be read a first time.
Bill read a first time.

Second Reading

Senator ELLISON (Western Australia—Special Minister of State) (9.39 a.m.)—I table the explanatory memorandum and move:

That this bill be now read a second time.

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

Leave granted

The speech read as follows—

The Interactive Gambling (Moratorium) Bill 2000 (the bill) aims to halt the further expansion of the interactive gambling industry in Australia for a period of 12-months from 19 May 2000 while the Government investigates the feasibility and consequences of banning interactive gambling.

The Government is concerned that if it does not take immediate steps to constrain the growth of this industry, the Australian interactive gambling industry could continue to expand while the Government conducts its investigation. This would make it more difficult for the Government to implement any outcomes that may arise out of the investigation.

A moratorium also puts the interactive gambling industry on notice that its future is uncertain and that it should hold-off introducing new services until its future is resolved.

Why the Government is concerned

The Government is concerned that new interactive gambling technology could provide unprecedented access to gambling. Interactive technology brings gambling into the home in a way not previously possible. By its very ubiquity, interactive technology presents a serious risk to problem gamblers, their families and the wider community.

The Government is particularly concerned that the new level of accessibility combined with the alluring interactive nature of these services could attract new and younger gamblers resulting in a new cohort of problem gamblers. The Government is mindful of recent experiences where new technology, such as poker machines, attracted new gamblers and resulted in new problem gambling.

Because this industry is still in its infancy, it is practical for the Commonwealth to take action now. In another year or two the industry may have grown to be too big and established for any government to take action. This is exactly the situation our State and Territory colleagues have found themselves in with poker machines. I am sure there are a lot of State and Territory lawmakers who regret earlier decisions to allow these machines to proliferate so dramatically in clubs and pubs. However, the inertia and the revenue generated by a large and established industry is overwhelming. The Commonwealth is determined not to repeat this mistake with interactive gambling.

The Commonwealth is not trying to curtail Australians’ access to gambling. We are, after all, a nation of gamblers. Over 80% of us regularly gamble and for the great majority of it is a harmless and fun activity. However, for a few hundred thousand Australians gambling is serious problem - not just for the problem gamblers but also their families, friends, and wider community. The Government considers problem gambling to be a significant social issue given that as many as one in ten Australians is affected in some way by problem gambling. The Commonwealth is determined not to allow this new mode of gambling to exacerbate problem gambling in this country.

How the moratorium works

The bill makes it an offence to provide an interactive gambling service in Australia. However, because this is a moratorium and not a ban, the bill exempts services where it is proven that the service:

- is the same or substantially the same service as a pre-19 May 2000 service;
- uses the same name as the pre-19 May 2000 service; and
- had at least one genuine paying customer prior to 19 May 2000.

The burden of proving these elements will fall to the defendant. The Government considers that the defendant is uniquely placed to access the information necessary to prove that it is, on the balance of probabilities, exempt. It would be extremely difficult, if not impossible, for the prosecution to negate such a defence.

This exemption prevents new entrants from establishing services during the period of the moratorium and yet allows existing services to continue to provide the same or substantially the same service as they did prior to the moratorium. However, this exemption also constrains existing providers from introducing new services to take advantage of their privileged market position.

The bill also specifically exempts phone betting and services relating to certain futures and options contracts.

Phone betting has been around since the fifties and it would be wrong to conflate this form of interactive gambling with the more modern, high-
tech interactive gambling that we are concerned about.

While online share trading, online insurance policy applications and other risk-bearing financial transactions are clearly not gambling, there are some futures and options contracts that share some of the characteristics of gambling. The Corporations Law already recognises this and specifically exempts these contracts from being subject to gambling laws. In order to remain consistent with the Corporations Law, and to remove doubt about the type of services this moratorium is intended to affect, the Government decided to make it clear that these futures and options contracts were not subject to the moratorium.

The bill also provides the Minister with a power to determine when a service is not an interactive gambling service for the purposes of this moratorium. I envisage this as a reserve power that enables the Government to ensure that this law only applies to those services it intended to make subject to the moratorium. These determinations will be subject to disallowance by the Parliament.

Coverage

The bill covers providers of gambling services linked to Australia that is making a business out of providing gambling via a specified communications service. It is important to note that the linkage to Australia not only covers an interactive gambling service provider carrying on its business within Australia, it also covers those enterprises where the central management and control of the business is located within Australia but the gambling service is actually hosted in an offshore jurisdiction. This extraterritorial application of the moratorium is important if we are to prevent Australian interactive gambling providers from circumventing the moratorium by setting up a server in an offshore location.

The bill focuses on businesses providing gambling because the Government does not intend the moratorium to affect ‘not-for-profit’-type fundraising activities, private friendly bets or other non-commercial betting such as office tipping pools.

Penalties and Enforcement

The bill proposes significant maximum penalties for any breach of the moratorium. The maximum penalty for a breach is set at 2,000 penalty points for every day of the offence. This currently equates to a maximum daily penalty of $220,000 for individuals and $1.1 million for corporations. Given any breach of the moratorium is a criminal matter, the Australian Federal Police will enforce the moratorium.

While the moratorium runs from 19 May 2000 to midnight on 18 May 2001, the law commences the day after Royal Assent. Enforcement and penalties will accordingly apply prospectively from commencement. The Government considers this the most reasonable option given the significant ramifications of a successful prosecution.

The moratorium is a short-term measure. The Government intends this law to last for only 12 months while it investigates the feasibility and consequences of banning interactive gambling. To make this absolutely clear, the bill contains a sunset clause stating that the moratorium expires at midnight on 18 May 2001.

Internet service providers (ISPs) will not be liable for the offence of providing an interactive gambling service if they merely host the site and do not provide the content of the interactive gambling service. The moratorium will also not affect any of the ancillary services associated with an interactive gambling service such as software developers, testers, accountant or marketing staff unless they themselves are providing the gambling service.

The States and Territories rejection in mid-May of a voluntary moratorium has left the Commonwealth with no other option but to legislate a moratorium to pause the growth of this industry while it undertakes its investigation into banning.

Over the past year, the Commonwealth has sought to work constructively with States and Territories to address issues of problem gambling. Dealing with interactive gambling was one of the first issues taken by the Commonwealth to the new Ministerial Council on Gambling. The out-of-hand rejection of the Commonwealth’s position by most of the State and Territory Ministers present at that Council signalled that those governments were more interested in protecting the potential revenue stream generated by this industry than addressing the harm associated with this new mode of gambling.

Conclusion

The Commonwealth is going to continue to investigate the feasibility and consequences of banning interactive gambling regardless of whether or not a short-term moratorium is in place. However, without this moratorium, the interactive gambling industry will continue to establish itself in Australia. Such a situation can only complicate the implementation of any recommendations arising out of the Commonwealth’s investigation and leave the industry in an uncertain position.

Ordered that further consideration of this bill be adjourned to the first day of the 2000
summer sittings, in accordance with standing order 111.

NUCLEAR WASTE: SOUTH AUSTRALIA

Motion (by Senator Allison) agreed to:
That the Senate—
(a) notes:
(i) the strong turnout on 15 August 2000 by South Australians to the ‘I’m with Ivy Campaign’ protest against any form of nuclear waste dump being established in the State,
(ii) that, to date, the number of signatures on the campaign petition has reached 125,000,
(iii) that this figure clearly shows the overwhelming opposition of the South Australian community to the Government’s proposals, and
(iv) the findings of a Network Seven poll in July 1999 showing that 93 per cent of South Australians oppose the siting of a national radioactive waste dump in South Australia; and
(b) calls on the Australian Government to respect community concerns and state legislation in dealing with this matter.

COMMITTEES

Publications Committee

Report
Senator CALVET (Tasmania) (9.39 a.m.)—On behalf of Senator Lightfoot, I present the 17th report of the Publications Committee.

Ordered that the report be adopted.

Regulations and Ordinances Committee

Summary of Work

Senator COONAN (New South Wales) (9.40 a.m.)—by leave—On behalf of the Regulations and Ordinances Committee, I seek leave to incorporate into Hansard a summary of the work undertaken by this committee in 1999 to 2000 and seek leave to make a short statement.

Leave granted.

The summary read as follows—
Honourable Senators will be aware of the conscientious and comprehensive work undertaken by the Regulations and Ordinances Committee in order to ensure that delegated legislation tabled in the Senate is consistent with well-established parliamentary and other fundamental principles.

As was recognised in The House television program late last year, the Committee is the quiet but effective achiever within the Senate Committee system. The Committee’s co-operative and non-partisan approach to its work is no doubt a primary reason for the respect it is accorded and the positive and constructive results it achieves.

These results will be the subject of the Committee’s annual report for 1999-2000 which I anticipate will be tabled in September.

Nevertheless, I would draw the attention of Senators to the following impressive statistics:

In 1999-2000 the Committee considered 1655 instruments.

In the same period, it wrote to Ministers on 254 instruments raising concerns with specific provisions or defects in delegated legislation.

Based on the need to seek further advice in order to satisfy its concerns within the statutory time limits, the Committee gave notice of motion to disallow 70 instruments.

Having been provided with a satisfactory response or ministerial undertaking, the Committee withdrew 55 notices of motion.

To date, the Committee has 15 notices of notice to disallow on the Notice Paper and I anticipate these will be resolved successfully during these sittings.

Over the last year, the Committee has reviewed its practices and procedures and I am pleased to advise the Senate of the following:

Disallowance Alert—The Committee has placed on the Internet a Disallowance Alert that provides current information on instruments that are subject to a notice of motion to disallow. These notices of motion may be given by the Committee or individual Senators or Members. The Alert also records action taken on these notices, including withdrawal, debate or disallowance. The Alert is updated each sitting day and may be found at the Committee’s home page at www.aph.gov.au/senate_regs_ords

Delegated Legislation Monitor—The Committee has placed on the Internet its consolidated Monitor of 1999 containing details of every regulation and disallowable instrument tabled in the Parliament in that year. The Committee has also placed on the Internet current Monitors for 2000, containing details of regulations and disallowable instruments tabled in each sitting week. The Monitors provide information on the authority for the instrument, the date it is made, the date it is tabled in the Parliament and a short summary of
Seminars on Legislative Scrutiny—The Senate Procedure Office has recently introduced half-day seminars on the scrutiny of primary and secondary legislation. Specifically, the seminars address the work of the Senate Standing Committee on the Scrutiny of Bills and the Senate Standing Committee on Regulations and Ordinances. The seminars are aimed at parliamentary staff with an interest in legislative scrutiny and also public servants who are responsible for preparing legislation, regulations and other disallowable instruments.

The Committee is assisted in its work by a dedicated secretariat. I note that after 10 years with the Committee, Ms Dianne Simpson who has been primarily responsible for collating, coordinating and cross-referencing the huge volume of papers that the Committee considers has retired from the Department. We thank her and wish her well.

The Committee also receives invaluable assistance from its independent Legal Adviser. Over the last two years, Professor Jim Davis from the ANU who also advises the Scrutiny of Bills Committee, has done this with distinction. On behalf of the Committee I pay tribute to Professor Davis and thank him sincerely for his commitment and his work.

I am pleased to inform the Senate that the Committee agreed unanimously and the President of the Senate has approved the appointment of Professor Stephen Bottomley from the ANU, as the new Legal Adviser to the Regulations and Ordinances Committee. We welcome Professor Bottomley and look forward to working with him.

Finally, I thank the other members of the Committee, Senators Bartlett, Ludwig, Mason, McLucas and Payne for their assiduous work during 1999-2000. Senator Brandis has recently replaced Senator Payne on the Committee and we look forward to the experience and knowledge he will bring to the work of the Committee.

Senator COONAN—May I take this opportunity to pay tribute to Professor Jim Davis from the Australian National University, who over the last two years has provided invaluable assistance to the committee as its legal adviser. I am also pleased to inform the Senate that Professor Stephen Bottomley from the Australian National University has been appointed as the new legal adviser to the committee. We welcome him and look forward to working with him. Finally, I must thank the other members of this conscientious committee for their assiduous work during the period 1999 to 2000.

VOCATIONAL EDUCATION AND TRAINING FUNDING AMENDMENT BILL 2000
TRADE MARKS AMENDMENT (MADRID PROTOCOL) BILL 2000
CUSTOMS TARIFF AMENDMENT BILL (No. 3) 2000

First Reading

Bills received from the House of Representatives.

Senator ELLISON (Western Australia—Special Minister of State) (9.41 a.m.)—I indicate to the Senate that those bills which have just been announced by the President are being introduced together. After debate on the motion for the second reading has been adjourned, I will be moving a motion to have the bills listed separately on the Notice Paper. I move:

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

Question resolved in the affirmative.

Bills read a first time.

Second Reading

Senator ELLISON (Western Australia—Special Minister of State) (9.42 a.m.)—I move:

That these bills be now read a second time.

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

Leave granted.

The speeches read as follows—

VOCATIONAL EDUCATION AND TRAINING FUNDING AMENDMENT BILL 2000

The Vocational Education and Training Funding Act 1992 appropriates funds to support vocational education and training which are provided to the Australian National Training Authority (ANTA) for distribution to the States and Territories and for National Projects.

This Bill will increase the amount previously appropriated for 2000 by $13.063 million in line with normal price adjustments, giving effect to the Government’s commitment to maintain fund-
ing in real terms for the three year duration of the Australian National Training Authority Agreement 1998 to 2000.

As a result, total funding for 2000 will be increased to $931.415 million.

The Bill also appropriates the same level of funding for 2001.

This reflects the Commonwealth’s proposal to the States and Territories to maintain funding in real terms for a further three years, subject to finalising a satisfactory amended ANTA Agreement.

The current Agreement was founded on a recognition by the Commonwealth and State and Territory Governments that a strong national vocational education and training system is essential to develop the skills necessary to increase the productivity and competitiveness of Australian industry, and to enable individual Australians to optimise their potential.

I have every confidence that the Agreement for the next three years will maintain this solid underpinning and will build on the substantial achievements of its predecessor.

In the three years of the current Agreement, 1998 to 2000, there has been a significant expansion of the vocational education and training sector.

State and Territory Ministers have estimated that, by the end of this year, there will be an additional 160,000 training places provided nationally over the planned 1997 level.

In 1999 alone it is estimated that well over one and a half million Australians participated in formal vocational education and training.

This is a splendid achievement.

It represents additional opportunities, particularly for young Australians, to undertake training that will help them to gain real jobs.

It also represents an important contribution to the efforts of Australian businesses to develop and maintain the competitive advantage that up-to-date skills provide.

The Commonwealth funding provided to the States and Territories through ANTA will continue to provide increased training opportunities. At the same time, it will enable the Commonwealth to continue to work with the States, Territories and industry to enhance national consistency, promote higher standards, and encourage greater choice and flexibility in vocational education and training.

It is a key element in the Government’s support of the sector and, like the recent Budget, clearly reflects the Commonwealth’s continuing commitment to strengthen Australia’s vocational education and training system.

Overall, this year’s Budget provides a total of $1.7 billion for vocational education and training. This includes $2 billion over four years to support the popular New Apprenticeships system which is currently providing training for more than a quarter of a million Australians.

The unprecedented expansion of New Apprenticeships is clear evidence that they are delivering training which responds to the needs of businesses and are opening up opportunities for more Australians in a wider range of occupations than ever before.

This momentum will be maintained with funding to allow emerging issues, such as potential skills shortages, to be addressed and will support innovative approaches to the recruitment of New Apprentices in new and challenging markets.

Together with the Government’s reforms to vocational training, this funding will provide a sound basis to meet the training challenges that the economy and community will face in the years to come.

Madam President, I commend the Bill to the Senate.

TRADE MARKS AMENDMENT (MADRID PROTOCOL) BILL 2000

The objective of this Bill is to amend the Trade Marks Act 1995 (Trade Marks Act) to give effect to the provisions of the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (the Protocol). This is a necessary first step, should a decision later be made for Australia to accede to the Protocol.

This Government has ensured that wide-ranging consultations with State and Federal agencies, and relevant interest groups and individuals, are undertaken before a decision on accession to an international treaty is undertaken. It is also a requirement of the treaty making process that any legislative requirements to give effect to the provisions of the treaty must be in place before accession. This Bill ensures that the legislative steps required, if Australia does accede to the Protocol, have been taken.

The Trade Marks Act provides for the registration of trade marks and sets out and protects the rights deriving from registration. A trade mark is a sign used in the course of trade to distinguish goods or services. The Protocol, a multi-lateral treaty administered by the World Intellectual Property Organization (WIPO), sets up an international registration system for trade marks. The amendments contained in this Bill will enable the Trade
Marks Office to process international applications and registrations under the Protocol, should the decision to accede be made. The amendments in this Bill do not involve any substantive changes to our domestic trade marks law however, and overseas applicants designating Australia will need to meet the requirements of the Australian Trade Marks Act before protection is granted here.

The globalisation of commerce and the rise of the new information economy have resulted in an increasing interest from traders in protecting their trade marks not only in their home market but also in markets overseas. Most of Australia’s major trading partners are members of the Protocol, or are actively working towards accession. There are currently forty-six contracting States, including Japan, the United Kingdom, European Union countries and China. The United States of America recently announced its intention of proceeding to accession. I understand that Singapore and the Republic of Korea are also making progress towards acceding.

Access to the benefits of the Protocol would enhance the ability of Australian business enterprises to compete effectively in overseas markets. By investigating accession, the Government is demonstrating its commitment to helping Australian businesses to compete internationally by “cutting costs and red tape” wherever possible. Australian traders seeking to protect their trade marks in overseas markets would benefit from a considerable saving of time and expense (a study in the United States reports that cost savings of more than 67% can be expected).

The international registration system allows a trade mark owner to file one application and pay one set of fees to cover multiple countries that are party to the Protocol—at present, Australian traders seeking to protect their trade marks in export markets need to file several applications, in different languages according to where protection is sought, and pay separate fees in the relevant foreign currencies.

Apart from obtaining international protection, the streamlining of procedures and the resultant cost savings under the international registration system is equally applicable to maintaining that protection. For medium to large enterprises with large numbers of trade marks, this represents a great saving of time and expense. To illustrate—under the Protocol, the protection granted in all designated member countries may be renewed simultaneously through the payment of the appropriate fee to the International Bureau of WIPO. Similarly, any changes to registration details, such as a change of address, may be accompanied by a single notification to the Bureau. Currently, an Australian enterprise with multiple registrations in a host of different countries would need to file numerous amendment applications. Under the Protocol, a single amendment application could be filed with WIPO.

Accession to the Protocol would also assist Australian businesses to take advantage of the opportunities offered by electronic commerce, by making it easier for them to secure widespread protection of their trade marks at a lower cost. In the borderless marketplace of the Internet, the ability to protect and promote Australian brands and trade marks, more cheaply and with less red tape, and in as many markets as possible, is necessary if innovative and entrepreneurial Australian enterprises are to take full advantage of electronic commerce.

Australia’s accession to the Protocol would not only be advantageous to Australian business enterprises, it would also serve to enhance Australia’s reputation as a leading member of the intellectual property (IP) community regionally. Australia has always been at the forefront in acceding to international agreements aimed at harmonising and normalising the administration of IP rights. Accession to the Protocol would be consistent with this history. By investigating accession, the Government is demonstrating its commitment to maintaining a competitively excellent IP system that ensures our traders are able to protect their IP rights both domestically and abroad. If Australia accedes to the Protocol, this step would most likely trigger increasing interest in the treaty in our immediate region, and undoubtedly more and more countries in the Asia Pacific would progressively come on line.

There are no contributions payable to WIPO by contracting States to the Madrid Protocol. There will be no additional cost to the Government of administering this legislation, and the cost recovery nature of operation of the Trade Marks Office will be maintained. The implementation costs arising from the development of new practices and procedures, as well as staff training and modifications to the Trade Marks Office computer system, could be met within current budgetary arrangements.

Consultation to date has revealed that there is strong general support for Australia’s accession to the Protocol, particularly amongst users of the trade marks system. However, further close consultations will be held with all interest groups and stakeholders before a final decision on whether to accede to the Protocol is made.

CUSTOMS TARIFF AMENDMENT BILL (No. 3) 2000.
Customs Tariff Amendment Bill (No. 3) 2000 which is now before the chamber contains a number of amendments to the Customs Tariff Act 1995. Most of the amendments have been previously tabled in the other house as customs tariff proposals and have been effective for some time. They now require incorporation in The Customs Tariff Act. I wish to outline the major amendments.

Schedule one is operative from the fifteenth of December 1999 and removes the customs duty on two hundred and sixty eight nuisance tariff items. Nuisance tariff items attract a duty of five per cent or less, each raise less than $100,000 in annual revenue and represent goods where there are few or no local producers.

These reductions in tariff rates lower business input costs which in turn enable Australian manufacturers to be more competitive in world trade.

Schedule two imposes an excise equivalent duty on imported chemical grade toluene, benzene, xylenes and mixed alkylbenzenes from the tenth of March 2000. The imposition of the duty on these products combats duty evasion through the illegal blending of petroleum products with toluene, a product which had not previously been subject to an excise equivalent duty.

The effect of these amendments is to close off this avenue of illicit activity. While there was no evidence that chemicals other than toluene were being used in fuel substitution activity, there was the potential for this to occur, particularly if this duty was not imposed.

Regulations and administrative measures have been implemented to ensure that legitimate users of these chemicals are not disadvantaged.

I commend the bill.

Debate (on motion by Senator O’Brien) adjourned.

Ordered that the bills be listed on the Notice Paper as separate orders of the day.

WORKPLACE RELATIONS AMENDMENT REGULATIONS 2000 (No. 1)

Senator JACINTA COLLINS (Victoria)

(9.42 a.m.)—I move:

That the Workplace Relations Amendment Regulations 2000 (No. 1), as contained in Statutory Rules 2000 No. 121 and made under the Workplace Relations Act 1996, be disallowed.

There are a number of matters that I wish to canvass in relation to this motion. This matter and this debate here today, I believe, are best characterised as reflecting the actions of Peter Reith—
Senator JACINTA COLLINS—Mr Peter Reith, the man I refer to as the minister for misrepresentation. In highlighting these points, firstly I need to go to a small process matter about why this debate is occurring here today. Yesterday we were informed by the government that they expected that this matter would be dealt with as formal yesterday. But yesterday Minister Reith put out a press release saying this matter had been debated yesterday. This is yet another example of the mixed messages we get from the government in this place as opposed to those we get from the minister in his role. I intend to spend some time analysing those mixed messages and why they occur—not only in relation to this motion and this disallowance matter, but also in relation to a broad range of other matters relating to this minister’s conduct and behaviour. Before I go into the detail of this matter, I will ask the government in relation to this debate to explain the change of position as to why yesterday they expected this would be dealt with as formal and why, when it was before the chamber, that was not the case.

There are matters of bona fides and good faith here. It is no news to me that Minister Reith does not know how to bargain in good faith. There are very good reasons why Minister Reith, in a move to a bargaining industrial relations system, cannot deal with bargaining in good faith, and they relate to Minister Reith. They may not relate to small ‘I’ liberal policy, but they do relate to Minister Reith. So I hope, but I do not anticipate, that I will get an explanation for that. The reason I do not anticipate that I will get an explanation for that is the very reason that this notice of motion is before us and the history of the conduct of Mr Peter Reith, whom I characterise as the minister for misrepresentation. Do not misunderstand me. In this place I do not seek to say it is intentional misrepresentation. I leave that up to the minds of others. But I will put here today the facts on a variety of matters relating to this disallowance, and people can make those judgments for themselves.

Before I go on with this issue, I want to go back to a matter I mentioned yesterday in the debate on the pattern bargaining legislation. In that debate I surmised that perhaps the very clumsy definition on pattern bargaining was an example of departmental sabotage. I want the department to know that my thoughts on that matter rest in that it was more likely related to the minister for misrepresentation tying himself up in knots and that was what was ultimately represented in the definition that appeared. I have reached that conclusion because of the lessons that I have learnt through indirectly dealing with the minister for misrepresentation. But they are not the only lessons that I have learnt in relation to dealing indirectly with the minister for misrepresentation. There are many others in this chamber who have learnt those lessons. This is why I am surprised to see in the papers today announcements that some people in the Australian Democrats still believe that they can genuinely deal with Peter Reith, the minister for misrepresentation.

The PRESIDENT—Mr Reith, not Peter Reith.

Senator JACINTA COLLINS—Sorry, Madam President—Mr Peter Reith. Unfortunately, it appears that on some issues such as the pattern bargaining legislation and the rights of Victorian workers some people in the Australian Democrats believe that the minister will genuinely achieve with them a constructive outcome. Some of these matters I reserve my opinion on. I reserve my opinion on the matters relating to the pattern bargaining legislation until I see what amendments may be put forward to the legislation. I give all parties involved the credit of reserving my opinion on those matters. I also reserve my opinion on the matters that may relate to the rights of Victorian workers until I see those. But I have some reminders in the context of, and with respect to, this disallowance motion itself about the minister for misrepresentation.

Before I go on to the detail of this regulation we seek to disallow, let me make a comment about one side issue, as yet another example of the minister for misrepresentation. Mr Reith’s behaviour over the last couple of days I characterise as an example of a
Reith/Liberal version of a conscience vote. He cannot take a position like that of Greg Barns—whom I commend for the position that he has taken in the paper today—which is a very direct and forthright view on whether a free vote should be allowed in the Liberal Party. I do not necessarily agree with the views that Mr Barns might have. Perhaps he is also implying the views of John Fahey, whom he worked for.

The PRESIDENT—Mr Fahey.

Senator JACINTA COLLINS—Mr Fahey, I am sorry, Madam President. But I respect the fact that he has come forward forthrightly and said that he believes a free vote should occur—but not Mr Reith. Mr Reith goes through the back door. Mr Reith cannot come out and say, 'This is my view on IVF.' Mr Reith has to go through the back door and try to sabotage any support that might come from the Labor Party, to achieve the outcome that he wants. I challenge the press gallery today to put the microphone in front of Mr Reith’s face and to ask him what his views are on IVF. Let us see what he does. Let us see if he does the same thing that Senator Vanstone did. Let us see what he does. Let us see if he is prepared to stay silent, as many in the Liberal Party do in relation to their views on IVF and even on whether a free vote should occur.

Let me quote two components of the article today by Greg Barns in the *Sydney Morning Herald*. He poses the question:

Have the Christian Right and its fellow travellers in the party finally cloned the Liberals into an antipodean version of the UK Conservatives or the US Republicans?

He goes on to say:

The Howard Government’s politics of exclusion on IVF is a radical departure for the Liberal Party in terms of its philosophical bent. One only has to examine its record on matters of familial over the past 60 years.

A radical departure by people who can only be described as hypocrites.

Now to the substance of this disallowance motion, and then I will relate it to the hard lessons that have been learnt by me and others in the Labor Party on the issue here—that of junior rates. I am sure Senator Stott Despoja will understand what I mean when I say: we have learnt lessons here about the minister for misrepresentation.

The ACTING DEPUTY PRESIDENT (Senator Ferguson)—Order! It is out of order to refer to the minister as the ‘minister for misrepresentation’.

Senator JACINTA COLLINS—On that point of order, I ask you to review your opinion on the matter, given that I am not implying any intent as to whether the minister is in fact misrepresenting the situation.

The ACTING DEPUTY PRESIDENT—You referred to him as the minister for misrepresentation. That is not his correct title, and I ask you to withdraw it.

Senator Harradine—Mr Acting Deputy President, further to the point of order, as I heard it, Senator Collins was using a descriptive term. Senator Collins did give the minister the appellation ‘Mr Reith’, but she then went on to describe him as the minister. He is the minister related to this piece of legislation and he has made dreadful misrepresentations, as have been detailed by Senator Collins. In the interests of a free-flowing debate that is full and frank, I would respectfully suggest that you review your ruling.

The ACTING DEPUTY PRESIDENT—Senator Harradine, I have only just assumed the chair and I just heard the speaker refer to the minister as the minister for misrepresentation, which I did not think was appropriate. That is not his title. I will look back and see what the President has said earlier, but I think that, in the interests of the debate, it would be better to use the minister’s correct title when he has a title. That is not his correct title.

Senator JACINTA COLLINS—Mr Acting Deputy President, perhaps I did end up resorting to shorthand for references I had made earlier in the debate and I will withdraw what you believe may be a reference to his title and clarify my comments to be referring to Mr Reith, the minister for workplace relations, whom I characterised as the minister for misrepresentation. I think that is a fair and accurate reflection of the debate as it has developed so far. I was saying, before I go into the detailed background of this mat-
ter, that the Labor Party, and I in particular, have learned through dealings with Mr Reith on a variety of industrial relations matters as they have occurred in this chamber that he misrepresents situations. I have been raced down to debates in this chamber that in good faith had not been anticipated. I have dealt with presentations in this chamber that have not been dealt with by the government in good faith in terms of how we manage the business in this chamber. I do not put that down to the conduct of senators in this chamber. I put that down to the behaviour of their minister. However, I also put it down to the fact that the government does not have anybody in this chamber with a proper, broad understanding of workplace relations issues and, as a consequence, these manipulations by the minister are allowed to occur.

The best example, and Senator Stott Despoja will appreciate this, is the junior rates legislation. She will recall that, when the agreement that had been reached between the Labor Party and the government was processed in this chamber, the relevant minister in this place did not deal with that legislation. He did not know how to deal with that legislation. We got to the ironical position where in fact I had departmental officers over this side briefing me to run the arguments on behalf of both the government and the Labor Party. I respect that from the minister’s perspective he probably did not want to run those arguments; he wanted to present his own misrepresentations of that agreement—so be it. But, in terms of how a piece of legislation is dealt with in this chamber, one would expect a bare minimum of a presentation of an argument from a minister of the Crown.

Turning to the detail of this matter, on 22 June this year there was a media release from Minister Reith advising that ‘regulations under the Workplace Relations Act 1996 had been gazetted which ensured the availability of age based rates of pay for insertion into Australian workplace agreements, AWAs, after 23 June 2000’. I will get to this point, but this very first statement is an example of a misrepresentation. There is nothing about the status quo that will not allow junior rates to be reflected in AWAs after 23 June 2000. I see smiles coming from the other side, because they know that too. This is another example of how the minister is misrepresenting the situation. What the minister does not want is for the appropriate award and for the Australian Industrial Relations Commission to be able to determine whether it is appropriate that a rate reflecting a junior rate in the award exists in an AWA. He does not want to have to apply the no disadvantage test to the rate as it exists in the award, whether it be a junior rate or otherwise. That is the real agenda here. Minister Reith does not want to have to do that. Why doesn’t he? Because he has absolute confidence in the partisan Employment Advocate to not appropriately apply the no disadvantage test, as was found recently in the Australian Industrial Relations Commission by Commissioner Harrison who, as far as I understand it—and for the purposes of this chamber other people should understand—was appointed to the commission in times when the Labor Party filled those positions on a cross-party basis, and she has an employer background. An employer-background commissioner has found that the Employment Advocate did not apply the no disadvantage test appropriately and did not accept appropriate assurances about how an agreement would be applied in the workplace.

There is another component of Minister Reith’s actions in this matter that is pertinent here today, because he breached an understanding with the Labor Party. Let me detail that. The minister’s action was foreshadowed by a letter to the Labor Party on 23 September last year, following the passing of the Workplace Relations Legislation Amendment (Youth Employment) Bill 1998, in which he advised of his intention to table regulations to enable junior rates of pay to be inserted into AWAs. At no time during the discussions prior to the passing of the legislation concerning junior rates did Minister Reith raise plans for further changes to the act or regulations. On the contrary, we sought, and obtained, a commitment from the minister that there would be no further changes on this issue in the life of the parliament. Minister Reith confirmed this commitment and made the following comments in the House:
... the government sees no reason why it would need to introduce further legislation in the life of this parliament on the junior rates issue.

From the government’s perspective, this outcome provides certainty and should put the issue behind us for this parliament.

Following receipt of the letter from Minister Reith, the Labor Party determined that we would oppose his planned regulations. In October last year we replied to the minister and advised that Labor would not support the foreshadowed regulations and would move to disallow such regulations if they were subsequently tabled. Minister Reith did not reply to the letter. So here we are today and, despite this background, he has continued with these regulations, and we are now dealing with a debate on disallowance which we were told would be processed as a matter of formality.

I want to comment on the detail of what these regulations purport to do. Schedule 8 of the Workplace Relations Regulations provides:

... the prescribed provision required for subsection 170VG(1) of the principal act relating to discrimination. This provision is deemed to be included in all Australian Workplace Agreements. The current regulations provide for junior rates of pay in AWAs by providing for an exemption from anti-age discrimination laws for AWAs approved before 23 June 2000.

The purpose of the new regulations is described as providing a permanent exemption for clauses in AWAs concerning junior rates of pay and certain types of trainee rates of pay impermanently for the operation of anti-age discrimination laws.

Labor’s position last year on junior rates clearly defined our views. I ensured that that occurred in the debate in this chamber. Our view is that each case for such rates must be considered on its merits by the commission on a case by case basis. That was at the heart of the amendments we successfully sought to make to Minister Reith’s original bill last year. That followed the commission’s decision as provided for in the arrangements the Democrats had previously reached with Minister Reith on progressing this matter. We amended the legislation to provide consistently for the application of the commission’s decision, but these new regulations seek to bypass that process and are a clear breach of the undertakings given privately and in the House by Minister Reith.

I want to reinforce, as I close in this debate, that what the minister is saying on this matter is simply public rhetoric. But the public do not believe the minister anymore. This minister has no public credibility. This minister is seen by the public for what he is: somebody who is ideologically driven to attack workers and to attack unions. That is what the minister is about, and the public read that. They know that. They understand that. I thank the minister for reinforcing my background in the press release he put out yesterday. I thank him for reminding this House that I started my working life as a 16-year-old shop assistant. I thank him for reminding the public that, in the Labor Party, it is possible for a 16-year-old shop assistant to end up where I am today. I thank the minister for highlighting not only my position but similar situations with respect to many others he elaborated on in his very lengthy press release—which I think got very little mileage. The public, and now the media, know to expect the same rhetoric.

But the real issue here is that the status quo will not prohibit the reflection of junior rates in AWAs. It will simply ensure that the commission will review the application of the no disadvantage test in relation to rates of pay in AWAs, and we have no confidence at all in the Employment Advocate doing it appropriately. (Time expired)

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (10.04 a.m.)—I must admit that I am a little surprised to hear about the press release to which Senator Collins has just referred. I believe she is right that it has not got much mileage. My understanding of what she has said is that the minister has referred to individuals and their backgrounds in relation to this debate. I probably should not be surprised, based on some of the things that I have seen come out of the minister’s office.

The Australian Democrats will be supporting the disallowance motion moved today by Senator Collins on behalf of the Labor Party. As we have indicated for a number
of weeks, had the Labor Party not done it, we would have happily moved the same disallowance motion, so this is one occasion on which I am quite happy to be gazumped by the opposition.

Senator Hogg interjecting—

Senator STOTT DESPOJA—I said ‘on this occasion’, so do not get too excited about it, Senator Hogg. The motion before us today is to disallow a regulation that would suspend the antidiscrimination provisions of the Workplace Relations Act to allow junior rates in AWAs. The Democrats strongly support this disallowance as the first of three necessary steps to ensure that young Australians enjoy the full effect of the antidiscrimination provisions of the Workplace Relations Act.

The antidiscrimination provisions were first inserted into the then Industrial Relations Act in 1994, with the joint support of the Democrats and the then Labor government. It was a brave statement, removing compulsory retirement ages for old workers and removing access to junior rates for young workers. As we all know, awards were given three years to get up to date and, by 1996, unfortunately, little progress had been made. With that in mind, the Democrats supported an extension for a further three years, provided there was a detailed report from the AIRC.

We all know—and Senator Collins is on record again today on this—that the ALP opposes the amendments and argues that the discrimination should be abolished immediately. This is a view for which I have a lot of sympathy but, with no replacement model agreed to, the commission inquiry was, in the view of the Australian Democrats, a necessary step towards developing a model for skill based career paths.

Then, just as the commission reported with some principles on which reviews of junior rates could proceed, the ALP did a deal with Minister Reith to deny the antidiscrimination provisions to young workers employed under awards and certified agreements. The only good thing that came out of that whole process—we did not think it was a particularly good or legitimate one—was that the minister actually stuffed up and forgot to fully extend the provisions to AWAs. Hence we have this regulation.

The opposition have said that they can support the removal of junior rates from AWAs because they are opposed to AWAs. Yet, in many cases it could be argued that the case for junior rates in AWAs is probably stronger than it is for other agreements and awards—I do not necessarily agree with it, but it could be argued that that is the case. For a start, the advocate, before agreeing to an AWA, is required to have particular regard to the interests of young workers and then apply the no disadvantage test to the particular needs of that worker. No such test applies to certified agreements and awards.

When the Senate discussed the youth employment bill last year, Senator Collins repeatedly referred me to the quote on page 127 of the commission’s junior rates report, which says:

The desirability of replacing junior rates with non-discriminatory alternatives is implicit in the Act.

Senator Collins based Labor’s support for the Youth Employment Act on this finding and argued:

And the government’s amendments do not change that fact of life. It is based on work value principles. It is based on the principles I referred to a moment ago about equal remuneration being given for work of equal value.

Senator Collins, Commissioner Merriman took you at your word. He decided that, if you were jointly moving the amendments with the government, that must be what they really meant, so he found that a junior rates award in the Victorian transport award was obsolete. He said:

The Commission has long held the view that rates of pay for employees which are determined by age is an obsolete method of establishing rates of pay.

But, as we now know, the full bench of the commission found that Commissioner Merriman was wrong, and we can only conclude that by implication Senator Collins, on behalf of the Labor Party, was wrong with that argument. The full bench found that the government amendments, rather than not altering the tone of the bill as was suggested by
the Labor Party, fundamentally changed it. The full bench decision, which was delivered only two weeks ago, said:

The true position was that recent legislative amendments indicating that junior rates were in fact to have a role in dealing with labour market issues in connection with young people had taken place and the effect of the amendments clearly altered the thrust of the act.

So the amendments fundamentally changed the act. Were the Labor Party providing legal advice based on those amendments last year, I think there would be a very strong claim for hefty legal negligence damages. The pity is that young Australians have been denied access to the antidiscrimination provisions—because Senator Collins and the ALP did not understand what they were voting for last year—and cannot now sue the opposition for negligence. Instead, young people have been copping discriminatory discounted wages and being paid less than a fair day’s work for a fair day’s pay, thanks to the deal that was done last year between the government and the ALP.

Today the Democrats support this disallowance as a first step. The second step is to ensure that antidiscrimination laws are again reapplied to certified agreements. The third step is to reapply them to awards. That will require amending Labor amendments from last year to make sure that they achieve what the opposition said they would. Again it fails to the Democrats to do the dirty work—to clean up after a rushed deal by the ALP that failed to achieve what the opposition set out to do. Today I am happy to support the disallowance that Senator Collins moved, and I look forward to her support and that of the Labor Party for amendments to legislation, perhaps later in this session, that will ensure that the antidiscrimination rules become explicit—indeed, they should be explicit—in their application to awards and agreements.

Just briefly, I acknowledge Senator Collins’s comments about Minister Reith. I think it is a very good lesson for everybody to be wary of doing deals with that minister. I also acknowledge some of the issues surrounding her contribution today in relation to conscience voting. I am no stranger to the issue of conscience voting, and perhaps we have had a salutary lesson in the last couple of days—one that I hope demonstrates that parties should allow conscience votes on all issues, not just those issues designated as particular moral or social issues. All issues should be considered ethical issues in this place. All issues require us to apply our conscience; therefore, if people choose to vote in a way that their conscience dictates, they should be entitled to do so. That does not necessarily change my position in relation to the Sex Discrimination Act amendments that will be proposed shortly by the Prime Minister, which I hope my party as a whole—as, indeed, I am sure it will—will oppose vehemently, seeing the amendments for the attack on rights of women and lesbians that I think the Prime Minister intended them to be. Having said that, I hope that all senators will vote with their conscience today on this disallowance motion, and I look forward to seeing it succeed.

Senator ELLISON (Western Australia—Special Minister of State) (10.13 a.m.)—I fail to see what relevance the IVF debate has to a disallowance motion relating to junior rates of pay. I think most Australians would agree with that and would marvel at how you could draw those two issues together in any relevant way. Firstly, I will deal with the argument put forward by the Democrats. At the outset, I concede that the Democrats’ position on junior rates of pay has been consistent. They have maintained a consistent position, opposing the government’s policy in this regard. However, I take strong issue with Senator Stott Despoja in relation to the handling of this bill last year. There was no stuff-up by the minister at all when the legislation was debated in September last year; in fact, the government had advice that, in relation to AWAs, there had to be regulations put in place. The legislation, which was debated and supported by the opposition at that time, dealt with junior rates vis-a-vis certified agreements and awards, but the advice was that, in relation to AWAs, regulations had to be made. It is those regulations which are the substance of this debate today. In fact, those regulations put in place junior rates which were to expire on 22 June this year. The origins of those regulations are to
be found in the Keating Labor government. That is where they stem from, and it is something that the opposition is conveniently forgetting in this debate.

I will just turn to the comments made by Senator Collins in relation to the IVF debate. There is absolutely no way that the ALP opposition can escape, by blaming the government, from not having a conscience vote on the IVF debate. They know only too well that any comments made by the Minister for Employment, Workplace Relations and Small Business—

Opposition senators interjecting—

Senator ELLISON—They are trying to blame the Minister for Employment, Workplace Relations and Small Business—

Opposition senators interjecting—

The ACTING DEPUTY PRESIDENT (Senator Ferguson)—Order!

Senator ELLISON—There is the old adage ‘the lady doth protest too much, methinks’, and that is evidenced today by Senator Collins’s display in this chamber. Labor are trying to say that, in some way, the Minister for Employment, Workplace Relations and Small Business is responsible for them not having a conscience vote. The truth is that they could not get that through their party room. This is a very important issue. Those senators sitting opposite have a view which is different from that of the Leader of the Opposition, and they know darn well that they have grave misgivings about their party’s position on IVF. The matter of the IVF debate was brought by the Labor Party into today’s disallowance motion, and it cannot escape comment. A conscience vote is a conscience vote, and you cannot go blaming other people for not having one. That is what the opposition are trying to do.

Senator Hogg—Where is it in the Liberal Party?

Senator ELLISON—By the interjection of senators opposite, you can see just how much it is hurting. I respect the views that they have, and I fully agree with them. I know the burden that they must have experienced when they tried to argue in their party room for a conscience vote. But do not come in here and blame other people, the government, for that not getting up. I want to put on the record very forcefully that the IVF debate has nothing to do with the disallowance motion on a regulation dealing with junior rates.

Let us turn to the real argument, the issue at hand, which I think comprised a small proportion of Senator Collins’s address to this chamber—the remainder being much self-justification for Labor’s stance on IVF. Let us look at the history of these regulations. These amending regulations are necessary to prevent confusion among employers and employees about whether age based youth wages in Australian workplace agreements are lawful or not—it is as simple as that. The changes are consequential amendments as a result of the passage of the government’s Workplace Relations Legislation Amendment (Youth Employment) Act 1999, which was passed in September last year, as I said, with the support of the opposition. The opposition cannot say that they got it wrong; they misunderstood it. They did not. They knew what they were doing, they supported the act; and we are now dealing with lawful regulations lawfully made pursuant to that act.

These regulations were required to be made by June 2000 in order to put beyond doubt the preservation of junior rates in AWAs. There was a time limit in the legislation; hence the regulations being made in June this year. The coalition government made it very clear in the debate last year what it was going to do in relation to these regulations. This is where both Senator Collins and Senator Stott Despoja have it very wrong. When we debated this legislation it was stated—and I quote from the Hansard of 30 August 1999:

The Government will also proceed to make consequential amendments to the Workplace Relations Regulations to ensure the protection of junior rates in Australian Workplace Agreements.

Nothing could be clearer than that. What we said was that, at the time of the debate on the legislation, there will be consequential regulations. The opposition are now trying to wriggle out of this. Due to internal politics in the Labor Party, they are trying to wriggle out of this and say that we have brought in
regulations which entail new de facto legislation.

I do not think the Regulations and Ordinances Committee—the chairman of which, Senator Coonan, is in the chamber—made any adverse comment or issued any alert in relation to these regulations. As we know, that committee stands as a guard against any regulation exceeding the act for which it is made. The Regulations and Ordinances Committee has said that these regulations, by not raising any adverse comment, are lawfully made pursuant to that act, and they do not bring, therefore, any new aspect into being. In other words, these regulations are not new legislation, as the opposition maintain. So there again the opposition’s argument falls to the ground.

The Workplace Relations Act exempts junior rates of pay from age based discrimination laws. Legislation in one form or another in every state and territory in Australia, including Labor states, I might add—Queensland, New South Wales, Tasmania, Victoria—exempts junior rates of pay from the operation of age based discrimination laws. So Labor have that in the states. Disallowing this regulation will not change that fact; all it will do is confuse employers and employees about whether junior rates of pay can still be included in AWAs. Any uncertainty can only harm the prospects of employment for young people. It has been estimated that some 290,000 youth jobs would be at risk in the retail industry alone if Labor’s approach were to be adopted. It was a key finding of the independent—and I repeat: independent— inquiry by the Australian Industrial Relations Commission into junior rates that any move to abolish junior rates would cost young people jobs. It has been estimated that some 290,000 youth jobs would be at risk in the retail industry alone if Labor’s approach were to be adopted. It was a key finding of the independent—and I repeat: independent inquiry by the Australian Industrial Relations Commission into junior rates that any move to abolish junior rates would cost young people jobs.

Senator Stott Despoja interjecting—

Senator ELLISON—I hear Senator Stott Despoja interjecting. Senator Stott Despoja should remember that the Democrats supported this inquiry, which then said that the stance taken by the Democrats would cost young people jobs. They asked for that inquiry and they have to stick to the findings of that inquiry and wear them.

What we are seeing is in fact a wider stance than just the disallowance of these regulations. What we are seeing is a backflip of policy by the Labor opposition. Why has this change come about? What does it reveal about the real plan that Labor have for youth wages? What the Labor Party have done today is what they tried to avoid last year: they have exposed their hidden agenda on youth wages—that they want to abolish age based youth wages in the workplace relations system if they get into government. If they did not intend to abolish age based youth wages, why would they be moving to disallow these regulations? That is the basic question that has to be asked, one which they cannot answer. The fact is that the Labor opposition, by this motion, have reignited the youth wages debate. That a Beazley government would abolish youth wages should concern every Australian—every family, parent, grandparent and particularly those young people seeking work.

The Beazley policy platform adopted in August this year by the Labor national convention also sets the groundwork for the abolition of youth wages. The ALP’s Platform 2000 now commits the opposition to supporting the enactment of ‘comprehensive age discrimination legislation’. The fact is that such legislation, as promised now by Labor, would abolish junior rates if they were not specifically exempted. Nowhere does the platform indicate that junior rates would be exempted. Their platform also commits Labor to supporting the establishment, through a case by case basis in the industrial commission, of competency and skill based pay structures for young workers. It was this combination of a comprehensive age discrimination law and a preoccupation with the search for competency and skill based wages that was used by the Keating Labor government in 1993 to legislate the abolition of youth wages in three years time. Remember what I said earlier: these regulations have their origins in the Keating Labor government back in 1993, when they brought in these regulations. In fact, what the coalition government has done is simply extend the life of those regulations. So this is something which is not just being dreamt up by the coalition government; these regula-
tions which Labor now seek to disallow have their origins, their roots, in the Keating Labor government in the early nineties.

It is interesting to look at what senior members of the opposition have said about this issue, in particular what the deputy Labor leader said when he was interviewed on 9 July on *Meet the Press*:

We think that wages for people especially for people below 21 years of age should have regard to their level of skills and achievement and not be related specifically to their age.

I repeat:

... not be related specifically to their age.

In other words, goodbye to age based youth wages under Labor—and that is now their policy. If it were not for the election of the Howard government in March 1996, age based youth wages in Australia would now be unlawful under the labour legislation that the Keating Labor government had passed and young people would have lost their jobs. That is why we extended these regulations to 22 June this year. That is why we had to enact these regulations in June this year: so as to avoid that prospect of young people losing jobs. That was a finding of the independent report by the Australian Industrial Relations Commission. I might say, while I am dealing with that inquiry, that the commission heard from all the parties, even the Democrats, and concluded that there was no feasible alternative to age based youth wages. The inquiry did not accept the Democrat, Labor or union argument that competency and skill based wages are a feasible alternative to junior rates. I repeat: the inquiry could not find any feasible alternative. It found that the competency and skill based wages were not even the best of the bunch of non-discriminatory and non-feasible options.

As I said at the outset, the Democrats have consistently opposed the government’s position on this matter. The Democrats’ position is wrong. It is not a position which will give jobs to young Australians, and it is wrong for the Democrats to disregard the finding of that independent inquiry, an inquiry which they supported when it was set up. The opposition is, of course, in a much more difficult position. It supported this legislation last year, knowing full well that these regulations dealing with youth wages and AWAs had to be brought into existence, because that is what we mentioned during the course of the debate. They would have to have been deaf, dumb and blind not to know that, because we raised that during the course of the debate and said what we would be doing. They are now doing a backflip because of internal party politics and are seeking now to disallow these regulations.

These regulations are there for certainty. They bring certainty to the whole package so that certified agreements, awards and AWAs will all have that same regime in relation to youth based wages. But what the opposition will be doing here will be singling out AWAs, by the disallowance of these regulations, and making it more uncertain for those employers and employees as to where they stand. That confusion and uncertainty will do a great disservice to those people who want to employ young people and also to those young people looking for jobs. This is the crucial aspect of these whole regulations. It is not just about some technicality; these are regulations which go to the very heart of youth employment. By disallowing them the ALP opposition are absolutely destroying the chances of many young Australians of gaining that youth employment. The ALP opposition realised this in September last year, because they supported the legislation that we put up then.

It is not surprising, therefore, that the opposition comes in here today trying to bring in red herrings, trying to bring in the IVF debate, trying to bring in everything else except the substance of the issue at hand. We know full well why: because it deals with youth employment and the fact that Labor wants to hinder that with its backflip on youth wages. No rhetoric about IVF, conscience votes or anything of that sort is going to convince anybody. That is a matter for another time, another place, another issue. It has no relevance to this debate at all, and any statements made by any ministers of the government on youth wages, these regulations or how the backflip by Labor came about provide no excuse for those people who could not convince the Leader of the Opposition to have a conscience vote on his
side of the fence in relation to the IVF debate.

This move by the ALP opposition is a destructive one, and it is one which is a complete backflip on their stance last year. The community should realise this and should look further as to the real reasons why Labor have done that backflip. These regulations are essential to provide certainty to the marketplace for employment. By disallowing them, there will be uncertainty and confusion, and that can only lead to people thinking twice before giving a young person a job.

Senator JACINTA COLLINS (Victoria) (10.31 a.m.)—In reply, I would firstly like to thank Senator Stott Despoja and Senator Ellison for their involvement in this debate. I would particularly like to thank Senator Ellison for the courtesy he has shown in seeking to deal with this in a comprehensive manner. I want to reflect on that courtesy because in the past that courtesy has not been demonstrated or attempted by government ministers in this place. Since the last occasion on which I made that point directly to the minister, he appears, at least from my interpretation, to have enforced Senator Alston’s presence in this chamber during the full debate of a workplace relations matter. If you look at ministerial representations, they do not seem to have changed: Senator Alston is the Minister representing the Minister for Employment, Workplace Relations and Small Business. Whilst I know that Senator Ellison might claim some relevance of this debate to his portfolio of education, training and youth affairs, he and I both know where this regulation has come from. It has not come from his portfolio and he should not be the minister in this chamber, and that point reinforces the point that I made in my opening contribution. I have not been talking about irrelevancies; I have been talking about other examples of misrepresentation and poor conduct by this minister. I did not bring the other issues and debates into this debate as red herrings; I brought them in as precedents of what the minister is really about on this occasion.

Unfortunately, Senator Ellison, whilst you have been given a reasonably credible brief, the big component missing in that brief is that it cannot demonstrate on matters of substance that my claim about the status quo and junior rates is inaccurate. You have not even sought to address that issue because you cannot. We have not seen legal advice that demonstrates that I am wrong on this because you cannot provide it. You cannot convince us because ultimately we are right. We are right on the issue of substance, but we are also right on the issue of certainty. You talk about certainty, but you should talk to the business operator involved in the Australian Industrial Relations Commission case that I referred to involving Commissioner—perhaps it is a more senior title—Harrison. You talk about certainty—you should look at that decision. You talk about certainty, but Senator Stott Despoja is accurate in her statements on this; you should talk to the employers involved in the Merriman decision. These are matters where certainty is not provided, and that is why the Labor Party will only support proposals consistent with the Australian Industrial Relations Commission’s decision, determination or review—whatever you want to call it—on and of junior rates. The situation—and our position is consistent with this—is that the commission should review on a case by case basis.

You talk about certainty. The issue of certainty also revolves around the behaviour of the Office of the Employment Advocate. The evidence we had in the second-wave inquiry tells us that there is a considerable lack of certainty about the conduct of the Office of the Employment Advocate. The reasons for that lack of certainty—and I think Senator Stott Despoja may well pay credit to this point—is that the arrangements that establish that office have not left it open to scrutiny. There still has not been a review of the details, the issues, the matters and the real content of what is going on in Australian workplace agreements. Let us set aside the issue of precisely who is reaching these agreements—which particular employers and which particular employees. Let us leave all of those issues aside. There is no content analysis of what is going on inside Australian workplace agreements that has any academic credibility. Some, and only some, case studies have been conducted which have some academic rigour. I look at the level of
wastage that has occurred in the Office of the Employment Advocate in terms of the quality of the reports that they have produced on some of these case studies and I see that what the Commonwealth has funded are actually managerial studies for some businesses. They are not analyses of what has gone on in Australian workplace agreements; they are process and administration assessments, more designed to suit the purposes of a business than any desire by the Commonwealth or the public generally to understand what is going on in the process and development of Australian workplace agreements.

Let us look at the example of where the minister threw into the public arena the idea of the Victorian government as an employer—it is quite contrary to his own act. Let us look at the substance of that case study. What the Office of the Employment Advocate has done there—as it appears, prima facie, at this stage—is very poor academic and independent form—very poor indeed. If I were Dr Curtin of Curtin Consulting, prima facie as things stand now, I would be extraordinarily embarrassed and I would be running away from that report and the Office of the Employment Advocate by a mile. The Office of the Employment Advocate, prima facie, appears to have damaged his credibility—but more of that will come later.

The other thing I want to thank Senator Ellison for is raising the issue of jobs, because that triggered in my mind a few more examples of the minister’s precedent. Senator Ellison referred to the example of AWAs in Queensland. I mentioned yesterday that Queensland is an example of where this jobs argument does not hold up on another matter—the matter of a small business exemption for unfair dismissals. It is an absolute joke. You got your chance in Queensland. There were no small business jobs in that initiative—none at all. It is a joke and the public understands that. The rhetoric you speak on junior rates is a joke. People do not believe your claim that overnight under Labor there would be an abolition of junior rates and no credible alternative to manage workplace reform. They do not believe that.

The government keep saying it but people do not believe the minister.

People do not take the minister credibly. From my perspective, when I observe him attacking the Prime Minister through the back door on other issues, it reminds me that perhaps Minister Reith understands what we understand—that the minister has no credibility at all. The reason is that the briefings in the material that the likes of Senator Ellison get here, as he tries to stand in for Minister Alston, who should know, cannot address matters of substance. You have not been able to address the fundamental question and claim here, which is that the status quo in relation to rates of pay in AWAs could not be maintained. You have not been able to address that point. You cannot address that point. What do people want in relation to rates of pay in AWAs? They want a fair standard. The commission, which is the independent umpire—if it remains such, and that is highly questionable—is the body to determine that, not Jonathon Hamberger.

Question put:
That the motion (Senator Jacinta Collins’s) be agreed to.

The Senate divided. [10.44 a.m.]
(The President—Senator the Hon. Margaret Reid)

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**NOES**

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

COMMITTEES
Environment, Communications, Information Technology and the Arts Legislation Committee

Extension of Time

Motion (by Senator Ellison)—by leave—proposed:

That the order of the Senate agreed to earlier today be varied to provide that, in respect of the Interactive Gambling (Moratorium) Bill 2000, the Environment, Communications, Information Technology and the Arts Legislation Committee report by 4 September 2000.

Senator O’BRIEN (Tasmania) (10.48 a.m.)—As the government knows, the opposition were not in agreement with the date which the government proposes in this resolution. We did agree, as this matter was not attended to when the Selection of Bills Committee report was presented this morning, to grant leave to the government to move this motion. We did not indicate that we would be supporting it and we will not. It is our view that the committee ought to have some additional time to consider this important matter, given the interest in the bill now for consideration, particularly from state governments and from private businesses which are claiming that the retrospective application of this legislation will have a dramatic effect on investments already made. That is how they see it.

We have suggested to the government that the appropriate date for reporting should not be 4 September but should be 4 October. That is in fact the next week of sitting, given the break between sitting weeks occasioned by the Olympic Games. So, although we are talking about a one-month delay, we are in fact talking about a one sitting week delay for the purpose of allowing the committee the opportunity to properly consider the views of Australians about this legislation without occasioning undue delay in the consideration of the matter at the same time. I stress that it is one sitting week.

I can recall other inquiries where the government has asked for an earlier reporting date and then the bill has languished on the Notice Paper. The RFA legislation is a case in point. Without wanting to trail through the numerous examples where the government has had legislation sitting on the Notice Paper for excessive periods, I simply say that it is the opposition’s view that it would be better that this committee be allowed until 4 October to report, and I stress that that is the next week of sitting of the Senate. I therefore move an amendment to the motion moved by Senator Ellison:

Omit “September”, substitute “October”.

That would have the effect we desire, which is to delay the reporting date until 4 October this year. That is, in essence, the difference between the parties.

I understand that the Democrats have considered this matter and will support the government. We will not seek to divide on this matter. However, we wish to put on the record that it is in these cases, generally speaking, the opposition that provides the quorum—with the government, of course—for these committees. I think it is beholden on the Democrats, if they support this proposition, to support the program of the committee so that they can do their work if the Senate does ultimately, as I expect it will, require the committee to report by 4 September. Perhaps the Democrats’ view is that they want this matter out of the way as quickly as possible and they are not really supportive of the reference. I stress that this reference is a
reference by the government of the legislation. This is another reference, the second in two days, where the appendix 1 form, the form headed ‘Selection of Bills Committee: Proposal to refer a bill to a committee’, has no details filled in. Under the subheading ‘Reasons for referral/principal issues for consideration’ the form is blank and under the subheading ‘Possible submissions or evidence from’ the form is also blank. Then there is the name of the committee to which the bill is being referred, the Environment, Communications, Information Technology and the Arts Legislation Committee.

The government has insisted that this matter be referred. It is insisting that the shortest possible time be given for the committee to consider the matter and report to the Senate, ostensibly so that the bill can be debated in the week commencing 4 September. The Interactive Gambling (Moratorium) Bill has great ramifications for a number of businesses and certainly state governments around the country and this is the sort of timetable in which the committee is being asked to consider the matter. We propose that the motion be amended. We have no objection to the reference, as should be clear. Labor members of the committee will attempt to work in whatever timetable the Senate establishes for the committee, but we think it is unreasonable. In fact, it is in undue haste to require the committee to consider these matters properly and report by 4 September, particularly given the nature of the material under consideration in the bill, which will be before the Senate at the conclusion of the committee’s report.

Senator BROWN (Tasmania) (10.54 a.m.)—I support the opposition amendment. As the opposition has said, this is not only a complex issue but also one of great public and business interest and has very big social as well as economic ramifications. We need to make sure that the community that is involved in this has good time in which to submit its opinion to both the committee and then the Senate. I am concerned that the whole process is being truncated. I have great alarm about the impact of gambling on society. In fact, you will remember that I first raised the matter of interactive gambling in this chamber. I do not want to see this important process of community input and then Senate consideration of that input truncated in the way it is being truncated by the government and the Democrats. Therefore, I support the opposition.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (10.56 a.m.)—The Australian Democrats party room has determined that 4 September is an acceptable date. While I acknowledge Senator Brown’s suggestion that this is a complex debate for legislative, technical and other reasons, it is a debate that has largely been entered into over many months through the processes of the Senate Select Committee on Information Technology. While I do not think for a minute that community thoughts or input would be disregarded in any way in this process, I do believe that a lot of the issues, including the technical complexities and the IT aspect of the debate, have been explored quite thoroughly, as many of the members on the select committee would understand. I look forward to a speedy resolution to this particular issue and to examining the legislation in detail.

Amendment not agreed to. Original question resolved in the affirmative.

Foreign Affairs, Defence and Trade References Committee Report

Senator HOGG (Queensland) (10.57 a.m.)—I present the first report of the Foreign Affairs, Defence and Trade References Committee entitled Japan’s Economy: Implications for Australia, together with the Hansard record of the committee’s proceedings and submissions.

Ordered that the report be printed.

Senator HOGG—As the committee wishes to present a second report on this subject, I seek leave to move a motion for an extension of time for the committee to present that report.

Leave granted.

Senator HOGG—I move:
That the time for the presentation of the second report of the committee on developments in contemporary Japan and their implications for Australia be extended to 2 November 2000.

Question resolved in the affirmative.

Senator HOGG—I seek leave to move a motion in relation to the report presented today.

Leave granted.

Senator HOGG—I move:

That the Senate take note of the report.

Japan is the world’s second largest economy after the United States of America. It is the world’s largest individual commodity importer, the world’s leading creditor nation and it has one of the highest per capita incomes and the highest savings rate in the world. It occupies an even more dominant place in the Asia region where its economy is by far the largest. Aside from its global and regional significance, Japan is important to Australia as a trading partner. This relationship has grown from tentative beginnings reaching back to the latter half of the 19th century and has strengthened considerably, particularly since the Second World War. In 1947, Australia referred to Japan as a ‘natural market’. This theme has evolved over the years into a notion of partnership that is now central to the understanding of the Australia-Japan relationship.

Over the past decades, and even as Japan emerged as a new and dominant global economic force, Australia and Japan have forged a close and mutually beneficial friendship. Many witnesses who appeared before the committee spoke of the depth of the relationship and the solid footing of goodwill upon which this relationship stands. Today, the partnership between Australia and Japan remains firm but there are challenges ahead for both countries in further developing the relationship. Social and economic changes in Japan and shifts in the international political landscape mean that Australia and Japan cannot take their strong and durable relationship for granted. The time has been ripe for a review of Australia’s relationship with Japan.

It was against this backdrop of change that the Senate referred the matter of contemporary social, political and economic developments in Japan and their implications for Australia to the committee for its consideration. The committee received 64 submissions, and public hearings were held in Canberra, Melbourne, Perth, Sydney and Brisbane. With the assistance of the Japanese ambassador and his staff at the embassy in Canberra, a number of representatives from the Japanese business community appeared before the committee. The committee is grateful for their assistance. Because of the wide-ranging nature of the inquiry, the committee decided that the report would be divided into two separate parts. This report, Japan’s economy: implications for Australia, forms part 1 of a two-part report and deals specifically with the contemporary economic developments and their implications for Australia. The second part will deal with the contemporary political and social changes in Japan and how they affect Australia.

For Australia and Japan, there is a growing need to manage an increasingly diverse relationship under conditions of rapid technological advancement, a changing global economic system and international uncertainty. Both countries have to adjust to, and foster their relationship in, an environment of shifting power structures, tensions between major trading partners and economic insecurities. Moreover, Japan itself is undergoing fundamental change with a comprehensive program of reform, severe demographic shifts such as its rapidly ageing population, and a restructuring and reorientation of its economic system. Since Japan’s economic bubble collapsed over a decade ago, it has been struggling to restore its economy to robust health. It has introduced numerous economic recovery initiatives, rescue packages and reform programs but the economy is not yet on a determined path to recovery. Recent projections are becoming more positive about Japan’s economic outlook and a lift in private demand has been observed. But even if this recovery proves durable, serious economic problems remain to be tackled and the road ahead for Japan will not be an easy one. The Japanese economy must pass through a long and difficult rehabilitation period before it regains vitality. Japan has
been walking on the edge of change for some time. It seems as though it has now stepped onto the road towards a more market based and competitive society. How far it travels along this route and at what pace it chooses to proceed will have a bearing on its relationship with Australia. The committee recommends that the Australian government takes this opportunity to reaffirm its long-term and sincere commitment to the Australia-Japan partnership.

In turning to recent developments in the Australia-Japan trading relationship, the committee found that Japan’s economic downturn has affected Australia’s trade with Japan. Subdued economic activity in Japan has softened demand for Australian products but, even so, Australia’s export trade to Japan has held up well to date. This is due in large measure to the depreciation of the Australian dollar against the US dollar and against major European Union currencies, which has given Australian exporters a competitive edge. The strong relationship and the reputation that Australia has built up over the years as a reliable and dependable trading partner have also, to some measure, protected Australian exporters against the effects of Japan’s economic downturn.

Perception is a powerful force in shaping relationships and it is important that Australia ensures that its potential is fully understood and appreciated by Japan. The committee found that a range of Australian industries are working very hard to convey positive impressions of their particular product or sector. The coal industry has an established reputation as a reliable supplier and is working towards creating a more environmentally friendly image. Iron ore producers, LNG producers and rice and wheat growers are consolidating their name as reliable suppliers. LNG producers are marketing their product as safe and clean, and the Australian rice, wheat and beef industries are acknowledged as producers of high quality product. The tourist industry is striving to broaden its image, and the education industry has work to do to build a stronger profile in Japan. The committee found that, despite the individual efforts of different sectors in the Australian community to promote their particular product, the extent and range of Australia’s potential is undersold in the overall understanding of Australia in Japan. Australia must work harder to raise its international profile and more effectively convey an image of this country that reflects its strengths and potential.

The nature and composition of trade between Australia and Japan has changed over many years. Australian exports to Japan are no longer limited to strategic raw materials. The strong complementarity that existed from the very beginning of trade between the two countries continues to bind them and provides a sturdy platform on which both countries can strengthen their relationship. There is a reorientation of industry with the growing importance of information technology and, more importantly, services exports such as tourism. Indeed, Japanese tourists are now more important as an export earner for Australia than the traditional wool exports to Japan. In addition, the trading environment is changing. Japan’s long period of rapid economic growth has come to an end. In seeking to lift its economy from the doldrums, Japan has embarked on an ambitious reform program which offers exciting prospects for new or expanding markets. Japan is restructuring its economic system, and opportunities are emerging for Australia to broaden its trading horizons. Demographic and technological changes in Japan also present opportunities for new ventures. The committee was concerned that Australian companies could miss out on these opportunities. Many witnesses reinforced the view that despite the recession in Japan, Japan offered great opportunities for business and it was time for Australian business to capitalise on them.

In summary, Japanese consumers are demanding wider choices and better services, traditional business relationships are opening up, regulations are being dismantled or revised, new players are nuzzling in on the previously closed distribution system in Japan and increased foreign involvement is now accepted as inevitable. Moreover, there are some Japanese businesses looking to be rescued from their financial difficulties. The committee believes that it is time for Australian firms to consider establishing a presence...
in Japan. The committee urges the Australian government and business to continue to encourage Japan to liberalise its highly protected agricultural markets. Further, the committee believes that to safeguard and promote its trading future Australia must continue to argue in international forums for the liberalisation of trade, particularly in agriculture. The committee recommends that the government seek with renewed effort the cooperation of countries such as Japan to reinvigorate the APEC process in setting down achievable goals toward the realisation of trade and investment liberalisation.

Finally, I would like to thank the people who contributed to the inquiry, especially those who made submissions or provided other information and who appeared before the committee. I would like to thank my colleagues who participated in the committee for their efforts in bringing down a very important report for this chamber to consider. In particular, I would like to thank Kathleen Dermody from the secretariat, who leaves to take up a position on another important Senate select committee today, for the fine efforts that she has put in in compiling the report for the committee.

Senator SANDY MACDONALD (New South Wales) (11.08 a.m.)—I wish to support Senator Hogg’s comments regarding the tabling of the report of the Foreign Affairs, Defence and Trade References Committee on contemporary Japan. This Japan inquiry ran for two years and, in view of the vital importance of the Australia-Japan relationship, it had to be a first-class effort. I would certainly support Senator Hogg’s comments that it is a first-class effort. Both Dr Kathleen Dermody and Mr Paul Barsdell should be congratulated.

Japan is our largest market for meat. We sell more meat in Japan than the United States does. It is a major market for wool and other foods, fibres and minerals. Estimates of Australia’s job dependency on our relationship with Japan range up to about 300,000 people. Inbound tourism is another important aspect. Simply put, without Japan and our relationship with Japan, a lot of us would be worse off and certainly our standard of living in Australia would be lower.

I mentioned that it had to be a first-class effort, and it was. The nature of the research was difficult. We were not simply charged with giving Australia’s view. That would have been easy. We could have sat back comfortably and passed judgment, particularly in view of some of the difficulties the Japanese economy has had over the last decade. We wanted to have the Japanese speaking on their own behalf, and therein lies a difficulty because Japanese companies are, and were, reluctant to appear individually. That is perhaps a cultural thing; I am not sure. Japanese companies take a view that there has to be consensus on these matters. I would like to thank the Japanese companies that did come before the committee. I would particularly like to thank the Japanese ambassador, who was very helpful in this regard. The result of all this was our initial report and, as Senator Hogg said, there is more to come.

There is a matter of some public importance I wish to bring to the attention of the Senate. I note that the President has now left the chamber. This was an extremely expensive report. The direct administrative costs of the inquiry to date are over $21,000, and this figure does not include the cost of printing the first report, which was tabled today. The estimated staff salary cost is presently around $120,000. I have no figures for the cost of the committee members, the senators themselves, attending committee activities or for their salaries or for the time they or their staff spent on the Japan inquiry, but I would estimate that it was upwards of $50,000. A second report, focusing on political and social changes in Japan, should be tabled in late October. There will be additional administrative and salary costs associated with
the remainder of the inquiry. Some of the past costs relate to the second report and not just to this report. On a very conservative estimation I would suggest that this report will cost the Australian taxpayer about $250,000.

The committee itself did not visit Japan. Only one committee member, I think I am right in saying, has ever been to Japan. I do not believe that in a mammoth work like this the parliament is getting value for money without a visit to Japan. It is absolutely appropriate for a visit to give credibility to what is a superb and scholarly work. I know that committee members could use their study leave, but I understand that the Presiding Officers have virtually forbidden committee staff to be provided with travel assistance. I direct my comments to both Presiding Officers but particularly to Madam President. She has made that decision—so be it. But I ask her to reconsider it on the basis of what is in the best interests of the parliament and what is in the best interests of the Australian taxpayer. I do not know how a Senate committee can use their study leave, but I understand that the Presiding Officers have virtually forbidden committee staff to be provided with travel assistance. I direct my comments to both Presiding Officers but particularly to Madam President. She has made that decision—so be it. But I ask her to reconsider it on the basis of what is in the best interests of the parliament and what is in the best interests of the Australian taxpayer. I do not know how a Senate committee can use their study leave, but I understand that the Presiding Officers have virtually forbidden committee staff to be provided with travel assistance. I direct my comments to both Presiding Officers but particularly to Madam President. She has made that decision—so be it. But I ask her to reconsider it on the basis of what is in the best interests of the parliament and what is in the best interests of the Australian taxpayer.

Copyright law requires a delicate balance to be struck between the interests of those people who create material for use by others and those people who use that material. Provision must also be made for the interests of copyright communicators. Creators of copyright material and the collecting societies that represent their interests such as the Copyright Agency Limited and Screenrights argue that copyright law must ensure that creators receive full and proper remuneration for their work. Users of copyright materials such as students, researchers, members of the public, universities, libraries and the cultural institutions that cater for them argue that copyright law must ensure that people can obtain fair access to copyright material and, in some instances, for that access to be provided free of charge where that person makes copies an insubstantial portion of a work. Copyright communicators, on the other hand, such as Internet service providers and telecommunications companies argue that copyright law must ensure that they are not improperly exposed to actions in breach of copyright by virtue of their activities.

Copyright law is not an issue that regularly inspires great public awareness or prominent public debate, but it is certainly a subject that arouses considerable and often passionate interest amongst those people who stand to gain the most from the balance that is struck between the competing interests which are involved and, of course, those people who may lose from that balance.

I turn therefore to the Copyright Amendment (Digital Agenda) Bill 2000. The central aim of this legislation is to ensure that copyright law continues to promote creative endeavour and, at the same time, to allow reasonable access to copyright material through new technologies. The opposition supports this objective and we are satisfied that this bill, as it has been amended subsequent to the report of the House of Representatives Legal and Constitutional Affairs Committee, generally strikes that balance. Technology has left the parliament behind in many instances, and this is one of those. The law with respect to the protection of copyright and intellectual property has lagged a long...
way behind technological developments in the information economy. Nevertheless, in a process which was commenced by the former Labor government reform in this area has been considered over a number of years and has been hastened, in fact, by international treaties which were concluded in 1996.

The centrepiece of this legislation is the introduction of a broadly based technology neutral right of communication to the public. It will replace, and indeed extend, existing technology specific broadcasting rights which are limited to wireless transmissions. It will also replace the limited cable diffusion right. Further, the new right will make available copyright material online through on-demand interactive services. The right of communication will subsist as an exclusive right in all protected subject matter except for published editions. The bill includes an important package of exceptions to the new right of communication, along with new exceptions to existing rights to ensure reasonable access to copyright material online. As far as possible, the exceptions replicate the balance struck between the rights of owners and the rights of users that has applied in the print environment.

The existing fair dealing exceptions will apply to the new right of communication to the public. The reasonable portion test has been extended to apply to the reproduction for the purposes of research or study of literary and dramatic works in electronic form. The bill also extends the existing exceptions for libraries and archives to the reproduction and communication of copyright material in electronic form. The existing statutory licence scheme for copying by educational institutions has also been extended to the reproduction and communication of copyright material in electronic form. The existing statutory licence scheme for copying by educational institutions has also been extended to the reproduction and communication of copyright material in electronic form. The extended scheme for the electronic use of copyright material has indeed been drafted broadly. The key to the new scheme is flexibility based on agreement between institutions and the relevant collecting societies. The bill establishes a similar statutory licence for the electronic use of copyright material by institutions assisting persons with print and intellectual disabilities. There is a new exception in the bill for temporary copies made in the course of the technical process of making or receiving communication. This includes the browsing of copyright material online. The exception does not apply in relation to temporary copies made as a result of an unauthorised communication.

The bill introduces three new enforcement measures in response to the problems posed by new technologies. The first will put in place civil remedies and criminal sanctions against the manufacture and dealing in devices for the circumvention of technological protection measures, that is, software to break password protected copyright material. The second new enforcement regime provides civil remedies and criminal sanctions against the intentional removal or alteration of electronic rights management information, or RMI, such as digital watermarks. The bill also proscribes certain activities in relation to copyright material from which the attached RMI has been removed or altered. The third new enforcement regime provides both civil and criminal sanctions against the manufacture and dealing in devices for the unauthorised reception of encoded subscription broadcasts, such as decoders to allow unauthorised reception of pay TV signals. Any one who has spent any time on the Internet would appreciate how difficult it may very well be to make some of these enforcement regimes stick, but the bill does carry these three new enforcement regimes.

The bill also clarifies and limits the liability of carriers and carriage service providers, such as ISPs, in relation to copyright infringement by others using their facilities. Under the amendments in the legislation, carriers and ISPs will not be directly liable for communicating material to the public if they are not responsible for actively determining the content of the material communicated. Typically, the person responsible for determining the content of copyright material online would be a web site proprietor and not a carrier or an ISP.

The bill also provides that a carrier or an ISP will not be taken to have authorised an infringement of copyright merely by providing the facilities on which the infringement occurs. Further, the amendments provide an inclusive list of factors to assist in
determining whether the authorisation of infringement has indeed occurred. These factors include the consideration of whether a person has complied with any relevant industry codes of practice. The bill further provides a statutory licence scheme for the payment of equitable remuneration to the underlying rights holders whose works are contained in retransmitted free-to-air broadcasts. One or more collecting societies will collect and distribute payments under the new scheme. If an agreement cannot be reached between the relevant collecting society and the retransmitter, such as a cable pay TV operator, the rate of equitable remuneration will be determined by the Copyright Tribunal.

The bill includes amendments to adopt some outstanding recommendations contained in the copyright law review committee’s 1995 report entitled Computer Software Protection in order to finetune the existing protection of computer software. The bill contains some transitional provisions and consequential amendments. In respect of these, we anticipate that the government will be moving further amendments of a technical nature, and we will also move one further technical amendment developed in discussion with the government.

The bill has been considered by the House of Representatives Legal and Constitutional Affairs Committee, as I mentioned earlier, and that committee recommended a number of amendments. As a result of that report, the government moved amendments in the House of Representatives with the support of the opposition to implement many of the recommendations made by the committee. The opposition also moved amendments to pick up three recommendations of the committee, to which the government did not initially respond favourably. But, ultimately it did see the logic of Labor’s position. One of those amendments clarifies the circumstances in which works can be displayed online in public libraries and another strengthens the precondition for obtaining circumvention devices. As a result of further discussions with the affected parties, we were to move today further amendments to the circumvention devices provisions of the bill to tighten the provisions to ensure that only those people who are authorised to use circumvention devices are entitled to obtain one.

We also moved an amendment in the House of Representatives that would recognise directors’ copyright interests where their works are retransmitted. The House of Representatives committee also recommended that directors should be recognised as rights holders for the purposes of the retransmission scheme under the bill. Under the scheme, there is provision for the owners of copyright in literary, dramatic, musical and artistic works, and of sound recordings and cinematographic films included in the broadcast, to be remunerated. However, the bill operates on the basis that ownership of copyright belongs to a producer or a production company and that directors have no underlying rights, and therefore they have no avenue to pursue equitable remuneration.

We moved an amendment in the House of Representatives to provide directors with retransmission rights. However, the government opposed that amendment and did not support amending the copyright regime to allow for the equitable remuneration of directors, claiming that this bill was not the appropriate vehicle. We believe in the importance of ensuring that the contribution of directors to the making of films is acknowledged. We were therefore prepared to move the amendment again today to provide directors with retransmission rights. I understand that, as a result of Labor’s continual pressing of this particular position, the government has now committed itself to introducing legislation this year that will address the exact issue that Labor were pursuing through our amendments in the House. I understand further that the government has committed itself to a three-month review process to consider copyright issues for directors, at the conclusion of which legislation will be introduced. On this basis, we will no longer be moving amendments related to directors’ copyright entitlements as part of the process. Amendments resulting from this review are to be introduced into the parliament by the end of the year, and we look forward to the outcomes of that review.
In conclusion, the opposition does support the objectives of this bill and has taken a constructive approach in negotiations with the government over amendments to the legislation. While there are certainly some areas in this legislation to which Labor would have taken a different approach in government, we recognise—as indeed do those interest groups who have participated in this long process of consultation and lobbying on various aspects of the bill—that it is now most appropriate that the bill be passed expeditiously so that all parties can move forward and start to work with the new regime. The government has announced that it will review the operation of the bill within three years. We also have committed to commencing a review of the new regime within 12 months of returning to government. I must admit that I think the latter timeframe is the most appropriate. I commend the bill to the Senate.

Senator COONEY (Victoria) (11.27 a.m.)—The Copyright Amendment (Digital Agenda) Bill 2000 is part of the overall framework of legislation that goes to protect civil rights. The civil right protected here is that right that we all have to get the benefits—and I will not say 'to get the profits'—of a person’s mind. It is not simply money; it is also the ability to have the credit and to be recognised for a great creation that a person produces. No doubt, Mr Acting Deputy President, you know the story of Charles Dickens, who went to America on a tour and gave many a reading from his books. I think his most famous reading was that from the book Oliver Twist, where Bill Sykes murders Nancy. The tour put a terrible strain on Charles Dickens, and I think he died of a stroke at the age of about 56. I am not necessarily saying that it was the readings, although the intensity of them might have contributed to that. The point of the story is that he addressed a meeting of people, Americans, who were all gathered one night to listen to this great man speak—this great man who had written all these great novels and works and who had been giving very successful readings both in England and in the United States. He got up and addressed the assembled throng in terms of the then laws regarding copyright, because what would happen was that he would produce these great works and people would, in effect, steal from them. That is what a breach of copyright really is. So he addressed the throng on the need to have protection for people who produced great works of literature and great works of the mind.

Like all things these days, technology makes the law inadequate to meet the situation, and this legislation seeks to give the rights that Charles Dickens was talking about to people who produce great works of art, literature and so on. It is good to see that specifically mentioned in the bill, but I think the objects of the act are rather crudely expressed. There is no soul in it.

Senator Bolkus—There is no soul in the government.

Senator COONEY—I will just read what the bill says, Senator Bolkus. Under ‘Object of the Act’, it says:

The object of this Act is to amend the Copyright Act 1968 so as to:

(a) ensure the efficient operation of relevant industries in the online environment by:

(i) promoting the creation of copyright material and the exploitation of new online technologies by allowing financial rewards for creators and investors;

You would have hoped that there would also be wording to ensure that a person’s pride in their great creation and what it has done for the spirit and soul would also be recognised, but this just talks about the financial rewards. The bill goes on:

(ii) providing a practical enforcement regime for copyright owners:

A practical enforcement regime for copyright owners should not simply be expressed in legislation; it has to be carried out. A lot of the legislation we pass in this chamber is set up with enforcement regimes which are never carried out adequately. Last year we passed legislation that allowed parallel importing into Australia. I am not sure how well that has been enforced, but one has to have suspicions about it.
This is a bill that seeks to protect—and everybody agrees that this is correct—the property not only of a person’s mind but of his soul and heart. In future, I would like to see objects of an act set out something a little more spiritual. Senator Schacht objects to the use of the word ‘spiritual’, but I think even Senator Schacht has some sort of heart and soul underneath that exterior. But you know what I am talking about, Mr Acting Deputy President. You are a person who has done great things in this chamber over the years in terms of the spirit of the place, and I think there should be some sort of recognition of spiritual aspects in this legislation.

In any event, the proposition remains that this is a very important piece of legislation in establishing that people in the community have civil rights, that the products of their mind should be protected, and that they should get the true rewards for those products. That is what I am looking for: not only economic rewards but also true rewards for the products of their mind. It is a very nasty thing for somebody to have created something that is magic, profitable—or both, hopefully—and to have that stolen away from him or her.

With respect to the developments in technology, we are going to hear a great description of how this technology works from the next speaker, Senator Lundy. I deal more with matters of the soul and matters of civil rights; the techinicality of the whole matter will be dealt with by Senator Lundy. Thank you, Mr Acting Deputy President, for listening to this speech. I think this is a matter that we should talk about in terms of the overall structure of our society.

Senator LUNDY (Australian Capital Territory) (11.35 a.m.)—The Copyright Amendment (Digital Agenda) Bill 2000 is a fascinating piece of legislation. It represents, in so many ways, a bridge between the old and the new. As we confront the challenges of an information society and a digital age, all of the laws and traditions that have been built up over the years relating to the protection of intellectual property are being challenged. This bill attempts to build a bridge between the world as we knew it and the world of the future: a digital age. In doing that, the bill seeks to acknowledge the intellectual property rights of not just creators but producers and distributors of intellectual property. It also attempts to acknowledge that we are in a new era of this digital age, when new technologies are allowing the transference and distribution of intellectual property in ways that were only conceptualised not that long ago.

In reflecting on the substance of this bill, I would like to look at the social trends that are taking place. With the Internet sitting central to a digital era, it is very clear that what is happening on the Internet is the mark for where we are headed in the future. The social trends that are occurring on the Internet are very diverse and very challenging.

The distribution of digitised product or digitised content in the form of both music and movies is at the forefront of public debate about how these challenges, in the transference from the old to the new and the management of intellectual property, will be played out. In particular, recent innovations that have allowed compression technologies to distribute that material, combined with digital know-how of those outside of the corporate establishment, have challenged the very business models that whole industries, involving creators and their producers—whether it be their record companies or movie companies—have sought to build over many years. In this environment of change, it is those established interests that have sought to find remedies in the courts for the outbreak of technologies that have enabled replication and transfer of music and movie digital product, as we have seen recently with the Napster case.

Let us look at the social trend. Over the last few years, young innovators out there working on the Internet have found ways to replicate the digitised product that is the property of the copyright owner. Using CDs as an example, it was none other than Napster that led the charge to provide a methodology through which people could access and download digital CDs for their own use. The challenge came from the owners of the copyright, who argued that this was a breach of copyright and sought a remedy. Only recently, they were successful in obtaining that
injunction in the United States. Since then, other technologies have continued, particularly Nutella, which has the capacity not to have a single owner or host that distributes the digitised material that comes in the form of music. Indeed, Nutella has a structure whereby all participants in that digital network share amongst themselves for their private use the digital product that the established interests—the record companies—are claiming they are the owners of the copyright of.

Metallica attempted to sue fans for distributing their music in this way, and yet we see almost on a monthly basis new technologies that continue to be able to avoid being captured by litigation by the established interests. What is the meaning of all of this? Why is it relevant to this particular legislation? It is relevant because we are seeing a definite social trend. A skill set has developed in the digital age that has allowed for the transference of information in this way, in defiance of the established laws and claims by the owners of the existing copyright that they have the right to derive their wealth—derive their profit and earn their money—from the managed distribution of that product. It means that jurisdictions all around the world are being actively challenged to build legislation that acknowledges this particular social trend. It is interesting to see some parts of the industry referring now to the move industry with the recent presence of Divex—which has a smiley face after it and is a new compression technology that allows the same sort of digital download of movies over higher bandwidth to a very high quality, allegedly close to that of DVD—and the industry itself saying that there is no way to beat these people. We have to create an incentive for consumers to come to the original product so those traditional industries can preserve their income streams.

I think one of the most challenging issues for artists is the creation of copyright laws. The principal position from which many of them stem historically is about allowing the creators of intellectual property to derive wealth from it. It has been through many years of tradition and distribution and business models developing that artists have been disempowered to a large degree in how they own and manage their copyright or their intellectual property. This raises the question of how in a digital age those production and distribution models are challenged by not just the consumers who seek to distribute and copy digitised product amongst themselves—challenging the establishment’s distribution systems—but alternatively the position it leaves the artist or the creator in. There have certainly been some incredibly compelling arguments from artists and creators—whether they be written, artistic, musical or video creations—as to why this bill needs to specifically enhance and protect their interests in response to that threat.

Another issue is to find the fine line between protecting the interests of the artists and the creators of intellectual property versus the interests of the consumers who want to circulate it and the new business models that could allow new relationships to develop with the creators of intellectual property and consumers in a digital environment. Whilst this is not news, there are many business models out there that demonstrate how that direct relationship can be built. The release of Stephen King’s latest novel demonstrates an innovative use of how consumers, effectively on a trust basis, are asked to have a direct relationship with the producer of that intellectual property. The model that Stephen King deployed through that is apparently delivering some 75 per cent or 78 per cent return on people voluntarily paying for the downloads of his new book, without any specific obligation being placed upon them to do so. So evidence is starting to emerge that the trust model works. To finish that point, in essence this bill to some degree starts to recognise that there is some scope for the development of new business models in that relationship to directly protect the interests of the creators and how they manage and derive wealth from their intellectual property but also place in the hands of consumers a large degree of responsibility to respect the intellectual property produced by those creators and to reward them by virtue of this trust model of payment if they choose to download that particular material.
There is the other issue, of course, of those who sit in between that chain—between the producer or the creator of intellectual property and the consumer. They are the mass producers and distributors of this content that is currently characterised, for example, by the music industry, the producers of CDs, the movie industry and the production of digital video discs, DVDs. We have seen a number of cases over the last couple of years where the producers and distributors have actively challenged the new models of distribution and sharing of a digital product on the Internet. When these cases have gone to law, it is very clear that the law has sided in favour of tradition and protecting those interests of the established networks that produce and distribute CDs and DVDs—to use the most pertinent examples. I think this is where the real challenge comes to legislators. In deliberating over this it is how we actually manage a transitory period—a genuine period of transition. I do not believe it is actually possible to come up with all of the answers with this piece of legislation, but it is possible, as I said before, to build a bridge between the old and the new—putting those distributors and producers on notice that they are going to have to find new methods of conducting their business and earning their money as corporations and, at the same time, leave open the opportunity for development for new relationships to be created between artists and consumers.

I think this bill goes some way to acknowledging and reflecting that everyone over the next period of time during the operation of this bill will need to work really hard to start building those changes into the way they conduct themselves. I am very optimistic. Certainly, some quarters of the music industry and the movie industry are being very innovative in their thinking about how they can protect their interests and acknowledge the social trend that I mentioned before, which is how technologies are really overtaking their ability to control a given marketplace and a given distribution model. In characterising this bill as a transitory bill, it probably does not keep all of those interested parties happy. In many respects, in the debating of this bill, I think a lot of effort has gone into actually trying to address the needs of very disparate interests. It has actually been quite fascinating to look at the various interests—those who are seeking to protect and enhance their ability to control their copyright and intellectual property versus, pitted head to head against, those who seek to use the opportunity for this transference to a digital age to open up and build on the principles of open and shared information. Whilst these various interests seem to lie at polar ends of the debate, there is actually a lot of middle ground interwoven which I think a lot of the negotiations and the inquiry into this bill have actively sought to acknowledge but they have also sought to create an environment in which at least some of the transitory uncertainties are dealt with—albeit that, as I said, I do not think this bill should be considered as the end point but merely just another stage as the social trends and business models develop over a period of time.

I would just like to reflect a little on the positions at those polar ends. It is very clear that this process of moving into a digital age is seen as an opportunity and a threat at the same time. In seeing it as an opportunity there has been an active tendency for both ends of the debate to actually claw as much ground towards them as conceivably possible. For example, the owners of copyright, artists and creators and, indeed, those who control the distribution models of those created works and that intellectual property have sought to use this bill and the transition to actually enhance their ability to protect and manage their copyright, and they have done so with some vigour—and, in recognition, particularly of the artists and the creators in the midst of that debate, deservedly so. If we are to become a knowledge nation, if we are to be genuinely committed to acknowledging the human value of input and the intellectual input of people in society, we need to find to find genuine mechanisms to reward people for that input and not just dispel, without thinking, their ability to derive wealth from their input in that way. On the other side, principles of an open information society are very sound in their advocacy.

I would particularly like to acknowledge the role that ALIA have played in presenting
the case for why it is important to use a digital and information society as a way of actually promulgating access to information—not locking it down, but actually building on the principles of having more information available to people on the Internet, which means that people can empower themselves through accessing that information. There are very compelling arguments as to why a transference from a paper based society to a digital society, and the freedom that that provides with the distribution of information and digital content, should actually be an enhancement and acknowledged as an enhancement in the eyes of the law. So you can see that there is no black and white in who is right or wrong on this bill; it is very much a combination of serving the interests of those who we say we value—that human capital that arrives into society in the form of intellectual property—and the need for wealth to be able to be derived from that so that people who contribute in these ways can earn a living. On the other side, there is the need to actually make sure that there is a collective benefit from this proliferation of information to society and that it is not hunkered down, captured and protected in an unreasonable way.

As I said, I think some of the negotiated outcomes of this bill as it has developed through the committee—and, I am sure, as it will continue to develop through the amendment stages—will see the bill actually lend itself to providing at least a rickety path, perhaps in the first instance, across this bridge between what was before and this new digital age that we are actually immersed in now; it is not something that is coming. I am hoping that this bill will just anchor this bridge to what will be required in the future in terms of effective legislation managing intellectual property in a digital age in an information society.

Finally, I would like to reflect on the social trends and cultural issues that I mentioned before. It is really, I guess, in honour and in deference to those innovators who are out there, who work with the Internet every day and continually push the boundaries of what is possible. Whilst large corporations around the world live in fear of being Ama-azon-ed out of business, it is fascinating for me to observe that, indeed, despite those significant threats being derived from the captains of industry seeking to protect their own structures, this culture of innovators out there will not stop. It will continue to change the environment. It will continue to push the outer boundaries of what is conceivably possible and to shape society on a daily basis as it does so.

More often than not, it is these innovators that are the bringers of social change in our lives. Whilst they are certainly celebrated within their own culture, it is very necessary for this place and other parliaments, not only in Australia but around the world, to acknowledge that this input is in fact a positive thing and needs to be recognised, acknowledged and built actively into our considerations. What we are experiencing here is very much about a cultural change. It is about, in some ways, a clash of generations as young technologists push the boundaries of what is conceivably possible through the Internet and the digital environment. It is the captains of industry who are finding it difficult to adapt to the Internet and all of the ramifications and who use the law in the courts and use parliaments to attempt to block that change and put a lid on it. More than anything else, it is with regret that I note that this attitude, about putting a lid on change, is one that has characterised the coalition through so many of the issues in relation to the Internet.

Government senators interjecting—
The ACTING DEPUTY PRESIDENT (Senator Watson)—Order! Senator McGauran interjecting—

The ACTING DEPUTY PRESIDENT—Order! Senator McGauran!

Senator LUNDY—We will see, as this bill proceeds through the Senate, the degree to which the coalition government has any genuineness towards seeing this piece of legislation as a bridge between what was and what will be in the digital age.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (11.55 a.m.)—I understand from those interjections that the government
members would like any sting in the tail up early, but I will do my best, senators.

Government senators interjecting—

The Acting Deputy PRESIDENT—Order!

Senator STOTT DESPOJA—I rise on behalf of the Democrats today to indicate our support for the Copyright Amendment (Digital Agenda) Bill 2000. Unlike much copyright law which struggles to inspire the imagination, this legislation is of particular interest and significance as it aims to set the ground rules, the rights, for our emerging knowledge economy, a central tenet of current political discourse and, I hope, a common vision for Australia. It is the potential of these rights, coupled with the ubiquity of the application of these new rights with technological innovations, which has captured the attention of so many interests. Of course, it was only recently that digital issues were debated in this place in the form of the digital television debate. It was a quite hotly contested debate. I am happy to be speaking about digital issues again today in the chamber but, I guess, rather in the general electronic sense of the word rather than comparing two analog spectrums and, say, the possibilities of multichannelling.

The bill’s central aim is to ensure that copyright law continues to promote creative endeavour while allowing reasonable access to copyright material on the Internet and through new communication technologies. The bill introduces a new right of communication to replace the broadcasting right of the 1968 act. This right is intended to be technologically neutral, thereby providing copyright to all interactive transmissions—datacasting, Internet services and similar emerging technologies as well as technologies with which we are more familiar, such as standard broadcasting technologies. The bill introduces three new enforcement measures. These concern the manufacture of and dealing in devices for the circumvention of technological projection measures, that is in certain cases; the intentional removal or alteration of electronic rights management information, like digital watermarks; and the manufacture of and dealing in devices for the unauthorised reception of encoded subscription broadcasts, like decoders, to allow the unauthorised reception of pay TV signals.

The bill’s objects reflect the aim of trying to strike a balance between access and copyright protection. The Australian Democrats, as we have said a number of times in the parliament, support a strong and enforceable intellectual property scheme which encourages creativity and innovation. However, we also recognise that a balance between encouraging creativity and the commercialisation of that creativity is required. This means that in every circumstance the benefits to the creator and the broader community must be weighted for the benefit of all Australians. We believe that individual, community and broader Australian interests should be examined and exclusive rights granted where they will benefit. The Democrats support the pursuit of such a balance under this scheme, though the extent to which this balance has been appropriately struck can only be assessed comprehensively after the system has been in operation for a period of time. This bill has undergone a long gestation and drafting process—I do not think anyone would disagree with that. Its inception was under the last Labor government, though the need to extend copyright to the digital age was also recognised after the formation of the coalition government. I am not sure if I am being too kind to you, Senator Kemp, but feel free to interject at any stage. From these beginnings the Copyright Amendment (Digital Agenda) Bill was drafted and, of course, made its gradual progression to the Senate. I also acknowledge the extensive revision of the bill since it was released as an exposure draft for public comment back in February last year.

The Democrats also recognise the need for balanced copyright legislation for the emerging digital age and the pace at which digital technologies are developing and being applied. As all contributors to this debate have emphasised so far, it is a complex debate, but it is obviously an important one and a reasonably interesting one. As we know, Australians are great users of technology; we take on and we adopt technology at a greater pace than almost any other nation. Australians love the potential of the digital age, and
I believe that our legislation should reflect this and incorporate the flexibility and balance that this technological change requires. For these reasons, the Democrats support the speedy passage of this legislation through the Senate.

The Democrats recognise that, while this process has produced a bill with sufficient middle ground among interested parties, it has also skewed the focus of interest in this bill, which should really be about the recognition and the promotion of creative endeavour—foremost, Australian creative endeavour. Whether you are a creator, a communicator, a collecting society or a user of copyright material, creative endeavour is of common interest and value to all. Innovative endeavour is a commodity recognised in both the ‘knowledge nation’ statements—and we have heard a bit about those again today—and the ‘can-do country’ outlook, so I think both old parties have some recognition of innovative endeavour. This bill sets out the rights surrounding this commodity, though its significance has been somewhat camouflaged in the bill’s negotiation processes.

Some of these concepts were debated and highlighted at the National Innovation Summit this year. I was fortunate to attend that summit in February, and I have put on record a number of times that the Democrats were grateful for the invitation from Senator Minchin. However, we do believe that invitations to those kinds of forums should be cross-party invitations. At the innovation summit, the interrelation of commercial and basic research was emphasised. Libraries play an integral role in this process and must facilitate the connection between those two areas of growth for Australia’s knowledge economy. Australia’s copyright deficit is a pressing concern. The Australian Libraries Copyright Committee estimates that three out of every four dollars made by copyright in Australia goes directly overseas. Additionally, 95 per cent of the software that Australia uses is from overseas. While it is true that Australia’s economy should specialise and should not necessarily excel in too many emerging markets, we must focus on those areas where we hold a natural advantage and international expertise. Once we have the rights in place, we must promote Australian copyright at the top of the priority list. Whether it is software applications for bioinformatics applications or copyright for Australian music, we must undertake a multifaceted approach to legislation, with, of course, industry cooperation. I hope that once this bill is passed the interested parties and the government will focus on the issue of Australia’s copyright deficit and will work towards promoting more Australian content and work.

As I stated in my opening comments, the bill establishes the rights which will set the foundation for transactions in our knowledge economy of the future. I do not believe we can expect to get it 100 per cent right the first time; translating the copyright system for the demands of the emerging digital economy is, of course, a large task. I commend the recognition of this by both the old parties and their commitments regarding it. Both parties have given an undertaking to review this copyright regime—in the case of Labor, after about 12 months if they are in office; and three years after the introduction of this bill under a coalition government.

While the Democrats acknowledge that the task of extending copyright to the digital age involves balancing numerous public interests in specific areas of copyright, which has been attempted by striving towards what has been touted as a technologically neutral system that focuses on generalist rights, the Democrats also acknowledge that some communities require specific reference and perhaps specific assistance. My concern has been raised regarding the treatment of indigenous cultural and intellectual property under the bill. There is no doubt that the digital communication medium increases access exponentially—I think that is something that Senator Lundy was referring to in her address. This is not a problem; access should be promoted, and I do not think that anyone denies that. However, it must be noted that this increased access does have a specific impact on certain communities and could exacerbate current inequalities in some cases if it is not properly addressed. One such community, of course, is our indigenous
population in relation to their cultural and intellectual property. The appropriation of traditional cultural and intellectual property by non owner-users over the last 200 years of Australia’s history has meant eroded indigenous management and control of intellectual property and sensitive cultural information. This situation will be exacerbated with the extension of digitalisation, as holders and non owner-users of such resources may make available such material without the knowledge, let alone the permission, of the indigenous owners. Approval or disapproval of the use of copying or digitalisation of indigenous IP—whether it be genealogical data, ethnographic data, biological intellectual property, recordings or other types of knowledge and information—should be at the discretion of the appropriate individuals, communities, custodians and organisations, and they should have the discretion to apply laws and cultural protocols which are determined by customary law and practice.

The Democrats are not pursuing specific amendments to the Copyright Amendment (Digital Agenda) Bill 2000 to address these issues. However, we do recommend that these issues are comprehensively dealt with in the near future in close negotiations with indigenous communities to make sure that we address their very deep and long-standing concerns regarding cultural appropriation. I would also stress that the operation of the copyright bill must be monitored to assess what impact it is having on the protection of indigenous cultural and intellectual property rights. The integrity of these fundamental rights must form a fundamental part of the review process that the old parties have pledged to undertake, under varying time lines, after the introduction of the bill. The Democrats will be looking to address these issues in upcoming copyright legislation.

On balance, this bill is a first step in the establishment of true e-commerce. To harness the full economic capacity of new interactive communications and to move beyond simple Net catalogue shopping, we must establish the basic currency for digital knowledge transactions. This bill is a step towards appropriate recognition of the source of such works and appropriate remuneration for such endeavours. While questions still remain regarding the enforcement of copyright on the Net, policing of the new digital environment and the effectiveness of translating some traditional products and transactions directly onto the Net, it is generally believed that this legislation is needed now and will provide an effective framework in the new digital environment, which of course will continue to expand over the coming years. I would suggest that, while this bill does deal with works of traditional authors—and I think Senator Cooney referred to the author Charles Dickens—I believe the real potential of this legislation is in aiding the redefinition of how knowledge is packaged and marketed in the digital environment.

Finally, I note Senator Bolkus’s comments in relation to his party’s pursuit of an amendment dealing with retransmission rights for directors. As he knows, the Democrats are very keen to pursue that issue as well. We are sympathetic for what the Labor Party’s amendment would have achieved and would have quite happily voted for the amendment they pursued in the lower house except that there were clearly defects in that amendment which would not have resulted in what we believe would have been appropriate or good law. For that reason we have chosen to pursue the attainment of that issue through different means. I commend the minister, his office and other officers for pursuing this matter that has now been outlined.

I think it was perhaps a little cheeky of Senator Bolkus to suggest that, if it were not for the Labor Party pursuing this issue, we would not be investigating the issue through an inquiry and hopefully having some resolution to the issue of directors’ rights before the end of the year. Having said that, I do acknowledge that the Labor Party moved that amendment in the lower house. I do not believe it was necessarily the best amendment to achieve the ends that they hoped to achieve. Commendations to everyone who has been involved in that process. I am glad we were able to achieve an outcome that I think is more appropriate and satisfying.

Senator BROWN (Tasmania) (12.09 p.m.)—There are problems with this Copy-
right Amendment (Digital Agenda) Bill 2000. The Australian Copyright Council has very clearly outlined a number of those problems. I will read from its submission on this matter in a moment. The digital age is different when it comes to copyright, but we have to remember that for most of the last century authors of the old forms of communication and distribution—that is, books, magazines and so on—got nothing when their works were distributed through libraries, for example. It was very late in the piece that we came to public lending rights. We are moving long after we should have to ensure that the creators of work that is used for entertainment, business or whatever are paid when their work is republished, copied or used beyond the production of the first item. With the digital age the Internet has opened all sorts of possibilities for quick, cheap and easy reproduction of material that just was not possible in times gone by with a printer and a photocopier, let alone in the book-making process.

I support public libraries and educational institutions—everybody does—but libraries should be more narrowly defined than they are in this legislation. With the legislation we have before us, corporate libraries for example—that is, those in the private domain—may well be set to be able to turn the business of reproduction of material without remuneration into a lucrative one at the expense of the originators of that material. Corporate libraries and libraries of private institutions are able to disperse material just as easily as our public libraries and public institutions can, but they are very different entities. We ought to be very well aware of that and make sure that the originators of material are getting a just return for their efforts and have some control over what happens with their efforts when it comes to the private sector.

The Australian Copyright Council is a non-profit company. It receives substantial funding from the Australia Council and other federal government entities. Its functions are to give information and legal advice freely about copyright, research and advocating changes to copyright law and practice which will benefit the creators and other copyright owners. The Australian Copyright Council has put to us as legislators that it is disappointed with this legislation in that the amendments to the bill which was passed on 28 June in another place did not implement the central unanimous recommendation of the House of Representatives Standing Committee on Legal and Constitutional Affairs relating to first digitisation. The council says:

That recommendation—based on the Committee’s recognition of the far-reaching consequences of first digitisation (particularly for enforcement)—was that, in general, exceptions to infringement should not allow the first digitisation of a work.

The council goes on to say:

We are also disappointed that the Government has amended the Bill so that libraries in profit-making organisations would be able to acquire material for their collections, and make material available to the organisation’s staff and clients, without any payment to the copyright owners.

The end result is that the “balance” between protection and access, referred to by the Government as an objective of the Bill, has been tipped even further against the interests of copyright owners.

The council set out a number of issues where it submits the bill does not give effect to the government’s policy. The main issues are: first digitisation, the balance between protection and access, library copying and communication, educational copying and communication of what is called “insubstantial portions”, rights management information as well as circumvention of technical protection measures. The council says:

We urge the Government to give high priority to addressing these issues, and to the early passage of the Bill in the Senate.

Those are effectively, I submit, the issues that the Senate should be giving attention to and fixing up as far as this legislation is concerned.

I want to acquaint the Senate with the Copyright Council’s further discussion of a couple of important matters, not least digitisation. On that, they say:
We are very surprised by the Government’s statement that its amendments to the Bill partially implement the recommendations of the LACA Committee on first digitisation. We cannot see how they do so.

Copyright owners already have the right to first digitise under the current law, as part of their right to reproduce or copy; the Digital Agenda Bill would merely confirm that this is the case. The LACA Committee’s concern was that exceptions to copyright infringement should not allow first digitisation without the copyright owner’s consent.

The Committee’s recommendations were based on its recognition of the important differences between the non-digital and the digital environments—including the “enormous potential of unauthorised use of digital material”—and that copyright owners should thus be able to determine when their material is first digitised.

The council says:
The Government’s amendments do not implement the Committee’s recommendations. On the contrary, the Bill would allow first digitisation in a vast range of cases—without the copyright owner’s consent, without payment, without technological protection measures and without rights management information.

On the matter of libraries, the Australian Copyright Council says, under the heading ‘Access to material in libraries not “free”’:

The Government appears to be of the view that the operation of the library exceptions means that library users get “free access” to copyright material. They do not. Libraries are (and would continue to be) entitled to charge their clients for supply of material. The charge must “not exceed the cost of making and supplying the copy”; but we understand that libraries take a range of direct and indirect costs into account when determining charges for supplying copied material. In 1997, the Australian Council of Library and Information Services recommended that the minimum fee for copying and supply of an article of up to 30 pages by one library for another was $12.

No proportion of these charges is paid to the copyright owner.

Surely that is something that we should be putting to rights in this legislation.

The council goes on to say that emerging commercial markets are not protected and that library provisions in this legislation are not consistent with international developments. Then, under the heading ‘Corporate libraries’, the council says:

The Government has said that it “has decided to further consider the impact of the changed definition [of “library”] on the ability of private libraries to participate in the inter-library loan system and to provide material to public libraries”.

The council says:
The Government thus appears to have accepted the concern raised by libraries—for example by the Australian Library and Information Association which, in a letter to the Attorney-General of 31 March 2000, expressed concern about the effect of the proposed definition of “library” on “valuable resource sharing arrangements between libraries and community access to highly specialised private sector collections”. This concern was repeated by libraries in the inquiry by the LACA Committee.

The Government’s amendments in fact have a much wider effect. They not only allow access to corporate library collections by public libraries and their clients, but also allow corporate libraries, without any payment to copyright owners: to add to their collections material supplied by other libraries (corporate and public), and to supply copies of material to the corporation’s employees.

The council says:
The Government has made no reference—let alone attempted justification—of these additional applications. We thus submit that Government should further amend the bill so that it:

would allow access by clients of public libraries to material in corporations, but

would not allow corporate libraries to add to their collections or supply copies to staff without fair payment to copyright owners.

Does anyone here disagree with that? If not, then is this not the time to fix it? The council finally says on that matter:

We note that the Government has indicated it will review the issue in connection with its consideration of the recommendations of the Copyright Law Review Committee in its report on simplification of the Copyright Act. However, it has given no indication of its time frame for doing so and we understand that it is a relatively low priority.

Do we have to wait till a similar late quarter of this century to see this matter put to rights and to ensure that those who own copyright are paid when their material is used? I think
the best opportunity for this—we do not know when another opportunity is going to come before the Senate—is to amend this legislation right now to cover that concern.

Debate (on motion by Senator Alston) adjourned.

BUSINESS

Government Business

Motion (by Senator Alston)—by leave—proposed:

That consideration of the Copyright Amendment (Digital Agenda) Bill 2000 may continue after 12.45 p.m.

Senator O’BRIEN (Tasmania) (12.21 p.m.)—The opposition will be supporting the motion, on the understanding that there will be no divisions between 12.45 p.m. and 2 p.m. Obviously that would require the cooperation of senators, but if there is a need for a division it will have to occur at another time.

Senator BROWN (Tasmania) (12.21 p.m.)—I support the motion on the same condition.

Question resolved in the affirmative.

COPYRIGHT AMENDMENT (DIGITAL AGENDA) BILL 2000

Second Reading

Debate resumed.

Senator ALSTON (Victoria—Minister for Communications, Information Technology and the Arts) (12.22 p.m.)—I rise to conclude the second reading stage of the debate. I am very pleased that all parties now seem to recognise the validity of the recent comments of both the Goldman Sachs and the OECD reports indicating that Australia is certainly a high-tech economy. We are very computer literate and have enormous opportunities which have been identified most recently in the report of the National Office of the Information Economy entitled E-commerce Beyond 2000, which predicts that by the year 2007 we should have a 2.7 per cent increase in GDP as a result of the increasingly speedy adoption of e-commerce opportunities. Today is a very historic moment because this is the really big item in terms of the government’s copyright reform agenda.

In 1996, we came to the election promising to make copyright reform a high priority. It had been in the too-hard basket for some years. It was quite clear that the Labor Party simply did not have the stomach to tackle it. Probably the best example of that was the way they caved in on parallel importation of CDs. They were in favour of it until the heat got too much. A couple of artists came out and told them to back off and they duly did. No doubt the unions told them as well. We watched all of that with interest. It certainly hardened my resolve to pursue copyright law reform. Over the last few years, we have indeed introduced decompilation of computer software. We successfully achieved the relaxation on the parallel importation of CDs. We extended copyright for photographers and we have a very major piece of legislation in the moral rights bill currently before the parliament. We have another two agenda items coming up shortly in relation to parallel importation of books and software, but by and large this is a major new initiative. I am delighted that all parties have effectively signed off. Hopefully, it will allow Australia to adjust seamlessly to the new digital environment with the information age well and truly upon us. I think it identifies the right balance between ensuring that copyright owners’ legitimate interests are protected and at the same time ensuring the users have the same protections that have been available to them in the offline environment.

The Copyright Amendment (Digital Agenda) Bill implements the most comprehensive package of reforms to Australian copyright law since the enactment of the Copyright Act in 1968. In developing the legislation, the government has given all relevant interests extensive opportunities to put their views and comment on the proposed reforms. The bill represents the culmination of that exhaustive consultation process. The reforms will update Australia’s copyright standards to meet the challenges and harness the opportunities presented by rapid developments in communications technology, in particular the expansion of the Internet. They have been designed to provide the copyright framework to successfully take our communications, IT, R&D, education and arts sectors into the 21st century.
The unifying theme that connects these sectors is the production of content and its delivery to end users. Content is the key commodity of the information economy and our copyright laws regulate both its commercial exploitation and its accessibility. The government is committed to maintaining the balance between copyright owners and users so that the new economy will encourage research, innovation and the production of new material. The bill also recognises the key role of carriers and Internet service providers who are facilitating the delivery of content over the Internet.

This bill is an integral component in the government’s strategy to develop a legal framework that encourages online activity and promotes the growth of the information economy. Importantly, the bill provides copyright owners with the tools they need for the commercial exploitation of their intellectual property in the digital age. The centrepiece of the reforms is a new, broadly based, technology neutral right of communication to the public. New enforcement measures in the bill will also provide copyright owners with effective tools to combat online piracy. The bill also enhances copyright enforcement for broadcasters by providing sanctions and remedies against the manufacture and commercial dealing in decoding devices for the unauthorised reception of encoded signals.

The right of copyright owners such as film producers whose material is included in free-to-air broadcasts has also been augmented by the introduction of a statutory licence scheme to remunerate them when their work is retransmitted. Having provided new rights and enforcement measures for copyright owners, the bill also provides users with an important package of exceptions to copyright and allows exemptions for the supply of decoding devices and services in closely defined circumstances. These exceptions in the area of research and education are vital to promoting innovation in the information economy. The government recognises that a robust research sector is essential to encourage the innovation necessary for competitive Australian industries.

New technologies also provide great opportunities for users in remote and regional Australia to access the educational and cultural material more readily available in metropolitan areas. The bill sets the framework to allow the education sector to work with copyright owners to deliver new innovative online educational services both in Australia and overseas. The government has also been mindful of the particular perspective of the carriers and ISPs who are facilitating the delivery of content over the Internet. Accordingly, the bill limits and clarifies their liability and makes it plain that we do not adopt the strict liability approach that some other regimes have applied in this and other contexts.

I should also say in passing in relation to some concerns that Senator Brown expressed about the report of the Andrews committee that the government has accepted in principle the principal recommendation in relation to the right of first digitisation. The bill will explicitly recognise that right as a subset of the right of reproduction. The Andrews committee highlighted that it was unclear whether the bill specifically recognised the right of first digitisation. This has now been clarified through the addition of a legislative note, to the satisfaction of the members of the Andrews committee. It is also important to make clear that there are very strict limits on the charging regime, that the overwhelming bulk of library users will still have free access but that it will be important to ensure that the further consideration of this matter in response to the simplification of the Copyright Act 1968 is an important agenda item and we do not intend simply to allow it to languish.

The amendments provided by this bill are at the cutting edge of online copyright reform. They clearly place Australia among the leaders in international developments in this area. New technologies in business models are rapidly evolving. As a result, in certain areas of the bill we are entering uncharted waters. The bill will commence six months after it receives royal assent, allowing affected parties to renegotiate current arrangements in light of the comprehensive amendments provided by the bill. The government
also proposes that the operation of the legislation be reviewed within three years of the commencement of the legislation. Before that time, however, as a matter of priority in September the government will be calling for submissions on the issue of film directors' copyright. It is hoped that any amendments arising from the review will be ready to be introduced by the end of this year. A press release that will be going out shortly makes it clear that the government intends to begin work on the important question of reforming copyright to recognise the crucial role that directors play in film production. I acknowledge Senator Stott Despoja's keen interest in this area and I hope that that will assuage the concerns of those in the community who thought that this matter ought to have been finally addressed now. We intend to look at it very thoroughly but expeditiously. The Copyright (Digital Agenda) Bill 2000 will update Australian copyright law for the 21st century and its passage will be a key milestone in the successful development of our information economy. I thank and congratulate all those who have contributed to what I think has been a very good outcome for Australia.

Question resolved in the affirmative.

Bill read a second time.

In Committee

The bill.

Senator ALSTON (Victoria—Minister for Communications, Information Technology and the Arts) (12.31 p.m.)—I table a supplementary explanatory memorandum relating to the government's amendments to be moved to this bill. The memorandum was circulated in the chamber on 16 August. I seek leave to move amendments (1) to (19) together.

Leave granted.

Senator ALSTON—I move:

(1) Schedule 1, item 98, page 29 (line 9), before "licensee", insert "exclusive".
(2) Schedule 1, item 98, page 31 (line 9), before "licensee", insert "exclusive".
(3) Schedule 1, item 98, page 32 (line 14), before "licensee", insert "exclusive".
(4) Schedule 1, item 98, page 32 (line 19), before "licensee", insert "exclusive".
(5) Schedule 1, item 98, page 32 (line 31), before "licensee", insert "exclusive".
(6) Schedule 1, item 98, page 33 (line 9), before "licensee", insert "exclusive".
(7) Schedule 1, item 98, page 33 (line 14), before "licensee", insert "exclusive".
(8) Schedule 1, item 100, page 34 (line 33), before "licensee", insert "exclusive".
(9) Schedule 1, item 100, page 35 (line 9), before "licensee", insert "exclusive".
(10) Schedule 1, item 100, page 35 (line 14), before "licensee", insert "exclusive".
(11) Schedule 1, item 100, page 36 (line 14), before "licensee", insert "exclusive".
(12) Schedule 1, item 101A, page 38 (after line 10), insert:

(10) In the definition of infringing copy in subsection 10(1) as that definition has effect for the purposes of this section, the expression “article” has the meaning given by subsection (9) of this section.

(13) Schedule 1, item 111, page 47 (line 13), omit “broadcasts”, substitute “copies”.
(14) Schedule 1, item 112, page 47 (line 25), after “such”, insert “a copy of”.
(15) Schedule 1, item 112A, page 47 (line 32), after “body, of”, insert “a copy of”.
(16) Schedule 1, item 114, page 49 (line 6), omit “broadcasts”, substitute “copies”.
(17) Schedule 1, item 114A, page 49 (line 15), omit “broadcasts”, substitute “copies”.
(18) Schedule 1, item 114D, page 50 (line 14), omit “broadcasts”, substitute “copies”.
(19) Schedule 1, item 115AB, page 51 (line 1), omit “broadcasts”, substitute “copies”.

These amendments tighten the drafting of the enforcement measures in the bill and make changes so that references to copies of broadcast in part VA, Statutory Licence, are consistent. Amendments (1) to (11) tighten the requirements for permission and standing in relation to the enforcement measures. They are designed to strengthen the new enforcement regime by preventing persons who have little or no commercial interest in the protection of copyright material from granting permission to undertake proscribed activities such as manufacturing and supplying circumvention devices and altering electronic rights management information. The changes implement the government’s policy
to provide copyright owners with effective tools to combat online piracy by limiting those who may grant such permission to exclusive licensees or owners of copyright material. Licensees such as individual software consumers will not be able to grant such permission. It is also unnecessary for individual licensees to have standing to bring actions in relation to circumvention devices, services and right to management information. Accordingly, the amendments limit standing to copyright owners and exclusive licensees so that they have a clear commercial interest in protecting the relevant material. These amendments do not affect the provisions governing the supply of circumvention devices and services for permitted purposes relating to access by libraries, schools, universities and others.

Amendment (12) is a technical amendment to clarify that the offences in section 132 of the Act relating to ‘infringing copies’ include copies in the electronic form. The amendment ensures the efficacy of criminal provisions in the online environment. Amendments (13) to (19) are also technical amendments. They are designed to provide consistency in terminology within the educational statutory licence for the communication of copies of broadcasts. All references have been changed to the communication of a ‘copy’ of a broadcast rather than to the communication of a broadcast.

Senator BOLKUS (South Australia) (12.34 p.m.)—The opposition sees these 19 amendments and also government amendment (20), which is coming up next, as being of a technical and consequential nature. We believe they clarify the operation of the bill. As I said earlier in my contribution to the second reading debate, there have been considerable discussions with the government with respect to aspects of the legislation, also involving consideration by the House of Representatives committee. We agree to these amendments. In saying that we agree to those, I also note that the government has seen fit to move on a number of issues reflected in earlier debate in the House of Representatives, and we basically see where we are now as a package outcome.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (12.35 p.m.)—The Democrats will also be supporting the amendments before us, including government amendment (20). We view them as largely technical and quite logical.

Amendments agreed to.

Senator ALSTON (Victoria—Minister for Communications, Information Technology and the Arts) (12.35 p.m.)—In response to what Senator Bolkus said, I would like to say in passing that there has been a great deal of very effective cooperative discussion on this legislation. It is clearly technical in a number of respects. I am delighted that I have someone of the calibre of Annabelle Herd on my staff to talk these issues through with other officers. I thank all those involved. Amendment (20) is a technical amendment. It omits item 182, which was to amend section 135ZU (3) by omitting the word ‘A’ and substituting the words ‘Subject to subsection 4, a’. This amendment is consequential to the earlier removal of item 183, which was to provide a new subclause 135ZU (4).

The TEMPORARY CHAIRMAN (Senator Hogg)—The question is that schedule 1, item 182, stand as printed.

Question resolved in the negative.

Senator BOLKUS (South Australia) (12.36 p.m.)—by leave—I move:

(1) Schedule 1, item 98, page 30 (after line 14), after paragraph (3)(a), insert:

(aa) a work or other subject-matter in relation to which the person proposes to use the device or service for a permitted purpose is not readily available; and

(2) Schedule 1, item 98, page 30 (line 27), omit “a work”, substitute “the work”.

(3) Schedule 1, item 98, page 30 (lines 30 and 31), omit “in a form that is not protected by a technological protection measure”.

(4) Schedule 1, item 98, page 30 (lines 35 and 36), omit “in a form that is not protected by a technological protection measure”.

(5) Schedule 1, item 98, page 31 (line 3), at the end of paragraph (4)(b), add “relating to a work or other subject-matter that is not readily available”.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (12.35 p.m.)—The Democrats will also be supporting the amendments before us, including government amendment (20). We view them as largely technical and quite logical.

Amendments agreed to.

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Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (12.35 p.m.)—The Democrats will also be supporting the amendments before us, including government amendment (20). We view them as largely technical and quite logical.

Amendments agreed to.
In the House of Representatives, Labor moved and the government accepted amendments to the 'circumvention device' provisions of the bill, which tighten the conditions necessary for people to obtain circumvention devices. We have continued to consult on this issue and we have identified a further area which we believe requires minor amendment to improve the operation of the bill. The music industry groups have highlighted their continuing concern about the ease with which a pirate manufacturer or supplier of a circumvention device could get around current prohibitions—in particular, that pirate suppliers would be protected provided that they ensured that their customers had signed a standard declaration whether or not the intended use was for a permitted purpose.

The amendments address this issue by adding a new condition—that a circumvention device may only be supplied where a work or other subject matter in relation to which the person proposes to use the device or service for a permitted purpose is not readily available. This will require the circumvention device manufacturer or supplier to satisfy themselves of the availability of the work for which the circumvention device is sought.

The amendments also delete the words 'in a form that is not protected by a technological protection measure'. This is because we believe that the work may be available only in a form that is protected by a technological protection measure, but the copyright owner may give the user the access key or password needed to make use of the work for the intended purpose.

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Senator ALSTON (Victoria—Minister for Communications, Information Technology and the Arts) (12.38 p.m.)—The government does not accept the opposition amendments in relation to circumvention devices. We believe they have the potential to undermine the delicate balance struck between the interests of copyright owners and users. The government’s exemptions to enable the supply of circumvention devices for certain permitted purposes to users such as open systems software producers, libraries, schools and universities are critical to preserving that balance. They are critical to ensuring that key exceptions to copyright owners’ rights are not undermined where access for legitimate non-infringing purposes is technologically blocked.

The government has recently made a number of amendments in response to copyright owner concerns which provide tighter safeguards against illegal dealing in circumvention devices and services. The government will also be moving further amendments to strengthen these enforcement provisions. However, it is the government’s view that the latest opposition amendments would seriously undermine other provisions in the bill, including, particularly, recently introduced provisions allowing decompilation of computer software for certain legitimate purposes. For these reasons the government does not accept the amendments.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian
Democrats) (12.39 p.m.)—The Democrats will not be supporting the opposition amendments for largely the same reasons outlined by the minister. We believe that the bill provides an enforcement regime to prevent the circumvention of copy protection mechanisms. At the same time it permits users who already have a legitimate claim to be able to bypass protection mechanisms to do so if there is no other way to access code or content. Of particular significance among these legitimate uses of circumvention devices are those provided for in the Copyright Amendment (Computer Programs) Act 1999. This act passed through the Senate uncontested last year. It encourages the creation of secure, error free and interoperable software. It is a particularly enlightened piece of legislation that permits software decompilation for security analysis, error correction and to access APIs for the design of interoperable software. It affords independent software developers a means for getting at the secret APIs that large software corporations use to give their software an edge of greater interoperability over their competitors.

The Democrats have long been supporters of open and interoperable information systems, so we tend to regard with great suspicion any attempts to unreasonably constrain them. It is on this basis that we oppose the ALP’s proposed amendments to the regime. We do not believe they are, as has been suggested, merely technical amendments. In fact, we believe they seriously undermine existing decompilation principles. First, they place suppliers of circumvention technologies in the position of only being able to legitimately supply such technologies if it is a fact that the work or subject matter upon which the person to whom they are supplying the technology will use it is not readily available. Thus, instead of being able to rely upon a signed declaration, the supplier is faced with the problem of having to ensure that the key item of the declaration is in fact truthful if they want to survive a civil action brought against them. This will either force suppliers to extensively and unreasonably investigate the proposed uses of their software by their customers or, and more likely, to choose not to supply it for fear of civil action.

Secondly, the ALP proposes to delete the words ‘in a form that is not protected by a technological protection measure’ from several paragraphs. One of the key items of the declaration that a qualified person must make to a supplier to be lawfully supplied with a circumvention device is that the work or subject matter upon which they will be using the circumvention device in a permitted way is not readily available in a form that is not protected by a technological protection measure. In other words, they are only able to employ decompilation tools or otherwise bypass protective mechanisms if there is no readily available form of the work that they can get at without those tools.

The ALP amendments alter this so that a qualified person is able to employ a circumvention device for a permitted purpose only if the work or subject matter is not readily available to them. In other words, if the work is readily available but only in a technologically protected way, a qualified person would not be able to legitimately obtain circumvention tools even for a permitted purpose. These amendments would place a similar limitation on the creation of circumvention devices. The only plausible interpretation of these proposed changes is that they are intended to make things harder for legitimate users of circumvention software. I do not believe they will have any impact or any effect on software pirates, who are unlikely to think about the Copyright Act or making a declaration, false or otherwise, when obtaining the wares necessary for their acts of piracy.

Amendments negatived.

Senator BOLKUS (South Australia) (12.43 p.m.)—I move:
(15) Schedule 2, item 3, page 94 (line 33), omit “appearing in it”.

I note that the government intends to support this amendment so I do not need to speak at length in respect of it. The bill introduces a new, broadly based right of communication to the public. The new right will replace and extend the existing rights to broadcast and to transmit to subscribers of a diffusion service.
Although the proposed new right to communication to the public is intended to replace the existing broadcast and diffusion right, it is necessary, we believe, to retain the definition of ‘broadcast’, albeit in a wider way.

The bill also amends the definition of ‘broadcast’, which is currently defined to mean ‘transmit by wireless telegraphy to the public’. The proposed definition aligns the definition of ‘broadcast’ in the act with the meaning of the broadcasting service definition under the Broadcasting Services Act. The result is the broadening of a current definition of ‘broadcasting’ under the Copyright Act to include essentially broadcasts that are transmitted by cable.

The transitional provisions of the bill are intended to ensure that agreements which existed before the commencement of the bill are not affected by the introduction of a broadly based right of communication to the public and the broadened definition of ‘broadcast’. This is so copyright owners should be able to gain the full benefits of the new broadly based rights. The transitional provision will therefore enable copyright owners to negotiate with copyright users for the exercise of the new rights beyond the scope of that which was originally agreed. Importantly, however, this is subject to any contrary intention appearing in the agreement. For example, a contrary intention in an agreement could be the assignment of all rights or the licensing of an activity which involves the new elements of the communication right.

FACTS, the Federation of Australian Commercial Television Stations, has drawn our attention to an anomaly in the transitional provisions which may have the effect that they will not operate effectively in the context of commercial practices that have existed for quite a number of years. FACTS has stated that broadcasters which employ a combination of delivery methods would have to re-clear rights in all programs made before the commencement of the bill because the licence to broadcast would only permit delivery by wireless telegraphy. FACTS, therefore, argues that, where a right to broadcast a work had been granted prior to the enactment of the bill, the new definition of ‘broadcast’ included in the bill should apply. As currently drafted, we believe the limitation on the contrary intention to that ‘appearing in the terms of the agreement’ is likely to prevent matters which existed outside the terms of the agreement from being construed as a contrary intention.

It sounds very legalistic, and it is. The amendment that we are moving will address the concerns of FACTS by making it clear that a contrary intention can be found outside the agreement itself. Such an amendment will ensure that the existing agreements are not affected by the commencement of the bill. The amendment will also not deprive copyright owners of receiving the benefits of the extended rights, as it would only apply insofar as what has already been agreed to between the parties. For the purposes of any statutory interpretations, it is important to place that on the record.
The government believes that this approach gives effect to the government’s policy that the transitional provisions should take account of the commercial reality of what has actually been agreed between the parties. For these reasons, the government accepts the amendment.

Amendment agreed to.

Bill, as amended, agreed to.

Bill reported with amendments; report adopted.

Third Reading

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

ABORIGINAL LAND RIGHTS (NORTHERN TERRITORY) AMENDMENT BILL (No. 3) 2000

Second Reading

Debate resumed from 14 August, on motion by Senator Ian Campbell:

That this bill be now read a second time.

Senator PATTERSON (Victoria—Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs and Parliamentary Secretary to the Minister for Foreign Affairs) (12.49 p.m.)—This bill reinforces the government’s continuing commitment to assist in achieving negotiated outcomes under the land rights act; thus, it avoids lengthy and costly legal proceedings. We are pleased to have been able to grant 12 land claims since coming to office, and half of these were through negotiation. This bill will contribute towards more effective and efficient administration of the land rights act. I commend the bill to the Senate.

Question resolved in the affirmative.

Bill read a second time.

Third Reading

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

DEFENCE LEGISLATION AMENDMENT (FLEXIBLE CAREER PRACTICES) BILL 2000

Second Reading

Debate resumed from 29 June, on motion by Senator Ian Campbell:

That this bill be now read a second time.

Senator BOLKUS (South Australia) (12.51 p.m.)—This bill basically contains three fundamental issues: (1) it extends the reach of the limited tenure promotions scheme currently at and above the rank of colonel down to that of lieutenant colonel; (2) it enables a serving member to convert an open-ended enlistment or appointment to a fixed term one; and (3) it clarifies where a service chief can reject the resignation of an officer, mainly where they have not served the agreed minimum term under the return of service obligations. The first two we agree to, but we had some queries about the third one. A number of questions were raised by shadow minister Laurie Ferguson with the office of the minister, Mr Scott. I would like to put on record the question and the response to it, which I think is important for clarification of the debate and the legislation. The question was:

Will every officer have the same initial or minimum period of service or will different determinations apply to particular officers or categories of officers?

The answer supplied by the minister’s office was:

The standard requirement will be for most officers to complete a minimum period of four years service. Officers who attend ADFA, the Australian Defence Force Academy, will be required to complete a longer period of service to reflect the greater investment by the ADF in their training. For most ADF entrants, this will be nine years; however, for engineers and honours graduates, this period will be 11 years. These periods also reflect current ADF policy on the use of return of service obligations.

In Committee

The bill.

Senator BOLKUS (South Australia) (12.50 p.m.)—The opposition supports this legislation because to us it shows the way that relations should be developed with indigenous communities through consultation and consensus rather than an alternative approach which is quite often deployed in government.

Bill agreed to.
We are asked to ‘please note that resignations submitted for compelling reasons within these periods may still be accepted’. A further answer is:

... in the case of specialist or direct entry officers, such as doctors and dentists, the minimum period of service may be much shorter. If a long period of service were imposed upon these officers they may be discouraged from entering the ADF. For these officers, who are laterally recruited, the length of the initial period of service will be determined by the services on a case by case basis.

That clarification is important for us to support that aspect of the legislation.

Senator PATTERSON (Victoria—Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs and Parliamentary Secretary to the Minister for Foreign Affairs) (12.54 p.m.)—The Australian Defence Force commits significant resources to training its personnel and therefore has a responsibility to retain them in the service. On the other hand, it must also ensure that personnel are not retained in the service simply because of their seniority. In order to manage these sometimes competing requirements, the ADF uses a number of flexible employment practices, including limited tenure promotion, enlistment of personnel for an initial minimum period of service in order to recover investments in the entry level training of personnel and, finally, the Defence Force now makes greater use of fixed periods of service rather than permanent appointments for personnel in some occupations.

Taken together, these provisions assist the Australian Defence Force in balancing the need to retain personnel in some occupations while maintaining healthy rates of turnover in others. These provisions are already used sparingly but with good effect in the ADF. This bill amends the Defence Act and the Naval Defence Act in order to extend or facilitate the application of these provisions. The bill proposes minor changes which address only some of the personnel issues that confront the ADF. These changes are, however, sensible and useful enhancements to the way the Defence Force does business. I thank honourable senators for their cooperation and support for the bill, and I commend the bill to the Senate.

Question resolved in the affirmative.
Bill read a second time, and passed through its remaining stages without amendment or debate.

Sitting suspended from 12.56 p.m. to 2.00 p.m.

DEPUTY OPPOSITION WHIP

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (2.00 p.m.)—by leave—I inform the Senate that as a result of the resignation of Senator Quirke, who was the Deputy Opposition Whip, Senator Ludwig has been elected to replace him.

QUESTIONS WITHOUT NOTICE

Public Health Association of Australia: Funding

Senator WEST (2.00 p.m.)—My question is directed to Senator Herron, the Minister representing the Minister for Health and Aged Care. Why did the Minister for Health and Aged Care order the scrapping of the $300,000 grant previously given to the Public Health Association of Australia for the provision of independent policy advice to the department on public health issues? Was this a political payback by Minister Wooldridge because the association is a very effective lobbyist for the public health system and, specifically, it supported the Friends of Medicare campaign?

Senator HERRON—It would be totally unlike Minister Wooldridge to scrap any program that was of any benefit to the continuation of Medicare because, as Senator West would know, the coalition is the best friend that Medicare ever had. The implication in that question—that somehow or other some program was scrapped—is something Minister Wooldridge would be unlikely to do. I am quite confident that what Minister Wooldridge has put in place has revived Medicare to the stage where it is viable because of the changes to private health insurance.

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Senator Cook—You’re undermining it!

Senator HERRON—Senator Cook may be interested to know that the numbers have
almost doubled since we came into office. That is the best thing that could have been done for Medicare. The reality is that it was supported by the overwhelming majority of Australians, because at last we will get balance into the Medicare system of public and private hospitals. We are approaching 50 per cent of the public voluntarily—and not by any form of coercion—taking up private health insurance. They have been assisted to take up private health insurance and have been given freedom of choice. What the Labor Party did when they were in power for 13 years was run down private health insurance to the stage where it became almost enviable.

I had the opportunity to look at my maiden speech today, and in that speech I related how private health insurance in Queensland was down to 30 per cent—that 70 per cent of the population was totally reliant on the public health system, that it had become overcrowded and was almost at breakdown stage. I will take on notice Senator West’s question in relation to the association. I will see what the truth is and, if funding was changed, the reasons for it. I will get back to Senator West when I have that back from the minister.

Senator WEST—Madam President, I ask a supplementary question. If the Howard government attacks the Friends of Medicare in this way, aren’t the public entitled to agree with Stephen Doe in the Melbourne Age, where he described the government’s agenda as being nothing short of the destruction of Medicare as we know it? Isn’t this standard operating procedure for a government headed by someone who has long boasted that he would ‘take the scalpel to Medicare’?

Senator HERRON—The Labor Party is distraught, as evidenced by that supplementary question. We as a government have revived Medicare to the stage where nearly 50 per cent of the public have freedom of choice, whereas once before—deliberately started by Minister Howe, if I recall—there was an attack on the Private Health Insurance Association and the private health insurers of this country to make Medicare unviable. I am proud to say that, after 4½ years of the Howard government, we have reached the stage now where the rate of private health insurance is rapidly rising and we have an increase of more than 1.7 million people who have taken out private health insurance as a result of the incentives that we provided through the rebate system.

Gun Control

Senator TCHEN (2.05 p.m.)—My question continues the good news story about the Howard government’s achievements, following on from the question from Senator West. My question is to the Minister for Justice and Customs. The Howard government has taken a strong stand on gun control. Would the minister inform the Senate about changes to hand gun importation?

Senator VANSTONE—I thank Senator Tchen for the question. Stricter controls have been introduced on the importation of hand guns into Australia, effective from midnight tonight. It was clear that something needed to be done to reduce the diversion of hand guns to the black market. The sorts of people who buy a hand gun on the black market are just thugs and crims. They are people who want to threaten the lives of ordinary citizens and of men and women in law enforcement. Decent law-abiding shooters—for example, the sporting shooters and the target shooters—want decent guns, and they buy them through proper dealers. They are licensed and they use registered guns. These people will be unaffected by these changes.

From midnight tonight, Customs will store all hand guns imported into Australia until the firearm has been sold to an authorised end user. Ten hand guns will be allowed, one of each type, for the purposes of testing and demonstration to prospective customers. That should be of value to the dealers. At the same time, we have taken the opportunity to allow five category C weapons to be held by dealers for the purposes of demonstration and display. There are good commercial and safety reasons for people handling a gun before they decide to purchase it.

The Australian Institute of Criminology’s research confirms an alarming increase in the use of hand guns in firearm related homicides. In 1995-96 hand guns accounted for only 13 per cent of firearm related homi-
cides. In 1998-99 that figure had jumped to 42 per cent. The overall number of firearm related homicides had, in fact, decreased from 111 to 64, but the number of hand gun homicides had in fact doubled. Commonwealth, state and territory governments have been increasingly concerned at the number of hand guns legally imported into Australia but seeming to end up in the hands of criminals. Allowing dealers to accumulate large stockpiles of hand guns is a critical issue that had to be addressed. The stockpiles were vulnerable to theft, mismanagement and, in a very small number of cases, fraud. These new controls will address that problem. The Australian Police Ministers Council recently discussed this matter and agreed to the urgent development of strategies to handle it. Meanwhile, the Commonwealth is acting now to better control the manner in which hand guns are released into the community. The Commonwealth and states have a working group which has been in place for, I think, two months. It has not issued a final report. That report will indicate further things that need to be done by the states, but the Commonwealth was not prepared to wait until that working group had completed its report and thought that it needed to act now to stop further importations. Although these regulations come into force tonight, competitors coming to Australia to take part in the Olympics and the Paralympics will not be affected, nor will competitors in future sporting events.

I take the opportunity to put on record my thanks to now Mr Quirke, former Senator Quirke, for his counsel in relation to this matter. These controls will be a major contributor to making Australia a much safer community.

Australian Taxation Office: Private Binding Rulings

Senator LUNDY (2.09 p.m.)—My question is to Senator Kemp, the Assistant Treasurer. Is the minister aware of claims that the Australian Taxation Office is giving conflicting GST rulings under its private binding rulings system? Isn't this latest information further evidence of the systemic failure of the PBR system which has led to the Commissioner for Taxation engaging Mr Sherman QC to conduct a review of the PBR system? Will the minister guarantee that the full Sherman report into the PBR system will be made public? Or will the commissioner be releasing only a sanitised version of the Sherman report, if any at all, in order to cover up the PBR system debacle?

Senator KEMP—The private binding rulings system is part of the tax office, and I think it performs a very important role. Private binding rulings operated under the former government and they operate under this government. There have been issues raised recently in relation to private binding rulings and, as Senator Lundy mentioned, there was an internal inquiry conducted by an eminent QC into this matter. My understanding is that the report to the ATO has been finalised and the ATO is now undertaking consideration of that report.

Senator LUNDY—Madam President, I ask a supplementary question. Is the minister concerned at the revelation that the GST related private binding rulings are confusing businesses which are, after all, the Howard government's unpaid tax collectors? Aren't these de facto tax collectors entitled to receive clear and consistent guidance from the real tax office? Finally, Minister, I will reiterate my earlier question: will you make the report public?

Senator KEMP—Let me make it clear that many people in small business appreciate the assistance they receive from the tax office and they recognise the important role of private bindings rulings. As I mentioned, this is a report which has been commissioned by the tax office. It is a report to the tax office. The tax office is giving consideration to the report. On the basis of that report, the tax office will, if necessary, make recommendations to the government.

Welfare Reform: McClure Report

Senator CALVERT (2.11 p.m.)—My question without notice is directed to the Minister for Family and Community Services, Senator Newman. Yesterday the minister received the final report of the independent reference group on welfare reform chaired by Mr Patrick McClure. Will the minister comment on public reaction to the
report and advise the Senate of any alternative policy stances?

Senator NEWMAN—There are not too many alternative policies around. I was asked about public reaction to the report and I am delighted, because the reaction of the public to the welfare reform report is very positive—it is encouraging. There is a significant body of support in favour of welfare reform. Of course, that reform is necessary—as I said last September in a speech to the Press Club—to ensure that the welfare system survives and is sustainable throughout the 21st century. I emphasise that the government welcomed the thrust of the independent report when it was handed to me yesterday by Mr Patrick McClure. He and his reference group did an excellent job in producing a report which shows the way for the future direction of welfare in Australia. The government is going to be considering that report in detail, as it deserves, and will be providing a response to it before the end of the year.

But I would like to remind the people of Australia about Labor’s record on the welfare reform process which I started in my speech to the Press Club in September. Since I announced the direction that the government was taking, Labor has been trying as hard as it can to discredit welfare reform and to scare people who are reliant on income support payments—really just the same sort of thing we saw the Labor Party doing with tax. Labor now purports to support welfare reform and the final report, but the truth is that Labor is fundamentally opposed to welfare reform. Labor last year said that the welfare reform process was ‘a process simply to give the government the outcome it wanted all along, an extension of mutual obligation aimed solely at cutting expenditure rather than making an investment in our future’. What does it tell us? It tells us that Labor cannot be trusted, and Australians now know Labor cannot be trusted—they will run a scare campaign on welfare reform all the way to the next election.

Rest assured, if they get back into government, they will ignore the needy, they will throw money at their favourite minorities, they will roll over to the unions, they will roll back Work for the Dole, they will roll back the new tax system and create massive confusion, and they will ignore welfare reform. I want to say again that the Howard government’s position on welfare reform is a positive one. It is about a fair go; it is about recognising individuals’ circumstances; it is about being fair to the taxpayer, who funds the system; it is about removing barriers; and it is about ensuring that people who are disadvantaged are not forgotten and excluded.

Goods and Services Tax: Bank Interest Rates

Senator CONROY (2.16 p.m.)—My question is to Senator Kemp, the Assistant Treasurer. Has the minister’s attention been drawn to the announcement by the National Australia Bank that it is to reduce the interest that it pays on its national retirement account by 0.08 per cent and that this reduction is due to the GST? Is the minister concerned that the value of pensioners’ savings has now been further eroded and that pensioners who are customers of the National Australia Bank will now be earning less on their savings than the government’s deeming rate? Having already been conned by the government on the $1,000 savings bonus, haven’t pensioners
suffered enough from the impact of the GST?

Senator Kemp—Let me make the point, Senator, that those on pensions and benefits have benefited strongly from tax reform. We have been able to guarantee a real rise in pensions and benefits, and indeed there are many other concessions, which Senator Newman has often stated in this parliament, which have flowed to pensions and benefits as a result of tax reform. So the underlying assumption in the last part of your question, Senator Conroy, was dead wrong. Like all groups in the community, this government has been very concerned to make sure that the benefits of tax reform flow through—and they certainly have flowed through to those on pensions and benefits.

Senator Conroy, the government is aware of recent press reports suggesting that banks may be cutting interest rates on pensioner, farmer and retirement savings accounts in an effort to offset cost increases claimed to be associated with the introduction of the GST. The government would certainly encourage banks to investigate other ways of protecting their profit margins than to reduce the interest earned by low income earners. The banks will benefit from the cut in the company tax rate and this will assist them, of course, to maintain profit margins.

Senator Conroy, as we often say in this place—and I think that even you may possibly agree with this—customers are encouraged to shop around as there are differences in deposit rates and products on offer among banks and other financial institutions. I can understand that some people may well be concerned about some of the press reports they have heard. I hope the comments that I have made, particularly in relation to the fact that there are a variety of types of accounts on offer, will clarify things. If people are unhappy with the rates they are being offered, we would certainly encourage them to shop around.

Senator Conroy—Madam President, I ask a supplementary question. Minister, do you acknowledge that bank customers are now worse off as a result of the GST, not better off as the government promised in the ANTS package before the election? Will the government now ask the ACCC to investigate the National Australia Bank’s decision? Will the government stand up to the banks?

Senator Kemp—There was an absurd comment made in the opening question by Senator Conroy. When we came to government, the typical mortgage rate being paid by bank customers was in the order of over 10 per cent; it is now about eight per cent. This government, through its responsible fiscal policies, has been, in many ways, able to deliver real benefits to the community, including those who borrow and have a mortgage. So Senator Conroy is, as usual, dead wrong in the assumptions which underlie his question.

Welfare Reform: People With Disabilities

Senator Allison—(2.20 p.m.)—My question is to the Minister for Family and Community Services. I refer to the report by the reference group on welfare reform. It identifies structural and systemic barriers to participation for people with disabilities and it recommends more significant effort from government to increase opportunities for people with disabilities. Minister, in the light of this report, will you consider reversing the cuts your government has made in the last four years to employment services for people with disabilities? These include a six per cent cut to job service providers, a 50 per cent cut to funding for workplace modifications for people with disabilities, cuts of almost $7,000 in annual wage subsidies for employers of people with disabilities and cuts to all funding for on-site support for those accessing the supported wage system.

Senator Newman—that was a very one-sided view of what this government has done for people with disabilities. I would point out that the disability advocacy groups, in fact, are very supportive of the government’s direction for providing funding for disability employment services that are outcome focused. Madam President, as you will recall, over many years the disability employment services have been funded with block grants: regardless of whether they achieved any good outcomes for people with disabilities at all, they got the money every year. That did not seem to me to be the best way to help people with disabilities. As a
result, for two years we are testing a model which pays service providers by the results they achieve for people with disabilities. I would have thought that most people in Australia would give credit to that direction as being a very positive move forward for the future for people with disabilities.

It is not only governments that have a role in removing barriers to people with disabilities; I put the acid on the employers as well. The government is trying very hard to encourage employers to take people with disabilities into their work force. Some major employers like Coles have made a great effort to do that, and I commend them for it. Some people still think it is all too hard and they do not try, yet those who have employed people with disabilities are frequently saying, ‘It has made a huge difference to the morale and the teamwork in my business because they have all rallied around to help the person who has a disability.’ State governments have a role too, because we are also talking about transport barriers that need to be removed so that people can get to work. We need to look at the cost, for people with various disabilities, of taking up work opportunities when they are available. We need a better assessment system so that people with disabilities are assessed for their capacities; we constantly have doctors telling us what people’s disabilities are, but they are not able to tell us, despite their expertise, what these people’s capacities are. There are people in our community—for example, occupational physicians, occupational therapists and physiotherapists—who can better talk about people’s ability to work.

I think these are all things that we can do. Senator, if you have had the chance to read the McClure report, this excellent report, you will see that the reference group has said that the whole of our society should be looking at these issues. For people who have been excluded from mainstream society, whether they are disabled or not, we need to have the whole community taking responsibility, to the extent they can, in a partnership. State and federal governments, business, the private sector and community organisations all have a potentially very important role to fulfil. That is how I see benefits flowing to people with disabilities. This government is not about being punitive towards people with disabilities; it is about removing the barriers, giving them opportunities and giving them the feeling that they are valued, that they have self-worth and that they can be self-reliant, at least to some degree. If they cannot be engaged in economic participation, at the very least let them have the opportunity to be involved in community organisations where they can feel valued, needed and relied upon. We all need that.

Senator ALLISON—Madam President, I ask a supplementary question. I thank the minister for her answer and welcome her discussion about opportunities for people with disabilities. But I must ask her this: isn’t it the case that there are now no prevocational services available for people with higher support needs, multiple disabilities and chronic and unstable conditions? Minister, isn’t it the case that the very successful More Intensive and Flexible Services pilot program, for instance, which your government closed at the end of last year without an evaluation, provided those kinds of services? Minister, I ask again: will your welfare reform include any obligation to provide assistance for so many of the disabled people with support needs who really want to work?

Senator NEWMAN—I think that I have made it very clear that we do want to put support services in place that are practical and really helpful and that do not just wave a dollar sign as though that somehow says that we are doing all that is needed. I would also remind Senator Allison that the MIFS program that she referred to was extended by this government. It had been set up earlier, and we extended it. The people who were already in the scheme were able to continue on. No program is necessarily set in cement forever. There are often other ways of doing things, better ways of doing things. This government is prepared to be innovative, to trial better ways of achieving good outcomes. I have just demonstrated that to you in what I said to you previously. Your focus on things that you do not like about what this government has done does not mean to say that this government has not been very seri-
ously addressing the needs of people with disabilities.

**Welfare Reform: McClure Report**

**Senator Faulkner** (2.27 p.m.)—My question is directed to Senator Newman, the Minister for Family and Community Services. Can the minister confirm that she issued a press release just 24 hours after the McClure welfare review’s interim report was released where she attacked aspects of that report, including recommendations for tax credits and better labour market assistance? Can the minister now confirm that these elements have been kept in the final McClure report? Is the minister embarrassed by the independent committee maintaining its positive view of Labor policies, notwithstanding her knee-jerk opposition to these policies when the committee released its interim report?

**Senator Newman**—In answer to Senator Faulkner, I have not bullied the reference group, like the Labor Party has obviously been determined to do. I welcomed the interim report enthusiastically, and it went out for consultation around the wider community. When it came back by way of a final report, there was not a recommendation for the earned income tax credits scheme. If Senator Faulkner had done his homework, he would have found that they canvassed that proposal and found that, under Australia’s system, it would be very difficult to introduce because we have an existing system of tax benefits for families, particularly enhanced since 1 July under the new tax system. The ALP’s suggestion, for example, would not fit well with that. In fact, I can quote in relation to this:

> We hesitate recommending the adoption of employment condition benefits—

that is, EITCs and the like—

partly because of uncertainty about whether they could be well integrated into the current system.

And that is the problem with the ALP’s proposal. The OECD recently acknowledged that, in countries that have a comprehensive family support system, such as we do, the objectives of the EITC can be achieved through careful design of the family support system. That is what our government have done. If we need further steps to make work pay, we will make sure that they fit together properly, unlike the system that we inherited that had been just ad hoc from beginning to end with no focus on welfare reform whatsoever.

**Senator Faulkner**—Madam President, I ask a supplementary question. Is the minister’s embarrassment about this issue the reason why the press release dated Wednesday, 29 March 2000 does not now appear on her department’s web site? Did the minister or her office bully the department to have this press release removed from the web site or did the department act on its own initiative to save the minister from the embarrassment of her negative views at the draft report stage being so comprehensively ignored by the McClure committee?

**Senator Newman**—I ask Senator Faulkner: do you really think that people think that I bully my officials? We know who the bully is in this place.

**Health: Medicare**

**Senator Gibson** (2.31 p.m.)—My question without notice is to Senator Herron, the Minister representing the Minister for Health and Aged Care. The Senate is well aware of the destruction Labor caused to the Australian health care system. Will the minister outline how the Howard government has strengthened Medicare, especially in rural areas? Is the minister aware of any alternative views which would undermine the right of every Australian to access Medicare, especially those living in rural areas?

**Senator Herron**—I thank Senator Gibson for the question because I know of his vital interest in the financial stability and viability of Australia’s health care system. Those on the other side are probably tired of hearing the great success that the Howard government has had with the revival of the Medicare system. As I have said previously, this government is the best friend Medicare ever had. On Monday we saw a great result with private health insurance, with the number of Australians covered now reaching above 40 per cent. Thanks to the Howard government’s 30 per cent rebate and Life-time Health Cover, the level of private health
insurance is back to levels which existed in June 1992 just before Brian Howe’s policies to dismantle private health insurance began to bite. This means that there are now 7.9 million Australians with private health cover, an increase of 9.1 per cent, or more than 1,700,000 Australians, in the past quarter. That is an unbelievably good and outstanding result. I have no doubt that each and every one of them would be incensed at Labor’s plans to means test the 30 per cent rebate. At last we have had an inkling of a policy from the other side. Previously they were a policy free zone; now we have the implementation of a means test. The Australian Health Insurance Association’s Chief Executive Officer, Russell Schneider, on Tuesday said of the increasing private health insurance—

Senator Cook—A well-known Lib.

Senator HERRON—As Senator Cook said, a well-done activity from private health insurance. He said:

It’s the best thing that has happened to our health care system for all time, really, certainly since the advent of Medicare because it means that the system is now back in balance.

That bears repetition. Russell Schneider said:

It’s the best thing that has happened to our health care system for all time, really, certainly since the advent of Medicare because it means that the system is now back in balance.

This gives me particular pleasure because when I first spoke in this chamber on 17 September 1990 I said the answer to our dilemma was to retain a publicly funded system for those who need help while providing incentive to individuals to care for themselves by having insurance. Russell Schneider is right: restoring the balance between public and private health insurance is but one part of fixing the mess—

Opposition senators interjecting—

The PRESIDENT—Order! The level of participation is unacceptably high.

Senator HERRON—We inherited a mess from the Labor Party when we came into government and we are making great gains. That is why they on the other side are so agitated. We have pulled the rug out from under their feet in relation to private health insurance because we have strengthened Medicare and our public hospital system. The health department estimates that the surge in private cover will mean an extra 400,000 treatments a year for people who are privately insured, a majority of them in the private system, thus taking pressure off our public hospital system. Our public hospitals are also benefiting from a 25 per cent increase in funding because of the Australian health care agreement signed by my colleague Dr Wooldridge and the states and territories in 1997. Since coming to office in 1996, we have implemented a number of initiatives to improve access to Medicare, including more than 800 national claiming facilities in addition to telephone claiming facilities. I am sure if Senator Gibson has a supplementary question, I could elaborate on the previous answer I have given him.

Senator GIBSON—Madam President, I ask a supplementary question. Would the minister further elaborate on the effect changes to the health system are having on people, particularly those in rural areas?

Senator HERRON—I thank Senator Gibson for his supplementary question because I wanted to talk about the effect changes have had on our rural hospitals and the ability of people to access Medicare through the 800 national claiming facilities in addition to telephone claiming facilities. Labor is totally unaware of the effect that private health insurance has on bush nursing hospitals, the lifeblood of so many rural communities, as my colleague Senator Macdonald knows.

Opposition senators interjecting—

The PRESIDENT—Order! There is too much noise in the chamber.

Senator HERRON—Madam President, I thank you for your intervention. It is quite simple: private patients make a significant contribution to bush nursing hospitals and in return the hospitals perform a largely charitable role in treating patients not privately insured. In other words, as the number of people with private health insurance grows not only does it relieve pressure on public hospitals and Medicare but also it enhances
the contribution bush nursing hospitals are able to make to the communities they serve.

Welfare Reform: McClure Report

Senator MACKAY (2.37 p.m.)—My question is to Senator Newman, Minister for Family and Community Services. Is the minister aware of the statement in the McClure report that ‘for many families, the addition of a Youth Allowance child will result in there being some income ranges where disposable income actually falls as private income rises’? Is the minister also aware that the report notes a study by Keating and Lambert that estimates some 40,000 families are caught by this anomaly and have effective marginal tax rates of between 86.5 per cent and 111.5 per cent applying to them? If the government in fact supports the findings of the McClure report, why won’t it immediately commit to removing this glaring anomaly in the system?

Senator NEWMAN—There is an issue which is referred to and which the senator has raised. The situation is that it is exactly the same situation as was present when it was Austudy. In other words, it is exactly the problem that we inherited from Labor. We will not be addressing the recommendations of the McClure report one by one; we will be addressing them as a package, as I have said over and over again, and we will be coming back with a public response before the end of the year.

Senator Cook—You will pick the eyes out of them, in other words.

Senator NEWMAN—We will go through them, as you went through every report, recommendation by recommendation. You have been in government and you know the process, or were you asleep at the wheel when you were a minister?

Senator Faulkner—We heard you had a bit of a blow-out after the 7.30 Report last night.

The PRESIDENT—Senator Faulkner, you have been making a great deal of intervention during this question time. Your behaviour is disorderly.

Senator MACKAY—Madam President, I ask a supplementary question. Given that this is an existing anomaly, I wonder whether the minister will at least commit to addressing this now rather than waiting for a full finding in relation to the determination on the report. Will you actually act to address this anomaly now?

Senator NEWMAN—That is a repetition of the previous question, and I have already answered it.

Nuclear Reactor: Lucas Heights

Senator STOTT DESPOJA (2.39 p.m.)—My question is addressed to the Minister for Industry, Science and Resources. Is the minister concerned about reports today about his chosen firm to build the new nuclear reactor at Lucas Heights that it, firstly, is facing court proceedings for allegedly running illegal tests on a new prototype reactor; secondly, is negotiating with Zimbabwean despot Robert Mugabe to build a large nuclear facility; and, thirdly, was in financial difficulties before it landed the ANSTO contract? Given these revelations, will the minister now release any information supplied to the government by ANSTO about the operations and financial viability of INVAP? Will the minister also outline who conducted a due diligence report, has he seen it and was he satisfied with it, and will he make it publicly available?

Senator MINCHIN—When the government made its very sensible and wise decision in 1997 to replace the Lucas Heights reactor in the national interest, because of the enormous benefit Australia gets from having its own research reactor, I guess we knew that we would face, from then until the time the reactor was actually constructed and operating, a regular stream of baseless assertions about the reactor and about whichever company was successful in winning the tender. I regret that I think that, whether it was Germany, France, Canada or indeed Argentina that won the tender, we would face these sorts of baseless allegations from what is a well-organised worldwide movement to shut down the whole nuclear industry. Every advanced nation operates research reactors for the benefit of their community, successfully and safely, and Australia must remain part of that community if indeed it wishes to remain a knowledge nation.
In the case of the assertions today, and I am sure we will get a regular stream of those, these are apparently from some environmental activist in Argentina called Raul Montenegro. Some reporter called Mark Riley in New York has discovered Dr Montenegro, an environmental activist, and decided to run these allegations. In the time available to us to determine the veracity or otherwise of these allegations, we have had advice, both from the company and from the Argentine government, that they are baseless and that in fact Dr Montenegro made the allegations back in 1998 and sought to have them heard through the judicial system in Argentina. They were dismissed by a federal judge in Bariloche in September 1998. It was open to Senator Stott Despoja to seek information herself as to the veracity of these allegations, but of course I am sure she has not; she has simply sought to peddle them in the Senate. The allegations go back two years, and you can easily determine that they are utterly baseless.

In regard to Zimbabwe, I understand that Zimbabwe itself approached INVAP but there were no negotiations entered into and there was certainly no formal proposal to Zimbabwe. Like any company that builds reactors or research reactors, I guess INVAP is approached by many what you might call despots, but that does not imply, mean or result in any contracts on negotiations of any kind.

ANSTO is one of our finest scientific institutions in this country. It has an excellent board and excellent management. It approached this question of a new reactor with the rigour that you would expect from such an outstanding organisation. It knew, as we did, that it would face these sorts of allegations, and therefore obviously it went to enormous lengths to ensure that the process that was followed for the selection of the successful tenderer was extraordinarily rigorous. I would remind you that INVAP was joined in its tender by Leightons subsidiary John Holland Constructions and Evans Deakin, two fine Australian companies which obviously did their own risk assessments of entering into such a consortium. We do accept ANSTO’s recommendation that this is the best of the four short-listed tenderers for this contract and have every confidence in its capacity to fulfil it.

Senator STOTT DESPOJA—Madam President, I have a supplementary question. I gather that the minister is stating for the record that those claims I referred to are baseless, in which case will the minister be able to make publicly available the due diligence report to which I referred? Will he also now make public the design and construct contract for the new reactor? Minister, what precedent allows you, if necessary, to terminate the contract with INVAP?

Senator MINCHIN—I regard the last one as utterly hypothetical. I have absolutely no intention of discussing that matter. That is just ludicrous. I have offered you a full briefing on the whole tender process. Most of the material you have sought is already on the web and already publicly available. This was rigorous, and we will supply you with whatever information we sensibly can. The auditing process was extraordinarily rigorous through the Australian Government Solicitor and an independent tender selection review committee. ANSTO went to enormous lengths to ensure independent verification, risk assessment and audit of the whole process at every step of the way. We are more than happy to brief you fully on that, if you ever seek it.

Welfare Reform: Transition Bank

Senator CHRIS EVANS (2.45 p.m.)—My question is directed to Senator Newman, the Minister for Family and Community Services. Can the minister advise the Senate whether she supports the McClure report recommendation to develop a transition bank which would allow people on income support to pool the free area of their income, evening out the impact of earnings on their benefits and encouraging them to report casual and part-time earnings?

Senator NEWMAN—I have already answered these questions recommendation by recommendation. The answer stays the same. In the coming few months, we will be addressing, on a whole of government basis, all 65 recommendations and we would expect to have a response, which will be publicly
available, before Christmas. Then you will see the government’s view on the subject.

Senator Patterson—And maybe you will have your policy ready by then.

Senator Newman—That is a very good idea. Senator Patterson is suggesting that the ALP might have a policy ready by that time. I am not going to hold my breath, though.

Senator Chris Evans—Madam President, I ask a supplementary question. I gather the minister’s answer is that she does not have a policy yet and that she is reading the report. What I want to know is: did you not effectively rule that proposition out when in the 1996-97 budget you abolished the earnings credit scheme, which was introduced by Labor and which operated in exactly the same manner to the proposed transition bank and saved the government $260 million at the time? Have you not effectively ruled that out by abolishing that previous Labor scheme, or are you going to reconsider your position now that you have the McClure report?

Senator Newman—If you were wanting to do something along those lines, you would not do what the Labor Party did, which was to introduce a scheme which was so cumbersome and complicated that less than three per cent of people who are unemployed ever made use of it.

Local Government

Senator McGauran—My question is to Senator Ian Macdonald, Minister for Regional Services, Territories and Local Government. The minister will be aware of recent assertions that the government has not done enough for local government. Are these allegations factual? Will the minister outline to the Senate examples of the coalition’s commitment to local communities, particularly those in rural and remote Australia?

Senator Ian Macdonald—Senator McGauran will be pleased to know that I have heard very little criticism of this government’s approach to local government. The only criticism I have heard comes from Senator Mackay, and that is fairly amusing. I listened intently to the recent Labor Party talkfest down at Wrest Point Casino a couple of weeks ago to see whether something might have come out from the Labor Party conference about local government. I did not hear anything. I can only assume that Senator Mackay was inside playing the machines because in the first speech she made to this parliament yesterday, she mentioned bingo nine times in a five-minute speech. I can only assume that Senator Mackay and a lot of her colleagues were at Wrest Point Casino playing games rather than concentrating on policy for local government.

Senator McGauran would be interested that, by contrast, this government makes a major contribution to local government. Today, I have announced $1.32 billion of grants from the Howard government to local government around Australia. As one who is very interested in local government and a former councillor, Senator McGauran will be very pleased that many councils in Victoria and right across Australia will be getting that money. Two-thirds of that money will go to rural and regional Australia. That contribution of $1.32 billion by the federal government is an increase of about $50 million since last year to local government. That is an increase of some $156 million in payments to local governments since the Howard government came into power.

In addition, this government provides money for the Local Government Incentive Program. We provide some $41 million for the Black Spots Program—a very good program which the Labor Party cancelled. We have reintroduced it and are spending $41 million. We are also spending $45 million on the Local Government Online Program, providing online IT services for local authorities, a program that the Labor Party opposed tooth and nail.

As I go around Australia, I find that local government understand that they do very well out of the GST. They know that state governments will be getting extra money and that they will be able to pay local government extra money. They are doing very well because fuel costs are down and the wholesale sales tax, which councils paid indirectly, has been cancelled. Local government have coped with the introduction of the GST very easily. In spite of the dire predictions by
Senator Mackay, there has been no complaint with the introduction. I congratulate local government and local government associations on what they have done. The Labor Lord Mayor of Brisbane, Councillor Soorley, was in fact forced to concede that he accused the GST of being a reason for the increase in rates, a fact which he then had to deny. *(Time expired)*

**Senator McGauran**—Can the minister further outline the coalition’s commitment to regional and remote areas?

**Senator IAN MACDONALD**—Senator McGauran will be pleased to know that councils in rural Victoria that he represents and serves very well will do very well out of today’s announcement. As I was saying, Councillor Soorley, the Labor Mayor of Brisbane, was reported as blaming the GST as being the cause for an increase in his rates. The ACCC investigated, and he was forced to retract and concede that it had no impact. In fact, what the ACCC found in Brisbane City Council, which is the same as everywhere else, was that the impact of GST on general rates was zero per cent, the impact of GST on water rates and charges was zero per cent and the impact of GST on sewerage rates was zero per cent. Those are the findings of the ACCC, who were called in to investigate Councillor Soorley’s complaint. Councillor Soorley says he had been misquoted. But it is typical of the scare campaign that was run before the introduction of the GST, which has been proved to be completely groundless. *(Time expired)*

**Welfare Reform: Benefits**

**Senator BOLKUS** *(2.53 p.m.)*—My question is to Minister Newman, the Minister for Family and Community Services. I ask the minister whether she would confirm that, when she was asked on ABC Radio this morning if she would guarantee that nobody would be worse off as a result the government’s response to the McClure report, she replied:

*... there will be no cuts to payments.*

I ask the minister: is it not the case that the government’s preferred method of cutting social welfare is not to reduce payments but to use mutual obligation to push people off benefits, as your department has admitted in Senate estimates it would be doing with some 48,000 people each year under the preparing for work agreement? Will the minister guarantee that the government will not use welfare reform as a cloak to push thousands of disability support pensioners and sole parents off welfare?

**Senator Newman**—Let the public just listen and think about that. There is yet another stick in the ground by the Labor Party—another Labor Party frontbencher who is engaging in Mr Swan’s sleazy campaign to frighten older people. I admitted no such thing.

**Senator Bolkus**—Madam President, I raise a point of order.

**Opposition senators interjecting**—

**Senator Newman**—This is a false point of order. This is a man trying to make a—

**Senator Faulkner interjecting**—

**The President**—Senator Faulkner, your colleague Senator Bolkus is seeking to make a point of order.

**Senator Bolkus**—I have a letter from the minister’s own department confessing to the government strategy, and the minister has called this a ‘sleazy campaign’. I ask you to make her withdraw.

**Opposition senators interjecting**—

**The President**—Order! The behaviour on my left is absolutely unacceptable.

**Senator Alston**—Madam President, I raise a point of order. I am not sure whether you are minded to take that even partially seriously, but it is quite clear that what Senator Newman was doing was pointing to the absolutely scurrilous approach adopted by the likes of Senator Bolkus to what they publicly say they support but which they are committed to undermining at every conceivable opportunity. That is a perfectly proper thing for Senator Newman to point out. The hysterical reaction that you have just seen confirms that they are guilty as charged.

**The President**—I did not hear the remarks of Senator Bolkus, which is not surprising, given the level of noise at the time. I shall have a look at the *Hansard* but, as I
hear the points of order presented to me, I would say there is no point of order.

Senator NEWMAN—Let me emphasise again, in case Senator Bolkus has not been listening for the last 24 hours, welfare reform is about giving people opportunities. Welfare reform is about removing barriers. Welfare reform is about ensuring we have a sustainable system for this century. Over and over again, I say this is an enabling process. This is something which will help people who have been left on the shelf by long years of Labor pushing people onto disability support pension, for example. That was Labor’s second route to reducing unemployment figures while they were in government. They had one route which took people off long-term payments and put them through a training scheme, after which they were then short-term unemployed people. That reduced the numbers. But, in addition, under Labor there was a very high level of people moving from unemployment payments to disability support payment. That is the system we have inherited. People were parked; they were chucked a cheque and no support given to them. If you think that is humane, Senator Bolkus, I do not.

Senator BOLKUS—Madam President, I ask a supplementary question. Despite the minister’s irrational allegations, she has not answered my question. I ask the minister again: would the minister like to add to her statement on ABC Radio this morning by promising that the government will not try to make savings by cutting disability support pensioners and sole parents off benefits, as opposed to cutting payment rates? It is a very simple question, Minister. Will you answer it?

Senator NEWMAN—For nearly the last 12 months, the Prime Minister and I have made it absolutely clear we are not about cutting people’s payments. We are about assisting them to get into work.

SBS Television: Coverage

Senator TIERNEY (2.58 p.m.)—My question is to the Minister for Communications, Information Technology and the Arts, Senator Alston. What commitments has this government made to ensure the maximum number of Australians, particularly from regional Australia, have access to taxpayer funded SBS television services? Is the minister aware of alternative policy approaches, and what would be the impact of these?

Senator ALSTON—This is a very good question from Senator Tierney because it highlights, in a very important way, the extent to which one side of politics is committed to ensuring that rural and regional Australia has access to a range of modern technologies, but particularly to traditional broadcasting services, when the other side of politics could not give a damn. That was made abundantly clear in Hobart when there were endless opportunities to give even rhetorical commitments to supporting regional Australia, and we simply did not get them.

One can understand why Senator Faulkner and Senator Evans think that it is a clever little tactic to pretend that they are not interested in being acutely embarrassed on a daily basis. We know why they take that approach. It is because they do not have any other defence. The trouble is that the public understands that too. They know that the coalition government has been prepared to spend very serious amounts of money on the roll-out of broadcasting services, on giving the national broadcasters—

The PRESIDENT—Order! Would senators resume their seats.

Senator ALSTON—It really is a rather childish tactic, Madam President. We all understand what is going on here.

Senator Patterson—On a point of order: Madam President, you asked senators to resume their seats. Senator Faulkner has obviously defied you. I ask you to call him to order.

The PRESIDENT—I required senators not to stand at the front of the chamber.

Senator ALSTON—We come in here for our own edification, do we? We are not particularly interested in exploring ideas? We are not interested in putting policy propositions before the public? We are not interested, for example, in seeing the roll-out of SBS and ABC in areas where there are black spots? We have a $120 million black spot campaign, but the Labor Party’s only black
spot is in relation to policy. They are not prepared to spend one cent on actually addressing the issues. They were not prepared to support any of these initiatives. We have given the ABC and SBS access to funding so they can choose their own transmission facilities providers. Have the Labor Party shown the slightest interest in these sorts of initiatives? Of course they have not. They opposed, every time, every initiative under Networking the Nation, under the $1 billion social bonus package. In other words, regional Australia is simply not on their radar screen.

We are perfectly happy with the status quo. It seems abundantly clear that the Labor Party are, as well. Obviously the end of the day has come early as far as they are concerned. It probably could not have come early enough. They have spent the whole of this week pretending to go through the motions. Clearly what occupied them for the last 12 months was roll-back and all the horror stories about the GST. We were going to get all sorts of amazing commitments and now we find that it has all evaporated in a puff of smoke. It is abundantly clear now that the public is not interested in listening to them, that they understand that there is only one side of politics committed to advancing their interests. Certainly in the broadcasting sphere there is only one possible approach.

Senator Hill—Madam President, I ask that further questions be placed on the Notice Paper. 3.02 p.m.

ANSWERS TO QUESTIONS WITHOUT NOTICE

Genetic Information: Legislation

Senator VANSTONE (South Australia—Minister for Justice and Customs) (3.02 p.m.)—Senator Stott Despoja asked me a question recently in my capacity as Minister representing the Attorney-General. I have an answer which I seek to incorporate in Hansard.

Leave granted.

The answer read as follows—

Senator Stott Despoja asked the Minister representing the Attorney-General, Senator Vanstone, the following questions:

Is the Minister aware of a survey released today by the New South Wales Genetics Education Program Unit that shows 54 cases of people who feel that they have been discriminated against on the basis of genetic tests? Are these the real, practical examples that a government spokeswoman last week said did not exist? Can the Minister inform the Senate what protection these citizens have from genetic discrimination while the Government is pondering the issue? Will the Government introduce an interim moratorium on the use and disclosure of genetic information for any purposes besides personal, medical and positive employment discrimination cases?

Is the Minister aware of documented cases of genetic discrimination which were made available to the public last month? If the Minister is aware of those cases, can she explain to the Senate what protection we can offer those Australians now to ensure that they are not discriminated against on the basis of their genetic information?

Senator Vanstone—I am advised that the answer to the honourable Senator’s questions are as follows:

The Attorney-General is aware of media reports of a recently released survey on uses of genetic information. The Attorney-General is also aware of media reports of a number of instances of discriminatory use of genetic information.

Gene technology and genetic information involve complex issues that affect a wide range of sectors of the Australian community. The Government believes it would not be appropriate to act hastily before all the issues raised by advances in gene technology have been carefully considered.

It is for this reason that the Attorney-General and the Minister for Health and Aged Care have announced that they will refer the complex issues raised by developments in gene technology to a joint inquiry of the Australian Law Reform Commission and the Australian Health Ethics Committee of the National Health and Medical Research Council.

The terms of reference for the joint inquiry will be announced shortly. The wide ranging inquiry will give the Australian community and all those with an interest in human genetic information and technology an opportunity to put forward their views on this important issue.

The Government shares the community’s concerns that genetic information should be treated sensitively to prevent the potential for abuse or discrimination on the basis of actual or imputed genetic characteristics. The Government also notes that genetic information has many impor-
The joint inquiry into this difficult and complex issue is the appropriate context in which to consider the findings of the survey to which the honourable Senator refers.

Welfare Reform: Report

Senator NEWMAN (Tasmania—Minister for Family and Community Services and Minister Assisting the Prime Minister for the Status of Women) (3.03 p.m.)—Senator Ludwig yesterday asked me a supplementary question, the answer to which I seek leave to incorporate in Hansard.

Leave granted.

The answer read as follows—

Senator Ludwig asked the Minister for Family and Community Services on 16 August 2000:

Madam President, I ask a supplementary question. Will Senator Newman take on board the question that I asked and perhaps look at the Wynnum Centrelink office in Queensland? Will the Minister provide the Senate with a list of waiting times for Newstart interviews for all Centrelink offices, so that we can have a better idea of the likely size of the reform task that lies ahead?

Answer:

I am advised that as at 16 August the waiting time for a Newstart new interview appointment at the Centrelink Wynnum Customer Service Centre was 15 working days. This waiting time is a result of unexpected staff absences and training commitments. Both are temporary and Wynnum management is confident that waiting times will fall. Staff at Wynnum are taking action to increase the number of appointments available, phoning customers prior to appointments to reduce numbers of customers failing to attend, and training new replacement staff as a priority.

The staff time needed to obtain the waiting time for all Centrelink offices would be excessive. However, I can advise that most job seekers are being offered appointments within 4 days.

Goods and Services Tax: Bank Interest Rates

Senator CONROY (Victoria) (3.03 p.m.)—I move:

That the Senate take note of the answer given by the Assistant Treasurer (Senator Kemp), to a question without notice asked by Senator Conroy today, relating to the goods and services tax and bank interest rates.

Senator CONROY—I rise to take note of the pitiful defence put up by Senator Kemp in the question dealing with banks and banks doing in the battlers yet again. Where was this government when it mattered today? It was missing in action. The banking industry, it needs to be remembered, is the most profitable industry in the country. It makes 20 to 25 per cent profit a year. Compare that with any other industry. It is nearly 10 per cent more than any other industry in this country. The Prime Minister has been quite willing to say to all other businesses in this country that he believes they should absorb some GST costs. Where did Senator Kemp go today? He cut the Prime Minister adrift. He had a chance to say that banks have social obligations. Like the Prime Minister said, like the Treasurer said, he had the chance to say that banks should not be doing this, that they should be absorbing some of these GST costs. But no, Senator Kemp, the Assistant Treasurer, cut the Prime Minister and the Treasurer loose today in this chamber. He did not have the gumption to stand up to the banks, particularly the NAB in this case.

This is an attack on the most vulnerable in our community, the pensioners. It is not the first attack the pensioners have had to cop this week. We have seen the pensioners done over with regard to the $1,000. This Prime Minister promised that Australian pensioners, everybody over the age of 60, would get the $1,000. What did we see? Some people have received nothing. Some people have received cheques for $1. It cost more to print the cheque and send it than they actually received. This Prime Minister, this government, this Assistant Treasurer, had the chance today to stand up and be counted on behalf of Australian battlers. Where did Senator Kemp go? He did the chicken run out of the chamber. He was not even here to defend himself, not even here to embarrass himself again by refusing to stand up to the banks.

The Prime Minister has made it clear that banks have social obligations. What does that mean in practice as far as the Prime Minister is concerned? All words, no actions. This is the rhetoric of the government. But they are exposed when it comes to doing
anything. Mr Hawker, a government back- 
bencher, produced a report—I did not agree 
with all of the report but there were some 
good things in this report—called Money Too 
Far Away. It took the government 15 months 
to respond to a report of its own backbencher 
and do nothing—except agree to more 
branch closures. This government said a little 
while back: ‘Cabinet will have a flashing red 
light on any decisions that are going to see 
services cut from rural Australia.’

Senator George Campbell—The bulbs have blown.

Senator CONROY—That is exactly 
right, Senator Campbell. The bulbs have 
blown on the flashing red light, and here it is 
again today. The deeming rate is an issue this 
government can deal with. It can make the 
banks not rip pensioners off like this; it can 
make NAB reverse its decision if it wants to. 
If this government had any gumption, it 
would be sitting down today and calling to-
gether the banks, the pensioner groups, the 
consumer groups, the National Farmers Fed-
eration and the unions and getting everybody 
around the table and saying: ‘Here is what 
we want to do; we need a voluntary social 
charter that gives commitments like meeting 
the deeming rates, that gives commitments 
like services such as fee free transactions, fee 
free banking and fee free accounts.’ That is 
what this government would be doing if it 
actually meant any of the words that the 
Prime Minister says when he speaks of 
‘social obligations’. Senator Kemp has come 
back, and I am pleased about that. Senator 
Kemp, here is your chance. Back the Prime 
Minister up about social—

The DEPUTY PRESIDENT—Senator 
Conroy, please address the chair.

Senator CONROY—Sorry, Madam 
Deputy President. Here is the Assistant 
Treasurer’s chance to back up the Prime 
Minister about social obligation and banks 
absorbing costs. (Time expired)

Senator IAN CAMPBELL (Western 
Australia—Parliamentary Secretary to the 
Minister for Communications, Information 
Technology and the Arts) (3.08 p.m.)—This 
gives me an opportunity to respond to that 
severe case of verbal diarrhoea coming from 
Senator Conroy opposite. He says that 
Senator Kemp has left the chamber. Quite 
frankly, I was shocked that Senator Kemp 
even returned to the chamber to have to 
contemplate hearing even a minute of Sena-
tor Conroy’s verbal diarrhoea. Anyone lis-
tening to Senator Conroy would have to as-
sume that he had a severe case of not only 
diarrhoea but also amnesia. This bloke has 
been in the Labor Party all of his life. He has 
done nothing else all of his life but hang 
around the labour movement. He has even 
forgotten what happened to the banks when 
the Keating and Hawke governments were in 
power—the greatest number of bank closures 
in the history of Australia. Banks were 
opening branches up until the Labor mob got 
into power, and then they started closing 
them. This is the party that promised before 
one election that they would die before they 
sold the Commonwealth Bank. And what did 
they do, Senator Boswell, as soon as they got 
elected? They sold the Commonwealth 
Bank. They were opposed to privatisation of 
the airlines. They got re-elected and sold the 
airlines.

Of course, there is only one thing surer 
about what Labor would have done if the 
people of Australia had re-elected them in 
1996. They stand with their hands on their 
hearts and say, ‘We are not going to sell Tel-
stra. We might sell the Yellow Pages; we 
might do private deals with IBM; and we 
might do anything else, but we won’t sell 
Telstra.’ What will they do, Senator Boswell, 
after the next election?

Senator Boswell—Sell Telstra.

Senator IAN CAMPBELL—Sell Telstra. 
Of course they will. You cannot believe these 
people in the Australian Labor Party. And 
what did they do to bank customers when 
they were in power? We used to be horrified 
receiving a letter from the banks back in the 
1980s and 1990s. Every Australian remem-
ers this. They always remember that Labor 
equals one thing—high interest rates, high 
bank charges. I remember having to go out to 
the post office back in the late eighties and 
early nineties and you would dread getting 
an envelope that had your bank insignia on it 
because you knew what it meant: Mr Keating 
had ground up interest rates again—10 per
cent, 15 per cent, 17½ per cent. If you were a small business person under Mr Keating, Mr Hawke and when Mr Beazley was finance minister, you had interest rates of 30-plus per cent.

Senator Chapman—Except for the interest free loan he had on the piggery.

Senator IAN CAMPBELL—Yes, Mr Keating did pretty well on that one, Senator Chapman. But we will not talk about the piggery, because I am not going to go into the gutter the way that we saw Senator Peter Cook go into the gutter yesterday when he attacked Mr Chris Chikarovski at RPC. Madam Deputy President, can I just turn to that matter, since Senator Chapman has drawn my attention to it. Yesterday, you saw one of the most scurrilous attacks on a personality outside this chamber, in the history of this chamber, from a so-called front-bencher who should be nowhere near the front bench in this place putting on the record the sort of regurgitated rubbish peddled by that poor excuse of a parliamentarian called Kelvin Thomson in the other place.

The DEPUTY PRESIDENT—Order!

Senator IAN CAMPBELL—That poor excuse, Madam Deputy President, for a parliamentarian.

The DEPUTY PRESIDENT—Senator, it is not appropriate to reflect upon a member of any parliament in this country, so I would urge caution and maybe you would like to consider withdrawing it.

Senator IAN CAMPBELL—Madam Deputy President, I fully respect that ruling and support it. But yesterday in this place one of our colleagues, Senator Peter Cook, scurrilously attacked Mrs Kerry Chikarovski, the leader of the opposition in the New South Wales parliament—one of the oldest parliaments in this Commonwealth—and did so in the full knowledge that what he was saying was false. I table a press release put out on 12 April of this year from the Remuneration Planning Corporation, which contains a full statement in relation to the matters that Senator Cook so scurrilously and in the manner of a scoundrel raised in this place.

The DEPUTY PRESIDENT—Senator, you know that that is unparliamentary.

Senator IAN CAMPBELL—I will withdraw the word ‘scoundrel’ before you ask me to do so, but I am very angry that this senator opposite would come in here in full knowledge of this and attack members of the public. He had full knowledge of this; he has read what Mr Chikarovski has said about this event, and he has come in here and repeated allegations that he would never repeat outside because, as I said yesterday, he does not have the intestinal fortitude to do so. (Time expired)

Senator LUNDY (Australian Capital Territory) (3.13 p.m.)—I also direct my comments to a response by Senator Kemp this afternoon in question time. My question was in relation to the report being prepared by Mr Sherman QC in relation to the PBR system. This is another example of coalition rhetoric being very distant from the reality. Here we have a government which talks about a tax system it has put in place—the GST—and how it is going to in some way try to make it fairer. Today we saw Minister Kemp demonstrate just how unfair this system is. We heard the minister today give absolutely no assurance that they would make public the findings of the Sherman report into the PBR system, and yet there is overwhelming evidence that this system is really up the creek.

We know that because we consistently read publicly reported complaints, and hear complaints directly, about the inconsistency in these rulings being provided by the Australian Taxation Office. It is very clear that the coalition is about a tax system that suits the wealthy, that suits the privileged and suits those who know how to work the system and approach the tax office to get these private binding rulings. It is very clear that those who do not have the know-how or the money to engage professional services, who do not have the capability to pursue that, are at a disadvantage. I would like to quote from some of the public reporting of this. An article in the Australian Financial Review dated 10 August 2000 said:

Advisers are losing confidence that the system is capable of producing coherent and consistent rulings. The discrepancies could see some businesses left at a severe commercial disadvantage to their competitors, they claimed.
It is very clear that because of those inconsistencies many businesses, which I remind the Senate are now unpaid tax collectors on behalf of the government, are at a distinct disadvantage. So here we have a situation where an inquiry is proceeding internally. We heard Senator Kemp waffle on today about the fact that, yes, they will be inquiring and that, yes, they will provide the report to the tax office. But not at any point has the coalition been brave enough or bold enough to actually make these findings public. Why? Because the system stinks. The system is wrong and is obviously ripping some people off. Unless the government are prepared to actually put this information in the public domain so that we on this side of the chamber, the public and the businesses that feel they have been disadvantaged can actually have a look at those findings and make an assessment as to whether or not there is some recourse, we will not be able to have confidence or trust in the system.

This is very clearly a consistent message from the government. It is okay for them to talk about putting in place a tax system that is supposed to be fairer, where everyone has to pay the tax along the way, but at the same time have an in-built system that suits the wealthy and the privileged and allows them little escape clauses to avoid their responsibilities and contributions. During all of that, the very people the coalition continually push to the forefront as being those they represent—that is, the small businesses of this country—are getting the short end of the stick.

I would just like to refer to an experience I had in the last couple of weeks with a small business in Fyshwick, here in Canberra. The business is a second-hand shop that sells furniture. It was very clear that they were struggling with the implementation of the GST, and when I queried them at some length about their methodology in applying the GST to their business systems and to what degree they could do that with some confidence in their revenue, it was very clear they had made a decision to try to absorb much of the GST cost within their pricing structure. After spending more than half an hour with this particular business, asking them about the impact on it, it was very clear that it is a problem for them. It was very clear that they felt as a business providing services in that marketplace, which happens to be second-hand furniture, that they were at a substantial disadvantage to the big players in that furniture market and were at a distinct disadvantage by virtue of their business structure against the suppliers of new furniture. It seems to me that the coalition has built into this system privilege for the wealthy and stuff the rest. (Time expired)

Senator MASON (Queensland) (3.19 p.m.)—I too would like to speak to Senator Conroy’s motion. I think this might be the last gasp for the ALP on the GST. I think we have just heard Senator Conroy at his most jovial and entertaining, but perhaps this is the whimpering, the flickering out of the last light in the GST debate. Senator Conroy talked about social obligation. I wish he would talk more about mutual obligation. Senator Conroy and the Labor Party do not really understand modern debate: tax reform, IR reform or welfare reform. I wish Senator Carr were here; he is my great friend in these debates. The ALP still suffer from a major problem, and it is this: they believe the state can love you. They seem to believe a community should pay its taxes and that people should not pay anything in return, that somehow people should be given things and never give anything back. The coalition do not believe in that in any context. The coalition believe in a fair go—that, if you have the capacity, you should have a go. We believe that, if the community gives you something, you should give something back. The Labor Party oppose that.

Right throughout the world, all social democratic parties—whether they are in the United Kingdom, New Zealand or Canada—believe in reciprocal obligation, except the Australian Labor Party. Why is that? Why is it that the ALP are so far behind the ball? Why is it that they were once the party of great reform in this country but have now fallen behind in all these areas again? Why is it that they have no new ideas or any policy? Why is it that they still believe that, in industrial relations, the interests of trade unions are the interests of the nation, that those
two are concurrent when, quite frankly, they are not? Why is it that they still believe there should not be welfare reform when everyone in this nation knows there has to be welfare reform? There is a great article by Noel Pearson—an extract from his speech for the Ben Chifley Memorial Lecture—in today’s Australian Financial Review. He spoke about welfare reform with respect to indigenous people. He said that the thing that cripples and disempowers the Aboriginal community is the welfare drip and that there must be some mutual obligation. He says that the ALP deny that and that they are flying and swinging against the tide.

Finally Senator Conroy bought up tax reform, and I will conclude on it. The thing that really rankles with the opposition—the coalition—about tax reform is this—

**Senator George Campbell**—You have got it right: you will be the opposition!

**Senator MASON**—Hold on, George. It is not that the opposition opposed us on tax reform; it is that they did it knowing that it was the best thing for the country. That is the thing that they can never get over. They did it when particularly the right of the ALP have known since the middle 1980s that this was the only way forward. They did not do it, because they thought they would win an election on it. That is why they stand condemned—not because they opposed us, but because they opposed us against the national interest. That is what really makes the debate so disgraceful. Right from the mid-1980s, many people in the ALP were for it and now they all oppose it for their own electoral gain. Right throughout the 1980s and into the 1990s, this side of the parliament often supported reforms put forward by the Australian Labor Party because we felt that it was in the national interest.

**Senator Carr**—Like what?

**Senator MASON**—Like the dropping of tariffs. That is true, Senator Carr, as you know—

The DEPUTY PRESIDENT—Address the chair, please, Senator Mason.

**Senator MASON**—following the Campbell report in the early 1980s. Not only the reduction in tariffs but also the deregulation of the financial industry were good for the country, and we supported them—as you should have supported the new taxation system. You did not, only because of electoral—

The DEPUTY PRESIDENT—Address the chair.

**Senator Carr**—Unfair!

**Senator MASON**—Madam Deputy President, Senator Carr says—and I am glad he is back because I always like it when Senator Carr returns—

The DEPUTY PRESIDENT—Order! Senator Carr, would you cease your interjections. You have barely been in the chamber five seconds and you have not stopped your noise. Would you please cease. Senator Mason, you have the call again.

**Senator MASON**—I always enjoy Senator Carr’s interjections and his attendance in the chamber, because we do not agree on much but I have respect for him on one particular thing: he may be wrong on nearly every issue but at least he has a view. The others sitting opposite me knew very well that the policy they were embarking on was against the public interest and they did it for electoral gain, and for that they stand condemned. *(Time expired)*

**Senator GEORGE CAMPBELL** (New South Wales) *(3.24 p.m.)*—Isn’t it interesting that every time we rise on this side of the chamber to point out the worst implications of this new tax system on ordinary Australian people the government members lapse into a state of excitement. Senator Mason has almost whipped himself into a hysterical state. Every time Senator Ian Campbell gets up to debate an issue in this chamber he has one debating tactic, and that is to verbally abuse his opponents. There was not one matter of substance that Senator Campbell raised in his contribution. It was all about abuse of individuals. The same sort of contribution was made by Senator Mason with respect to this issue. Senator Mason tried to give us an intellectual discussion or dissertation on the difference between mutual obligation and social obligation. He said that the Liberals’ position was mutual obligation, not social obligation. I would remind Senator
Mason that in fact it was the Prime Minister, John Howard, who said the banks had a social obligation to ensure that they did not rip people off in terms of the application of the new tax system. It was the Assistant Treasurer who consistently said in hearings on the tax system that the banks would be better off under the new tax system than they were currently and that there would be no necessity for them to pass on the charges for the implementation of the new tax system.

In the time available I want to address a couple of issues that appeared in an article in the Herald Sun on 17 August. The first issue I want to address is a statement from a National Australia Bank spokesman, who said that the bank was entitled to make a charge to reflect the cost of complying with the GST. He then went on to say the bank wanted to spread the costs across the broadest possible base and, in that context, reduce the deeming rate on deeming accounts by 0.8 per cent. In other words, the meagre amounts that pensioners have sitting in the banks that they live off and operate off was one of the areas which was dealt with by the banks. I would like to know—we have not had time to do the research—just how much the National Australia Bank has got in return for taking that 0.8 per cent off pensioners’ accounts in comparison with the other charges across the rest of their accounts. It would not be much. I wonder sometimes what motivates these individuals—these people who sit around the boardrooms of the National Australia Bank, the Commonwealth Bank and the ANZ Bank—because when you look at their actions, at the decisions they are making and the impact they have on our community, they are entitled to be abused. What makes it worse are the types of statements that are made in this parliament by the federal Treasurer. The federal Treasurer said on Tuesday that he believed banks could offset the impact of the GST in other ways than slugging customers with higher charges and lower interest rates. That is a very nice moral position for the Treasurer to take. But what is he actually doing to prevent them from doing it? What is he doing about ensuring these people do not apply charges to the people in our community who can least afford it? He has got a capacity to deal with this issue. He has got a capacity to address this issue and to ensure that people are not ripped off by the banks. (Time expired)

Senator McGAURAN (Victoria) (3.29 p.m.)—I would also like to join this debate regarding the answer given by the Assistant Treasurer, Senator Kemp. Firstly, Senator George Campbell should know that we are not standing up here particularly defending the banks and their social responsibilities—not like you and the oil companies. From John Howard, the Prime Minister, right through the coalition government, we have a record of drawing to the attention of the banks their social responsibilities. We are not here to defend them. We are not here to take the flak for it, but we are here to illustrate your record. What did you do in your 13 years?
Senator George Campbell interjecting—

The DEPUTY PRESIDENT—Address the chair please, Senator McGauran.

Senator McGauran—You asked what the motivation was of these board members.

Senator George Campbell interjecting—

The DEPUTY PRESIDENT—Senator George Campbell, you will cease interjecting. Senator McGauran, address the chair please.

Senator McGauran—Through you, Madam Deputy President.

The DEPUTY PRESIDENT—To me, not through me.

Senator McGauran—What was your motivation—

The DEPUTY PRESIDENT—No. When you say ‘you’ or ‘your’, you are reflecting upon the chair. You can ask what a particular person’s motivations are, but not ‘you’ or ‘your’, because that means the chair.

Senator McGauran—What was the motivation of the Labor Party when they were in government? That is my point. We can find that out by going to their record, but we really need to go to the dying days of their government. After 13 years of a Labor government—a record period, I believe—you would certainly hope that they would have had some runs on the board; that they may have done a great deal in regard to pulling the banks into line, establishing all those matters that Senator Conroy spoke about. Let us go to the last days of the Labor government, after 13 years. I keep stressing that because that is a hell of a long time for anyone to be in government.

Senator George Campbell interjecting—

Senator McGauran—I hope we last that long, Senator Campbell.

Senator George Campbell interjecting—

Senator McGauran—We will. I am very confident we will. The Labor Treasurer Ralph Willis issued a very dramatic press statement during the election campaign, saying that Labor were going to finally monitor the fees of banks and their charges on retail transactions and bring a bit of social responsibility to the banks. That was right in the heart of an election campaign. This is the quote by Ralph Willis:

A Labor government will write to the chairperson of the Australian Competition and Consumer Commission requesting the commission to formally monitor fees.

What do you think the date of that press release was? When do you think Labor really started to get seriously concerned—socially responsible—about bank closures, bank charges? When did they accuse the banks of ripping off pensioners, as they have done today? The first time the statement was made was on 26 February 1996. When do you think the election was called in 1996? It was called on 2 March. So, after 13 years, they finally decided to monitor bank fees—to finally do something about the banks some 14 days before the calling of an election. What frauds they were in government. What frauds they are to come in here to say this government has not brought the banks to any sort of responsibility.

Senator Carr interjecting—

Senator McGauran—Yes, I have. I think it is a new one, but I dare not challenge it. The Labor Party now have to take a few bold steps. You cannot stay in the negative gear that you are in in opposition. You are in your second term now. The public and the press gallery are starting to demand a positive approach—policies on the table. Quite frankly, as my colleague Senator Mason said, the light on the hill is truly starting to flicker. You had a chance to take some courageous steps as late as last night at Centenary House with your national executive meeting. You had a chance to give some of your members the freedom to express themselves—to stand up and have a conscience vote on a very important issue that is dear to their hearts. And one of them—Senator Ludwig—is in the chamber today. But you are never going to be positive; you are never going to have the courage to prepare yourselves for government as long as you stand on the free thinking and ability of the likes of Senators Ludwig, Forshaw, Collins, Hutchins and Hogg. Are there any I have left out? Certainly not Senator Carr—he would never believe in a conscience vote. That was the chance to take your first courageous and bold
step, and you did not do it. We are still waiting on this side for positive policies. They did not come out of Hobart. You will never prepare yourselves for government while you resort to the old bank bashing tactic and your Telstra tactics. (Time expired)

Question resolved in the affirmative.

REMUNERATION PLANNING CORPORATION

Senator IAN CAMPBELL (Western Australia—Manager of Government Business in the Senate) (3.35 p.m.)—I seek leave to incorporate a press release from RPC, Remuneration Planning Corporation, dated 12 April 2000.

Leave granted.

The document read as follows:

Press Release: Wednesday, 12 April 2000

Remuneration Planning Corporation Pty Ltd (RPC) is a consulting company specialising in employee share plans and general employee remuneration matters. RPC was responsible for devising the employee share plan structures, which have formed the basis for plans, which qualify for tax exemption or deferral under the tax provisions enacted by the Labor Government in 1995.

RPC has obtained many positive Australian Taxation Office (ATO) rulings for clients in respect of employee share plans and employee benefit arrangements since 1988. RPC has always adopted a policy of open dialogue with the ATO, full written disclosure, and marketing of plans in conformity with the terms of the rulings obtained.

A meeting was held with the former Minister Assisting the Treasurer, Mr Jim Short, in 1996 to discuss the financial difficulties caused to Child Care Centre Managers and Employers who had relied on rulings which the ATO had reneged on. This flawed interpretation by the ATO was ruled invalid by Justice Merkel of the Federal Court in the Esso Case. The meeting with Jim Short had absolutely nothing to do with employee share plans or employee benefit trusts.

RPC has continued to fully disclose its’ practices to the ATO and obtain rulings and advices on behalf of clients. It considers this sound professional practice and has been commended by the ATO for its approach in this area.

RPC has appeared before the Economics Legislation Committee of which Senator John Watson was a member. RPC did not meet with Senator Watson in 1996 and 1997.

As a firm specialising in Employee Share Plans, RPC has appeared before a number of Parliamentary Committees, authored numerous books on the subject, devised employee share plans for large and small companies, and consulted to many types of businesses, organisations, unions, governments and their departments.

RPC consider the allegations made by Mr Kelvin Thompson to be a cowardly, scurrilous and, worst of all, an inaccurate attack on Kris Chikarovski, Kerry Chikarovski, RPC, the Australian Taxation Office, its’ Commissioner, Michael Carmody, and the taxation ruling system.

The taxation ruling system is a system common to all modern Advanced Western Economies. It is meant to provide guidance and certainty of tax treatment for taxpayers. As the former Tax Commissioner, Trevor Boucher, declared on a number of occasions “You let me know what you intend doing, I will give you a tax ruling and you can rely on that ruling”. The only thing we share in common with Mr Kelvin Thompson is his call for a return to the confidence in the taxation ruling system. However, Mr Thompson’s remarks do not contribute in any way to this objective.

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ANSWERS TO QUESTIONS WITHOUT NOTICE

Secret Intelligence Services: Security Breach

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (3.35 p.m.)—I seek leave to incorporate an addition to an answer that was foreshadowed by Senator Hill in response to a question by Senator Robert Ray relating to the Secret Intelligence Services security branch yesterday in question time.

Leave granted.

The response read as follows—
SECRET INTELLIGENCE SERVICES: SECURITY BREACH

The Government regards any unauthorised provision of confidential information very seriously. The AFP was asked to conduct an official investigation into the unauthorised provision of information to The Canberra Times. In accordance with normal policy in relation to such breaches, the Government will not be providing details of the investigation.

I have not been able to detect any conflict between the statement of Mr Williams and the later statement of the Minister for Foreign Affairs, Mr Downer, on the “Sunday” program of July 23, to which I assume Senator Ray refers.

The Government announced in May last year that it had asked the Inspector-General of Intelligence and Security, Mr Bill Blick, to inquire into the security of the intelligence agencies. The inquiry was completed earlier this year and the government is considering its recommendations and expects to finish soon.

COMMITTEES
Treaties Committee

Report: Government Response

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (3.36 p.m.)—I present the government’s response to the 23rd report of the Joint Standing Committee on Treaties, on amendments proposed to the International Whaling Convention, and I seek leave to incorporate the document in Hansard.

Leave granted.

The document read as follows—

JOINT STANDING COMMITTEE ON TREATIES


GOVERNMENT RESPONSE. August 2000

On 23 August 1999 the Joint Standing Committee on Treaties (the Committee) tabled in Federal Parliament its 23rd Report, on “Amendments proposed to the International Whaling Convention”.

The report relates to proposed amendments to the Schedule to the International Convention for the Regulation of Whaling, 1946 (the Convention), which were tabled in Parliament on 23 June 1999.

The first set of amendments arises from a decision taken by the 51st Annual Meeting of the International Whaling Commission (IWC), which met in Grenada from 24 to 28 May 1999. These amendments involve revisions to Paragraph 13(b)(4), in order to renew the annual quota for the Bequian people of St Vincent and the Grenadines, in the Eastern Caribbean, to take two humpback whales per annum for three years from 2000 to 2002.

The second set of amendments arises from the annual requirement to make current the dates in Paragraphs 11 and 12 and Tables 1, 2 and 3 of the Schedule to the Convention, in order to maintain the moratorium on commercial whaling (zero catch limits). The dates will be changed from 1998/1999 pelagic season to 1999/2000 pelagic season, from 1999 coastal season to 2000 coastal season, from 1999 season to 2000 season, and from 1999 to 2000 respectively.

The Committee recommended that no formal objection be lodged to either set of the proposed amendments. The Government has noted the recommendation, and did not lodge any objection within the 90 days provided under the Convention. No other Contracting Government lodged objections within the 90 days, and the amendments therefore came into force on 9 September 1999.

The Committee discussed in some detail the first set of amendments, which renewed the quota for the Bequian people to take two humpback whales annually from 2000 to 2002. The Committee recommended that Australia lodge an “expression of concern”, seek to have the quota reconsidered at the 52nd annual meeting of the IWC, and request the IWC to obtain a detailed needs statement from the Bequian people for consideration at the meeting.

The Government shares the concerns expressed by the Committee about the justification for the Bequian quota and the manner of the hunt. Australia voiced these concerns clearly both before and at the 51st annual meeting of the International Whaling Commission. By negotiating at length with other IWC members, Australia was instrumental in ensuring that the IWC placed more stringent conditions upon the Bequian hunt. While sharing the Committee’s concerns, the Government considers alternative action is more appropriate than the three specific actions recommended by the Committee in relation to the Bequian quota.

There is no specific mechanism within IWC procedures for lodging an “expression of concern”, as recommended by the Committee. The Australian Government made its concerns known to the...
IWC and to the Government of St Vincent and the Grenadines by letter prior to the last meeting, during negotiations over the quota, and again in a statement following the IWC decision. A further expression of concern would not alter the quota. The Australian Government will however write to the Government of St Vincent and the Grenadines, prior to the 52nd meeting in 2000, requesting that a full report on any take of whales in 2000 be lodged with the IWC before the annual meeting, as required under the Convention.

It is also not considered practical for Australia to seek to have the quota reconsidered at the 52nd annual meeting of the IWC. The decision of the 51st annual meeting of the IWC notes that the Government of St Vincent and the Grenadines has given a commitment that it will “submit a detailed needs statement when the quota is next considered for renewal”, i.e. in 2002. There is no mechanism for the IWC as a whole to request a needs statement before the meeting in 2000 and it is most unlikely that the Government of St Vincent and the Grenadines would submit such a statement in 2000 without such a request. In the absence of a detailed needs statement, it would not be feasible for the IWC to consider the Bequian quota in any more informed way in 2000 than was possible at the meeting in 1999.

In addition to making recommendations relating directly to the amendments, the Committee made a more general recommendation that the Australian Government should prepare a proposal for the next annual meeting of the IWC to revise the Convention and its Schedule.

The Australian Government shares the view of the Committee that revision of the Convention and its Schedule would be highly desirable. Nevertheless, as the Committee noted in its report, the current membership of the IWC makes it most unlikely that the required three-fourths majority could be obtained for any significant amendment to the Schedule.

At the 52nd annual meeting of the IWC, which will be held in Adelaide from 3 to 6 July 2000, Australia will again negotiate actively with all Contracting Governments in pursuit of Australia’s whale conservation objectives. Australia must be judicious in selecting which issues to pursue most actively at the meeting. The highest priorities for Australia will be: to continue the current moratorium on commercial whaling; to support existing whale sanctuaries; to pursue the establishment of further whale sanctuaries including the South Pacific Whale Sanctuary; and to continue to seek an end to so-called “scientific” whaling and to commercial whaling carried out under reservations.

Recognising the time and resources required to pursue any international initiative successfully, the Australian Government considers that its efforts in the lead-up to the 52nd meeting of the IWC are best focused on these highest priorities. The potential for longer term changes to the Convention and its Schedule will become more apparent after the 52nd meeting, and it may be timely to begin work later in 2000 on a multilateral proposal for revisions.

In conclusion, the Government appreciates that the Committee considered the issues arising from the amendments in some detail, and the Government wishes to express its gratitude to the Committee for their close attention to these important matters.

DOCUMENTS
Work of Committees

The DEPUTY PRESIDENT—On behalf of the President, I present Work of Committees for the period 1 January to 30 June 2000 and consolidated statistics for 1 July to 30 June 2000.

Ordered that the report be printed.

DEPARTMENT OF THE SENATE: TRAVEL ALLOWANCES

The DEPUTY PRESIDENT—In accordance with an undertaking made at estimates hearings that senior officers of the Department of the Senate would declare their travel allowance payments on the same basis as senators, I present a document providing details of the payments made in the 1999-2000 financial year.

PETROLEUM EXCISE AMENDMENT (MEASURES TO ADDRESS EVASION) BILL 2000

Report of Economics Legislation Committee

Senator CALVERT (Tasmania) (3.37 p.m.)—On behalf of Senator Gibson, I present the report of the Economics Legislation Committee on the Petroleum Excise Amendment (Measures to Address Evasion) Bill 2000, together with the Hansard record of the committee’s proceedings and submissions received by the committee.

Ordered that the report be printed.
EXCISE AMENDMENT (COMPLIANCE IMPROVEMENT) BILL 2000

Report of Economics Legislation Committee

Senator CALVERT (Tasmania) (3.38 p.m.)—On behalf of Senator Gibson, I present the report of the Economics Legislation Committee on the Excise Amendment (Compliance Improvement) Bill 2000, together with the Hansard record of the committee’s proceedings and submissions received by the committee.

Ordered that the report be printed.

COMMITTEES

Membership

The ACTING DEPUTY PRESIDENT (Senator Watson)—The President has received letters from a party leader seeking variations to the membership of certain committees.

Motion (by Senator Ian Campbell)—by leave—agreed to:

That senators be discharged from and appointed to committees as follows:

Economics Legislation Committee—
Substitute member: Senator Conroy to replace Senator George Campbell for the consideration of the provisions of the Taxation Laws Amendment Bill (No. 7) 2000
Foreign Affairs, Defence and Trade—Joint Standing Committee—
Appointed: Senator Hutchins
Foreign Affairs, Defence and Trade References Committee—
Appointed: Senator Hutchins
Lucas Heights Reactor—Select Committee—
Appointed: Senators George Campbell, Chapman, Forshaw, Lightfoot, McLucas and Sandy Macdonald
Selection of Bills—Standing Committee—
Appointed: Senator Ludwig.

FIJI: POLITICAL CRISIS

Senator WEST (New South Wales) (3.39 p.m.)—I move:

That the Senate—

(a) recalls its resolution of 6 June 2000 concerning Fiji;
(b) reiterates its condemnation of the coup against Fiji’s constitutional and democratically-elected government;
(c) applauds the courage and resilience of Mahendra Chaudhry and the members of his Government;
(d) welcomes the arrest of the terrorists and criminals involved in the seizure of Fiji’s democratic government and calls for those persons to be dealt with by the full weight of the law;
(e) declares that the imposition of a racially-discriminatory political system in Fiji is unacceptable and will result in Fiji remaining an international outcast;
(f) affirms its support for the restoration of democracy and the rule of law in Fiji; and
(g) calls on the Australian Government to maintain sanctions on Fiji and to work actively to ensure there is no easing of international pressure on the unconstitutional interim government to allow a prompt return to democracy and a non-discriminatory political system.

The events in Fiji on 19 May this year were some of the saddest and most horrific this region has seen in some considerable time. What we saw in Fiji was the overthrow of a democratically elected government by nothing more than a group of thugs or terrorists. This led to the false imprisonment—therefore, making them hostages—of significant numbers of members of parliament, and 18 of them were hostages for 56 days. Who did this and why did they do it? The group that did it were led, publicly anyway, by a chap called George Speight, who actually had Australian permanent residency—and I hope ‘had’ remains the operative word. He has a brother who was involved who carries an Australian passport—I hope he no longer carries it, because we do not want thugs and terrorists of that type in this country. Nor do we want them operating in our region or in democracies in our region that we feel a great affinity for.

Fiji had a coup in 1987, and this democratic election of 1999 was the first opportunity for the people of Fiji to express democratically what their desires and wishes were.
George Speight came out after the coup and said that he had staged the coup to make sure that the rights of the indigenous Fijians were upheld. But if you look very closely at the make-up of Fiji, you will find that that was nothing more than a furphy—it was incorrect. Sure, the percentage of people in Fiji of Indian descent is about 44 per cent of all Fijians, but let us have a look at what this election resulted in. It resulted in a parliament being elected where 51 per cent of the members of the House of Representatives were of indigenous Fijian background and 72 per cent of the members of the Senate were of indigenous Fijian background. Therefore, in the parliament of Fiji the overall indigenous Fijian population constituted 57 per cent of all members of parliament.

To say that they did not have any representation at senior levels is again an untruth—it is a lie. The President, the Vice-President and both Deputy Prime Ministers were indigenous Fijians. The key portfolios in that government included Fijian affairs, land, home affairs, foreign affairs, agriculture and health. All those portfolios were held by indigenous Fijian ministers. The Speaker of the House of Representatives and the President and the Vice-President of the Senate were all indigenous Fijian background. Therefore, in the parliament of Fiji the overall indigenous Fijian population constituted 57 per cent of all members of parliament.

This was a government that was actually taking action against those who were attempting to rip off the mahogany industry and the native timber industry. This was a government that was trying to re-establish an economic base for the future of the country. But that base obviously meant the removal of poverty for a lot of Indo-Fijians and indigenous Fijians. This was a government for all of Fiji but obviously George Speight and his crooked cronies did not comprehend that. So we saw George Speight, night after night on our television, saying that he was doing this for indigenous Fijians. We know that that is patently not true.

Let us have a look at the constitution of Fiji, which eventuated in 1997. It took five years of negotiation and discussion to actually arrive at that constitution. There was consultation with a great lot of people, over a wide range, to arrive at that situation. It was done with consultation with the Great Council of Chiefs and many others. I will quote from a speech given by the Prime Minister of Fiji, Mahendra Chaudhry, at the Asia-Pacific Committee Meeting of the Socialist International held last week in Wellington, New Zealand. He described the constitution and the lead-up to it. He said:

For those of you who are less familiar with Fiji's history, our Constitution has a special place in our society. It is the product of a five-year long comprehensive review process that involved all political parties, civil society, indeed the widest possible cross section of Fiji society. This inclusive process was unprecedented.

He said that at the heart of this constitution lies 'a comprehensive Bill of Rights, including unparalleled provisions on racial discrimination'. There is also 'an electoral system that fostered ethnic cooperation, and even specific protection of key worker and trade union rights'. Of course, some of Speight's mates would not have liked that. It is worth remembering that Mahendra Chaudhry is the leader of the Fijian Labour Party. This is the only multiracial, multi-ethnic party in Fiji, and it is not just made up of Indians. As I say, it is made up of both indigenous Fijians and those of Indo-Fijian descent, but they all class themselves and consider themselves to be Fijians. It has a trade union background, to be sure. There are a number of other parties that were members of the coalition government as well. It is very important to remember that.

He said that, of particular relevance to the crisis:

... the Constitution embraces an unequivocal commitment to protecting and enhancing the rights and interests of the indigenous Fijian community. It does this through specific provisions for affirmative action, special entrenchment of laws affecting Fijian land and governance, and a
guaranteed majority for ethnic Fijians in both Houses of Parliament. The representatives of the traditional Council of Chiefs in the Upper House enjoy a veto over all legislation affecting Fijian land, administration and rights.

And this was a government that George Speight said was not fair to the indigenous Fijians, when their Great Council of Chiefs, their representatives, had those rights. But that is what George Speight said.

The constitution brought about a 71-seat parliament. In the elections of May 1999 the Fijian Labour Party won 37 seats. They could have, if they had wished, taken absolute control. It could have been ‘winner take all’ but they chose not to act in a ‘winner take all’ manner. I should also add that the constitution does allow for the possibility that the Prime Minister, if he so wished, could enable the ministry to contain members from parties who had received 10 per cent or more of the vote. That is in fact what happened, because in this particular 20-member ministry you have nine representatives from the Fijian Labour Party, three from the Fijian Association Party, two from the Party of National Unity and two from the Christian Democratic Alliance. It is quite apparent that this was a government that was embracing various opinions of political colours and flavours across the nation. That needs to be remembered by people.

At the meeting in Wellington last week, I had the opportunity to actually speak to Mahendra Chaudhry and also a number of his members of parliament who had also been held hostage, including one of his ministers, Lavenia Padarath, and the President of the Labour Party as well. They told me of their time as hostages. They were very dignified and showed a great deal of humility about their time of being held prisoner. They were not as angry as I would have been if I had been held prisoner. They actually had the people’s coalition come together, before they left Fiji to go to New Zealand, and put a government of national unity resolution or policy to the President of Fiji as a way of resolving the impasse and as a way of resolving the problem and actually enabling everybody to cooperate and work together as a coalition. But this would appear, of course, to have fallen on deaf ears.

It is very important to note that those people are still, even today, trying to overcome peacefully the problems that they have been left with and trying to ensure that they have a representative government—a government that represents all points of view, not a government that is being promoted by people who have vested interests and who care for only one very select group of people in their country. That group of people has attempted to ignore the democratic process and to overthrow democracy. This is very worrying, because a fortnight after the coup in Fiji we saw the coup in the Solomon Islands and the hostilities there. It makes us realise just how hostile the forces against democracy are. Democracy is something that we must guard and treasure very greatly.

As I said, this is an issue that we need to keep remembering. We need to keep reminding ourselves of it; we must not forget. That was part of the problem when this happened last time, and it was very carefully and clearly brought home to us at the meeting. I will again quote from Mahendra Chaudhry’s address to the meeting. He talked about the need for sanctions, and he talked about the issues of what needs to be done this time and what happened last time. He said:

Fiji is a small aid-dependent economy. The suspension of aid-related assistance would have a direct impact on the country. For this reason, sanctions offer crucial leverage in our struggle to restore democracy and constitutional authority. However, it also needs to be understood that Fiji has the capacity to absorb the impact of sanctions if they are applied by just a few countries rather than comprehensively. Indeed, the authorities have already indicated that they intend to replace Fiji’s traditional trading partners by countries in the Asian region. This course of action was actually taken after the 1987 coups when successive regimes cultivated ‘friends’ in the Asian region in order to circumvent the impact of the Australian and New Zealand sanctions.

I would urge this government and the New Zealand government to be very aware of that and to ensure that we keep pressure on our neighbours and other countries in the world to make sure that they do not, by trading or by ignoring these sanctions, condone this
lack of democracy, this withdrawal of dem-
ocracy that has occurred there.

Mahendra Chaudhry went on to say:
We recognise that sanctions will hurt in the short
term. However, we believe that democracy is the
foundation for economic process, sustainable
development and social equity. The only way to
ensure that democracy is restored quickly in our
country is through swift and comprehensive
sanctions directed at the unconstitutional interim
administration.

I say to the government: please hear those
words and listen to them; support the people
who believe in democracy in Fiji. In any ne-
gotiations or any meetings the government
has with any country that looks like it is sof-
tening its attitude towards the activities in
Fiji, it should urge that country to develop a
bit more backbone and steel so that it can
take the actions necessary to make sure that
terrorists like Speight do not find succour,
value and reward in throwing out democracy.
As I said, democracy is fragile. We have to
protect it and we have to support it. We have
to support those countries—and the indi-
viduals and groups in those countries—that
are fighting very hard for democracy. It is
necessary for us to support them, and we can
do so with strategies like the use of smart
sanctions. I think that the thing that caused
the greatest furor in Fiji was the announce-
ment that we would not allow sporting con-
tact. Fijians enjoy a good game of rugby, and
the fact that they were not going to be al-
lowed to play rugby with Australia and New
Zealand certainly had an impact upon
them—and so it should have, because what
had happened there was a horrific thing.

At the meeting, we heard the New Zea-
landers make the suggestion that it is very
important that we identify all of those who
participated in the coup, all of those who are
associated with the terrorists. We have to
make sure that they are identified and identi-
fied publicly. We know that George Speight
and quite a number of his people have been
taken prisoner and that charges have been
laid against them. That all needs to be on the
public record. We also need to make sure
that there is a penalty and a sanction in this
country if they have activities here. If they
have businesses here, or if they want to have
businesses here in the future, they must suf-
fer a penalty. It is so important for us to rein-
force the issue that terrorism does not pay.
Obviously, one of the reasons that this coup
took place and that these people were held
hostage for 56 days is that people would not
countenance immediate and firm actions
against it. We certainly saw elements of the
armed forces side with the coup leaders.

One thing that we have not seen reported
here is the continuing lawlessness in Fiji. In
talking to the Fijian delegation, I heard that
they are very concerned about the level of
lawlessness that has occurred in their coun-
try. They certainly have some internally dis-
placed people, often people of Indo-Fijian
background who lived near Speight support-
ers and were forced to leave their homes.
There are a number of people who have suf-
f ered the destruction of their homes and their
belongings. Eight members of parliament
found, when the hostages were released, that
they had lost their motor vehicles. They had
driven to parliament the day the coup took
place, they had not been able to remove their
cars and their cars were torched. Many of
them are still suffering threats of violence
against their person and against their family.
We really do need to make sure that we can
support the return of democracy and the rule
of law to this country, because it is a beauti-
ful country. It is a country that has suffered
and that has attempted to overcome the pre-
vious coups and to develop its industry and
society. I would urge that all members of this
parliament strongly support the resolution.

Senator Patterson (Victoria—Par-
liamentary Secretary to the Minister for Im-
migration and Multicultural Affairs and Par-
liamentary Secretary to the Minister for For-
eign Affairs) (4.00 p.m.)—We are debating
today the motion moved by Senator West,
general business notice of motion No. 647. I
think it is very timely when a debate like this
occurs to remind ourselves that next year
will be the Centenary of Federation. I will
never forget being at the opening of the new
Parliament House—I do not know whether
you can call it new Parliament House any-
more—in 1988 and hearing Sir Ninian Step-
hen speak. Sometimes when somebody
speaks they say something that catches your
imagination or alerts you to a fact that you were sort of aware of but not fully aware of. What Sir Ninian Stephen said is indelibly on my mind. Whenever I go to schools around Australia and talk to groups of young people I tell them about my experience of listening to Sir Ninian Stephen. When opening Parliament House he said that Australia shared with only six or seven other countries the longest unbroken democracy in the world. It bears repeating that Australia shares the longest unbroken democracy with only six or seven other democracies in the world.

Next year we will celebrate from 1 January through to 9 May that tremendous occasion. Mr Howard celebrated the initial stages in London and, despite the criticisms, the sort of information that has come back to us about that is that it gave Australia an enormous fillip in Great Britain, our second largest investor. From the celebration in London and through the celebrations from 1 January to 9 May when we convene in Melbourne we ought to be reminded just how fragile our democracy is and how fragile any democracy is. I remember being at Old Parliament House at about the time of the last coup in Fiji. There was a military march taking place on the lawns in front of Old Parliament House. I said to someone, ‘It is amazing that we can sit in here with 100 per cent—maybe 99.99 recurring—certainty that it is a benign activity occurring outside Parliament House and the risk of a military overthrow is zilch.’ But that is not so for many countries and it is not so for many countries where democracy has been overthrown by coups by the military, a tyrant or somebody who wishes to seize power other than that power which is given by the people.

We have now seen Fiji suffer two coups. As a neighbour and friend, Australia has been following the events in Fiji with deep interest and concern. The hostage takers who seized most of the members of the Fijian government in parliament house on 19 May have now been arrested and charged with treason, but they have done untold damage to Fiji in recent months, most obviously in human terms. They have also weakened the democratic institutions and disrupted the economy. If I can speak with my fairly new hat on as the Parliamentary Secretary to the Minister for Foreign Affairs, with particular responsibility for the implementation of the aid budget, you realise just how far a coup of this nature can put back a country. A lot of the aid work and outcomes in Fiji will be hindered. In particular I have been advised that many women who work in many of the businesses in Fiji have been affected significantly as income earners in their families. It will take a very long while to make good the disruption that has occurred to the democratic institutions and the economy. It makes me very sad to see some of the tremendous aid projects in Fiji disrupted, including one that I announced about domestic violence. The coup has affected Fiji negatively more than any positive impact we could have with the aid that we have been able to give. It is very disappointing and very sad. It makes us very mindful of the fact that our democracy is something we ought to cherish, nurture, value and be very grateful for but never take for granted.

We have implemented a range of measures to make known our deep concern about the situation in Fiji. We have recalled our High Commissioner for consultations and we have suspended government to government cooperation under the Australia-Fiji Trade and Economic Relations Agreement. We have terminated non-humanitarian aid activities. We have suspended a range of defence cooperation activities. That includes a reduction in the bilateral aid program—that is, non-humanitarian aid—of around 30 per cent and involves the termination of all new scholarships, training and a number of public sector projects. On defence links, all naval ship visits have been suspended—and there was one planned. Not only the symbolic implications but the economic implications for Fiji are significant. We have also said that senior officer visits and joint military exercises are suspended.

We have also taken measures to prevent Fijian sporting teams from playing in Australia. SOCOG’s agreement with the IOC prevents any action being taken against Fiji’s Olympic participation. You have to feel very sorry for those people who have trained and who want to compete. We know how enth-
siastic Fijians are about their football in particular. It is very sad, but the very strong message that ought to be sent is that it is intolerable that a government can be overthrown in the way it was in Fiji.

We have also withheld implementation of a successor arrangement to the import credits scheme for textile trade with Fiji pending a clear commitment from the Fiji authorities to return to democracy. We have also taken the view that we ought to target those people who have been responsible and to deny George Speight and his close associates entry into a third country, into Australia. We have also been working with like-minded governments to encourage them to ensure that George Speight and his associates do not have access to third countries. We have been at the forefront of efforts to encourage a coordinated international response to the Fiji crisis, particularly through our participation in CMAG, including the visit to Suva by the CMAG delegation on 15 and 16 June. The situation in Fiji will remain on the agenda of CMAG and will be discussed at the group’s next meeting in September in New York. We will also continue to review our position in relation to possible action in the United Nations and will continue to press for an early return to democratic and constitutional rule in Fiji.

We will be watching very closely the path taken by the new interim civil administration. In our view, Fiji has a clear choice: it can return quickly to democracy or it can forgo indefinitely its former place as a valued and respected member of the international community. There is no doubt about the depths of the government’s concern about developments in Fiji. Mr Downer has very clearly and repeatedly expressed the government’s view. Our view is that Mr Chaudhry had a right to serve out his term and not be overthrown in the brutal manner employed by George Speight and his gang of usurpers. The Howard government’s measures against Fiji recognise that we need to do all we can to encourage an early return to democratic and constitutional government in Fiji. The sanctions we announced on 18 July this year gave immediate effect to the measures that we foreshadowed on 29 May. The

sanctions, as I said, focus on our aid, defence, diplomatic, trade and sporting links with Fiji. They have had the effect of underlining our deep displeasure with the situation in Fiji and are, in our judgment, encouraging an early return to democratic and constitutional government. Of course, we considered broader trade and economic sanctions against Fiji, but these would do further extensive damage to an economy already showing signs of severe stress. And broader sanctions would have a disproportionate impact on the most vulnerable members of Fijian society, who were already suffering as a result of George Speight’s actions on 19 May. We are closely monitoring the interim Fiji government’s degree of commitment to an earlier return to democratic and constitutional rule.

With respect to Senator West’s motion, we have concern with regard to the first part of the motion, paragraph (a). Hopefully, with some discussions that might go on around the chamber while other people are speaking, we could come to some agreement on that clause. But I cannot stress more strongly the government’s dismay, concern and abhorrence at the way in which George Speight and his fellow gangsters disrupted a democratically elected government. We hope that the people of Fiji can find a way to bring the program forward as quickly as possible to develop a constitution that is acceptable to them and will bring them back as quickly as possible to a democratic form of government.

Senator WEST (New South Wales) (4.12 p.m.)—by leave—I seek leave to amend my motion.

Leave granted.

Senator WEST—I amend the motion to delete paragraph (a) and to subsequently reorder the paragraphs of the motion to take account of that deletion.

Senator HOGG (Queensland) (4.13 p.m.)—As Senator Patterson said, this is a very important debate in which we are participating this afternoon. It gets to the very kernel of the issue of freedom and democracy and the rights of people in Fiji, and also the very important issue of the rule of law. When informing myself about the subject of
this debate this afternoon, I took the time to read a paper that had been prepared by the Parliamentary Library. For the sake of this debate, I think it is important that I skim through some of the historical facts which show, I believe, some of the complexities that now exist in Fiji. I am not a historian nor do I claim to be, so I am fairly reliant and dependent on the analysis in this Parliamentary Library paper. The paper identified that the immediate origins of the current crisis can be found in the new multiracial constitution of 1997, the May 1999 elections and the formation of the new multiparty government following those elections.

Chaudhry’s government was perceived as having taken actions that were affecting the indigenous Fijians. The approximate breakup of the population in Fiji is 51 per cent indigenous Fijians and 43 per cent Indo-Fijians—people with an Indian background. There was a very tight mix of indigenous Fijians and Indian Fijians in more recent times. Why did this occur? Basically, it occurred because of the involvement of Britain as a coloniser of Fiji. Under colonial powers, the British established social divisions upon their colonisation of Fiji. Indigenous Fijians were kept out of the modern economy as it was being established and, according to the paper, imported labour from India, over a period of generations, saw the firmly based establishment of an Indo-Fijian population in Fiji—hence the 51 per cent, 43 per cent mix of indigenous Fijian and Indian Fijian.

There were different ethnic groups which were educated differently and worked separately. As I understand it, for much of the time indigenous Fijians felt themselves on the losing end of the deal. When they received independence in 1970, the constitution that was brought down did reserve some parliamentary seats for various ethnic communities. According to the report, the constitution operated well for a decade and a half. However, with economic changes in the 1980s, this created strains in the indigenous Fijian society. Young Fijians began to question the authority and also the perceived wealth and education of the Indo-Fijians.

Fiji’s capacity to handle political change was tested in April 1987 at the election of a coalition government comprised of the Fiji Labour Party and the Indian dominated National Federation Party. The government was led by an indigenous Fijian, Dr Bavadra. So there was a reasonable balance in the sense that, while the Fiji Labour Party was part of the coalition government, there was a very healthy representation, as I understand, of indigenous Fijians. However, this ultimately led to the coup in 1987 by Lieutenant Colonel Rabuka.

Rabuka then took the reins of government and rewrote the constitution so that it favoured indigenous Fijians. This attracted criticism from the Indo-Fijians. There were competing interests within Fiji of the indigenous Fijians and the Indo-Fijians. By 1996, there was a constitutional review which led to a new and more balanced constitution. This then led to elections in 1999. In May 1999, the Rabuka government expected to be returned, but was soundly defeated. The Fijian Labour Party, led by the Indo-Fijian Mahendra Chaudhry, won 37 out of the 71 seats.

The Fijian Labour Party formed a coalition with at least two other parties—there is possibly a third, which I am trying to track down, but at least two. Both of those parties were Fijian dominated parties. They were the Fijian Association Party and the Party of National Unity. The interesting thing about that government was the fact that 17 of 22 ministries in the Chaudhry government were held by indigenous Fijians. No-one could, in any way, interpret that it was dominated by Indo-Fijians. As the government went on its way, optimism for the government changed to suspicion and resentment. Chaudhry’s style came into question. Chaudhry’s suggestion that a land commission could resolve difficulties for Indian Fijian tenant farmers led to more dismay, and so the wheels were turning again.

On 9 April, the army commander assured the government of the army’s loyalty. However, the President of Fiji, Ratu Mara, in response to a petition by Tora who was the leader of the Fijian nationalist Taukei movement, said that ‘he did not have the power to dismiss a democratically elected government’. There was instability, and we now
know the ultimate outcome of that instability. We saw the government overthrown and the rule of law dismantled. Both Senator West and I were on the Foreign Affairs, Defence and Trade Estimates Committee. Through the estimates process, we pursued the knowledge of the coup that was available to the government, in particular to the Minister for Defence and the Minister for Foreign Affairs, and how well Australia was positioned to play a role in trying to resolve the issues that came about as a result of the coup.

It is interesting to look at an answer to a question from Senator West by one of the officials of the Department of Defence, Mr Hugh White, for whom I have a great deal of respect in his capacity to very plainly and succinctly answer questions asked of him at estimates. This is at page 155 of the Senate estimates hearing of 30 May. Senator West asked, in respect of the minister’s knowledge of the coup:

Was it an accurate reporting or are you saying that they were unfortunate words from the ministers?

Mr White said:

No, not at all. I think what both ministers were saying was that they were surprised by the coup. The point I was trying to make yesterday, which the minister alluded to, was that we were well informed about the general state of political uncertainty and unrest and indeed the potential for some level of violence in Fiji in relation to the position of the Chaudhry government—demonstrations planned and all that sort of stuff. We did not have advance warning of the events that actually occurred.

I do not think too many people are ever actually warned in advance that a coup is going to take place. That is expecting a little bit too much, but one must question our positioning to be able to deal with situations of this type, given the history of the instability that seemed to have emerged post the independence period. It was interesting that not long after the coup the shadow minister for foreign affairs, Laurie Brereton, put out a statement which I think is a reasonably fair statement. It read, in part:

“The revelation that the Howard Government was taken completely by surprise by the attempted coup in Fiji necessitates a thorough review of Australian diplomatic and intelligence assessments”, Mr Brereton said.

“While it may be the case that the events in Suva last Friday could not be predicted, the lack of forewarning from the Department of Foreign Affairs and Trade and Australia’s intelligence organisations should be the subject of thorough investigation.”

I must say I think that shadow minister Brereton’s view is a reasonable view, when one considers the statements that were made by Mr White before the Senate estimates process. It seems reasonable that we be better apprised—and not only better apprised but proactive—in assisting our near neighbours, not in a paternalistic and patronising way, down the path of maintaining a stable democracy environment, upholding all the rules of law and the rights of their citizens, such that we can have and can develop a friendly, stable relationship with such countries. We have seen destruction of the rule of law. We have seen a destruction of confidence in Fiji, both internally and externally. We have seen a worsening of the relationship, which is most unfortunate indeed. We really need a stable South Pacific environment as well as a stable South-East Asian environment around us. Those are our neighbours. Those are the people we have to live with. Those are the people we have to deal with.

There are direct implications coming from the coup that took place and these have been canvassed—such as the effects on the economy and particularly the effects on tourism. The Fijians rely on tourism a great deal. Tourism, textiles and sugar are but three industries which will be affected as a result. Stability in the economy within Fiji has been and will continue to be affected so long as Fiji alienates itself from the rest of its neighbours and major players such as Australia. The Commonwealth tried to intervene with very little success. There are implications in the longer term for Fiji as a hub in the South Pacific. We have seen in Fiji a breakdown in the rule of law and in democracy. The result of that is now starting to emerge. An article in this morning’s Australian by Mary-Louise O’Callaghan headed ‘Fiji hostage reveals torture of mind games’ shows the internal problems that resulted from the breakdown in the rule of law. It refers to an interview with Dr Chand, who was one of the ministers
of the Chaudhry government taken hostage in the coup on 19 May. What he says in this interview gives an idea of the thugs who ran the coup:

“First you were abused because of the political party you belonged to, then you were abused because you were Indian, then for being Hindu. … … …

“It became very clear after the first week that George Speight’s group didn’t know what they were after and didn’t know what they were going to get, so it was a very unpredictable situation.”

At times, various hostages would be paraded “like animals in a zoo”—taken outside and shown off for the amusement of onlookers.

Then Dr Chand went on to describe how he coped with the period of 56 days that he had spent as a hostage. The report goes on:

Physically he had recovered from his 56 days, he said, but the mental torture was difficult to get over.

Hardest to accept was the effect that the incarceration had had on his three young children, especially his four-year-old, who since his release had become quite violent.

We see the manifestation of the breakdown of law and order, the breakdown of sanity, the breakdown of basic human rights in that society. These rights are so fragile that we have an ongoing responsibility as a nation and as a parliament to be proactive—as I said earlier, not to be patronising or paternalistic towards these nations—to do everything we can to assist these nations in the development of their democratic processes. I do not believe this has been done by the government to the best of its ability. Whilst one of the officers from the Department of Foreign Affairs tried to defend the role of the foreign minister in the South Pacific in the last few years, I do not believe that we, through the foreign affairs department and through the minister, have paid sufficient attention to the emerging needs of nations such as our friends in Fiji.

A strong and positive role needs to be played by the government of the day with our neighbours to ensure that we are seen not only as a neighbour, but as someone who can be relied upon to give assistance in their times of need. It is my view that Speight and his supporters have got their just desserts. They are being tried. They are nothing more than terrorists and criminals. They should feel the full weight of the law. The sooner the rule of law is re-established in Fiji, the better. The sooner people get back their democratic rights, the better.

Senator CALVERT (Tasmania) (4.33 p.m.)—I am pleased that as a member of the government I am able to stand here today and support this motion. Given the fact that Senator West has agreed to delete part (a) of the motion, we would certainly agree with the amended motion as it stands. As Senator Hogg said in concluding his contribution, the rule of law at all times must be absolute. In the case of Fiji those of us in Australia have seen a coup played out on the television screens across our nation. Every night we have seen George Speight parading himself and the hostages, pushing himself out there as a coup leader, knowing all the time that the legal government of that country was being held hostage. Just think of the anguish and despair of the wives and families of the people who were being held hostage—horrible times.

Mr Acting Deputy President, I do not know whether you have had the opportunity of visiting Fiji. I did before I came to this place, back in 1986. I took my family there for a holiday. It was one of the most beautiful places I have ever been to—a very relaxed tourist destination, with very happy people and, to all intents and purposes, a small South Pacific country that seemed to be going very well. Since then we have had two coups. The second one has been very protracted. It was very distressing to me and I think to all Australians to see every night people being suppressed at the point of a gun. No government, no opposition, no country can stand by and let that sort of activity happen. The wellbeing of a nation should not be held to ransom because of the illegal activity of a few. The actions of George Speight and his group earlier this year in attempting to orchestrate the overthrow of the Chaudhry government deserve the condemnation of the Senate and the whole nation.

The government, I am very well aware, is of the view that it is of the utmost impor-
tance for all Fijian leaders to work together to restore constitutional government and sta-
bility to their country. It cannot be denied that the actions of Speight have done untold
damage to Fiji in recent months. It is, there-
fore, very comforting to know that at last the
rule of law has been established somewhat
and Speight and his supporters are behind
bars. We as a government welcome the re-
cent swearing in of the new President Ratu
Josefa Iloilo on 28 July this year. This gov-
ernment has made it clear that the overriding
priority remains an early return to the rule of
law and constitutional and democratic rule in
Fiji. Fiji needs to return to a democratically
elected government very quickly. Anything
less is totally unacceptable.

It is certainly pleasing to see that the
Howard coalition government has been at the
forefront of international efforts to encourage
an early return to constitutional government
and the rule of law in Fiji. The Minister for
Foreign Affairs, Mr Downer, attended a
meeting of the Commonwealth Ministerial
Action Group in London on 6 June. I have
been informed by the minister’s office that
the Fijian situation was discussed at some
length in this meeting. As a result, several
options for Commonwealth action were de-
cided upon. The most important action de-
cided at that meeting was the provision for a
clear timetable for the return to constitutional
government in Fiji. On 18 July the govern-
ment announced a range of measures so that
we are in a position to register our deep con-
cern over the lack of a democratically elected
government and to provide an incentive for
Fiji to return to constitutional law and rule.

I might just remind the Senate of some of
those actions. The measures include a reduc-
tion in the bilateral aid program—that is,
non-humanitarian aid—of around 30 per
cent, involving the termination of all new
scholarships and training in the following
public sector projects: the Mineral Resources
Department Project, the Fiji Customs Service
Project, the Fiji Civil Service Reform Proj-
et, the National Planning Office Project, Fiji
Bureau of Statistics Project and the
UNDP/Australia Information Services for
Parliamentarians. The Pacific Technical Ad-
visory Facility will also be terminated. The
next intake of Australian Youth Ambassadors
to Fiji that was scheduled to take place in
July has been postponed indefinitely. On the
defence side, all naval ship visits, senior of-
ficer visits and joint military exercises have
been suspended. Australia has also taken
measures to prevent Fiji sporting teams from
playing in Australia, although I understand
that SOCOG’s agreement with the IOC pre-
vents any action being taken against Fiji’s
Olympic participation. In addition, govern-
ment to government relations or cooperation
under the Australian-Fiji Trade and Eco-

nomic Relations Agreement have been sus-
pended and the Australian High Commiss-
oner to Fiji was recalled to Australia for
consultations.

There is no doubt that a lot of these ac-
tions will hurt the man in the street. But
somehow or other we have to get the mes-
cage through to the people in Fiji that the
sooner they get back to a democratically
elected government, the better. It was pleas-
ing to see that Mr Chaudhry came here to
Australia and had meetings with the Prime
Minister. I am sure that those matters were
discussed. You would know, Mr Acting
Deputy President, as a person formerly in-
volved in the textile industry, that Australia
has had very close cooperation with Fiji,
particularly with textile, clothing and foot-
wear. This has to be put back into place very
quickly because it is one of their major in-
dustries and one of the major parts of their
economy. I do not think anybody wants to
see the economy of Fiji suffer, nor, I suspect,
do we want to see the suspension of sporting
exchanges between our countries and nor do
we want to see any of these other actions.
But they have to be taken because somehow
or other we have to get the message through
that this government and this country deplore
the actions of George Speight and his sup-
porters and that we do not want to see a
repetition of those events.

I guess at this stage we are not proposing
to lift our sanctions. Any such removal of
sanctions would certainly be reliant upon the
commitment by Fiji’s interim government to
return the country to democratic and consti-
tutional rule. Can I take this opportunity to
assure all honourable senators that such a
decision will not be taken lightly and that the rule of law and the ability of the Fijian people to democratically elect a government will ultimately be the key determinants to the lifting of those sanctions. This government will continue to watch very closely the path taken by the new interim civilian administration and we will continue to press for an early restoration of the rule of law and democratic and constitutional institutions in Fiji. The actions of George Speight and other criminals involved in the illegal overthrow of a democratically elected government are deserving of condemnation. This Senate should not lose sight of just how fragile democracy is.

I return to a comment made by Senator Hogg towards the end of his contribution. He commented on a press release from the shadow foreign affairs spokesman for the opposition, Laurie Brereton, in which he commented on the lack of intelligence from Australia as to whether this coup was going to occur or not. I find it very difficult to believe that anybody could foresee what happened in Fiji or how anybody could foresee what happened in the Solomon Islands. We have a lot of neighbours who have unstable times from time to time. To foretell or to try to second-guess what is going to happen in those countries or to try to interfere in fact would not be wise from Australia’s point of view. But I agree with Senator Hogg that we should be there to help ensure that democracy rules, that the rule of law is continued and ensuring that those issues are addressed—now that the mover of the motion, Senator West, has amended it slightly—that we certainly support this motion and look forward to its passage through the Senate at a later hour this afternoon.

Senator COONEY (Victoria) (4.45 p.m.)—Thank you, Senator Calvert, had you not said that you were about to finish I would have been absent. This is, to state the obvious, an important debate. It deals with our relationship with Fiji and it talks about how Australia should maintain pressure on Fiji, along with the international community, to obtain right and justice there. The concept of what is right and just varies from person to person, but we as a nation should have defined concepts of what we think is appropriate in our relations between ourselves and other countries, including Fiji. We have said that in these circumstances—and Senator Calvert has just said—democracy is what is wanted. I think when Senator Calvert uses the word ‘democracy’, he means that a right order should be placed in Fiji. I do not think Australia should be in a position where it dictates the actual form of the democracy that Fiji should follow. I do not think that they should necessarily have a house of representatives or a senate as a matter of necessity although, given the greatness with which this Senate operates, it would be good for them to have such a body.

I do think there are fundamental issues that go right across the board that any democracy worthy of the name would have as part of its constitution, and I think fairness is one of them. Clearly what has happened in Fiji is that there has been a denigration of a substantial part of its population—namely, the Indian population. When I say ‘Indian’, I use that term to distinguish them from the indigenous Fijians. The Indians themselves are Fijians, and have been now for a long while. Indeed, most people in Australia who call themselves Australians would have had less time in Australia than the Indian Fijians have had in Fiji. In any event, no matter where people come from, if they are in a country and are a part of that country they should have a say in it.

I wish to say something on the issue of what is, in effect, racism: where one race
says that another race should be put at a disadvantage, no matter what that disadvantage may be. I think that, in recent decades at least, we ourselves have had a proud history in terms of our attitude towards other nations. But we could be accused of racism ourselves. I think that is pertinent at the moment, given our attitude towards people who are refugees from Iraq, Afghanistan and other places. If you look at our approach to those people who are refugees and who are now in the community, I think you would see great elements of racism. So when we are talking about Fiji and about the position that people like George Speight took there, let us remember that we ourselves do not come from a perfectly good position. We come from a good position but not from a perfectly good position.

Indeed, there is racism around the world. When we want to keep pressure on Fiji so that everybody in Fiji gets a fair deal, let us remember that our own conduct within our own shores either helps or hinders the ability we have to maintain that pressure. Although our racism is not as overt or as powerful as has been exhibited in Fiji in recent times, if we can be accused of racism then our ability to maintain international pressure on Fiji is discounted. I have just come down from a meeting of the Legal and Constitutional Affairs Committee, where we are talking about our attitude to the indigenous people of this country, and the past history—and perhaps even the present history—of our attitude towards the indigenous people smacks of racism.

So the first thing I say about our ability to maintain pressure on Fiji is that we as a nation ought to conduct ourselves in such a way that we can talk to Fiji with credibility, and therefore with effectiveness. Clearly, we need to talk to Fiji and we need to keep up the pressure. In fact perhaps the most effective pressure that has been put on Fiji is that which was put on by the unions. You will remember, Madam Deputy President, that at a time when it was proper and right for Australia to indicate its disappointment with Fiji, it was the unions that took some concrete steps. So I think that should be noted.

The next thing is that, if we are going to maintain pressure on Fiji, that pressure should be applied where it can have most effect. That requires an analysis of what has gone on in Fiji. This morning, I noticed what I thought was a very interesting article in the *Australian* headed ‘Scapegoat to mollify ministers’. The article is by Tony Kevin, who is a visiting fellow in the Research School of Pacific and Asian Studies at the Australian National University. In that article, Tony Kevin says that George Speight has been much condemned—and he has. He also says that the opprobrium heaped upon George Speight may be seen as excessive in the long run when a proper analysis is made of what actually happened in Fiji.

I raise that in terms of another point I want to make. When the Berlin Wall was pulled down and the tide of communism was turned back in Europe—to use an often used phrase—it was thought that everything would be perfect; that heaven had come upon the world. Of course, that was not the situation. When communism went, there was a rise in nationalism—almost tribalism—in places like the former Yugoslavia. We have had trouble in the old USSR itself. The point I want to make is that symbols are very powerful and events are very powerful but they are never so powerful as to sweep away all the trouble that needs to be swept away. That is why we will always have to struggle in this world to have things done better.

It was thought that the removal of George Speight would solve all the problems in Fiji, just as it was thought that pulling down the Berlin Wall and turning back communism in Europe would solve all the problems in Europe. It has not done so in Europe and it will not in Fiji. What we need now—and what this government must do—is an accurate analysis of what the real situation is in Fiji so that, when we are applying international pressure, that pressure is effective. As Tony Kevin points out, the people who are now in control of Fiji have got rid of George Speight but they have not returned to power the government which existed at the time of George Speight’s coup on 19 May this year.

It is worth reading out what Tony Kevin—who, as I said, is a visiting fellow in the Re-
search School of Pacific and Asian Studies at the Australian National University—says:

If Speight is now to be made a scapegoat, indigenous Fijians will draw the following lesson the next time they feel impelled to take up arms to defend their interests: Don't trust or negotiate chivalrously with adversaries, they do not honour commitments, any gains must be secured and held by brute force alone.

If, in an effort to mollify Downer and Goff, the Fijian authorities pursue an exemplary punishment and shaming of Speight, the seeds will be sown for something much nastier next time around. All the people of Fiji—Indians as well as indigenous—would in future years pay the price for such short-sighted and vindictive policies. It is time now in Canberra and Wellington, as well as in Suva, for grace, reconciliation and tolerance.

From Tony Kevin’s article, it is quite clear that if you accept what he says we have to apply international pressure in a way that is effective and which respects all the people in Fiji who have an interest in what happens there.

Madam Deputy President, if you accept what Tony Kevin and other people say, Australia—and, in particular, the Australian government—has not performed as well as it might in carrying out actions against Fiji. I do not think that the government knows even now exactly what the pressures are in Fiji. It should. Given that, what is the government going to do? What is going to happen to Mr Chaudhry—the Indo-Fijian who was Prime Minister on 19 May when George Speight took over the Fijian parliament house? Mr Chaudhry is still out of power, even though George Speight has been taken into custody and charged with treason.

The issue that faces us is how we are going to bring about democracy—how we are going to bring about a good result—in Fiji. But we will have to do a lot better than we have done up until now. We really have to analyse what is going on in Fiji and who the people were who pulled the strings that led to the present situation. Having done that, we should apply pressure to Fiji in a way that is sensitive but at the same time effective so that those people who have brought about this disastrous situation are the ones who should feel the pressure. We can condemn from now until doomsday the dreadful things that George Speight has done, but that will not solve the problems that persist in Fiji. It is not until we get a proper analysis of things that the problem will be solved. Yes, I think George Speight is the focus of the disaster in Fiji, but dealing with what he has done, what he is doing or what might happen to him in the future will not provide the answer we want in this matter.

It is time for the government to make a clear statement of its analysis of the situation in Fiji—an analysis that seems to ring true in terms of the recent history of the place and the likely outcome. When that has been defined, the government should make positive moves to ensure that justice is done not only to the indigenous Fijians but to the Indian Fijians. The government should define what it is going to do about Mr Chaudhry and his government. It should define how it sees its part in the recovery of democracy in Fiji and how a proper result can be obtained for all Fijians; indeed, for all people who have relations with Fiji.

We in Australia have benefited not so much from the present troubles but from the previous troubles there. People with high skills have come to Australia from Fiji and have contributed mightily to our society in economic and social terms.

I will conclude on this note. At the moment we are very much against certain types of refugees. But it has to be remembered that, since refugees have been coming here—particularly since just before the Second World War until now—we have been much enriched by those refugees. When we condemn or treat them badly, we are discounting a history in which we have gained powerfully because of the people that have come here. In that context, Fijians have come here as refugees and have contributed mightily to our society. Let us hope that, following this debate, the government does make a true—in the sense of accurate—and comprehensive analysis of what is going on in Fiji and applies such pressure as is most apt to obtain a decent society there.

Senator SANDY MACDONALD (New South Wales) (5.04 p.m.)—I want to make a contribution today on the motion moved by Senator West on Fiji, which I support and so
does the government. For those senators like me who were not quite sure how far Fiji is away from Australia, it lies 3,200 kilometres north-west of Sydney and has a population of around 800,000 people. Australia has had a traditionally close economic and political relationship with Fiji and is very aware of the role that Fiji plays in the Pacific Forum and in other regional forums. Fijian troops serve alongside us as peacekeepers in Bougainville and East Timor, and the events that occurred in Fiji on 19 May took the world—not just Australia and the Fijian people themselves—by surprise. I understand that if Prime Minister Chaudhry had not disbanded his internal security service as one of the first acts of his government, he might not have been ambushed in the way that he was.

I have to pick up on a point that Senator Hogg made. He commented that the opposition shadow spokesman’s view of our response indicated that we should have had some more intelligence of the coup. I think we should remember back to 1987 and the Rabuka coup. I do not think the Hawke Labor government had too much knowledge of that coup. It is quite fortuitous that I was discussing this with somebody a couple of weeks ago, but I understand from a member of the security committee of the Labor cabinet at that time that the then defence minister, Beazley, did not exactly inspire confidence with Australia’s responses to the 1987 coup. Knowing Senator Hogg as I do, I am sure he would be able to ask his party’s participants about it; it might be quite interesting for him. It is interesting how, in these sorts of events, history tends to repeat itself.

Prime Minister Chaudhry’s government had been in office less than a year, having won the election from Prime Minister Rabuka in 1999. It was elected under a constitution drafted after the 1987 coup—in fact, the constitution took about 10 years to be finalised. Prime Minister Chaudhry’s Fijian Labour Party held 37 of the 71 seats and was joined in coalition by at least two small indigenous Fijian parties. The point has been made a couple of times in the debate that Prime Minister Chaudhry’s government had not just a majority of indigenous Fijian ministers but 17 of the 22 ministers were indigenous Fijians, representing an indigenous population which comprises just over 51 per cent of the Fijian population. The other major component of the Fijian population is the Indo-Fijians, who comprise just under 44 per cent. Like the populations of a lot of countries where people come as immigrants, the great majority are native born Indian Fijians and their home is Fiji.

The new constitution that was formed over a long time—between 1987 and 1997—was designed to give affirmative action to the indigenous Fijians. It allowed the unifying force of the Great Council of Chiefs to continue, by allowing them to choose the presidency. The Great Council of Chiefs appointed the respected Ratu Sir Kamisese Mara. George Speight’s arbitrary act of terrorism and the continuing hostage situation undermined and irreparably damaged the Great Council of Chiefs. That is a point that really needs to be made. Given the oxygen of publicity that all terrorists crave and require, George Speight said, firstly, that he would obey the Great Council of Chiefs and then, by refusing to comply, the Great Council of Chiefs lost considerable face. The Great Council of Chiefs has always had a mediating role in Fiji. Through convention and standing, it has traditionally been a stabilising forum that was representative of all the geographical Fijian interests. Very often these regional interests are difficult to understand. So the continuing damage of the Speight actions is hard to assess at this time.

Speight’s actions, and in fact the whole democratic process that led to the elected Chaudhry government being removed, reveal the very real regional differences that cause tensions in Fiji. These regional differences make it nearly impossible for majority indigenous Fijian control, as indigenous Fijians find it hard to agree because of their regional groupings. The largest coherent political force or party after the last election was the Fijian Labour Party of Prime Minister Chaudhry. There has been some speculation that the voting system caused the Chaudhry party to have the greatest number of members. But the experts say—and there has been some research done on this—that, whether it was the preferential system that
was used or a first-past-the-post system, the same result would have been delivered: the Chaudhry Labour Party would have been the largest party and would have been able to proceed to form the coalitions they did when he was elected. Our government’s view is that Prime Minister Chaudhry had the right to serve out his term as the elected leader. The question must be asked whether Mr Speight was a frontman for other interests. No-one has really worked this out. There might have been elements of the army behind him or elements of the judiciary. Neither group appeared keen to act during the hostage crisis, which indicates some level of complicity. Australia welcomed the detention of George Speight on 26 July. Australia also welcomed the exclusion of the Speight advisers from the interim government sworn in by new President Iloilo in late July.

Australia is exceptionally conscious of the untold damage done to Fiji in recent months. Fiji is a frightened country, which is certainly not the tradition of this geographically blessed Pacific nation. We have seen a weakening of the democratic institutions, a breakdown in the rule of law, an undermining of traditional powers of the Great Council of Chiefs, disruptions in their economy and in their manufacturing base and tourism, and also a break out of land claims—always a problem that has been bubbling away but it was certainly brought forward by this crisis.

I understand early estimates of the costs to the Fijian economy are around $A½ billion. The GDP has been cut by about 15 per cent. Immigration of skilled people has accelerated. I understand about 30 people from the University of the South Pacific have resigned. I expect they are mostly Indo-Fijians. Skilled workers have voted with their feet. Senator Cooney mentioned immigration. It is estimated that more than 70,000 Fijians, largely of Indian descent, have left Fiji permanently since the 1987 coup. Australia has been their preferred destination, followed by Canada, the United States and New Zealand. Fijian Indians were the main immigrant ethnic group, accounting for between 84 and 90 per cent of all immigrants between 1986 and 1994, while emigrants of ethnic Fijians accounted for 4.5 per cent to seven per cent during the same period. The figures indicate that Fijian immigrants have been of the young working age group, largely from the production and professional worker occupations. Clearly, this is a brain drain that Fiji certainly can do without.

Our approach has been clear. The Establishment in Fiji of a racially discriminatory political system is unacceptable to Australia and unacceptable to all the members of this parliament, particularly the Senate. We are concerned that there is a determination that new elections may be some time off. Indications are that they may be three years away. Fiji has already been suspended from its role in the Commonwealth and a further three-year delay is a long time and risks further action from us. As outlined by Senator Patterson and others, we have imposed a range of measures on Fiji. These include a reduction of the bilateral aid program—outside, of course, our humanitarian contributions; it is important that they continue. The measures involve the termination of all new scholarships. All naval vessel visits have been abandoned and joint military exercises have been suspended. Australia has also taken measures to prevent Fiji’s sporting teams from playing in Australia, although SOCOG’s agreement with the IOC prevents any action being taken against Fiji’s participation in the Olympics. Cooperation under the Australia-Fiji cooperation agreement has been suspended, and the Australian High Commissioner to Fiji, Susan Boyd, has been recalled to Australia.

Australia has also been at the forefront of international efforts to encourage an early return to constitutional government and the rule of law in Fiji. Mr Downer attended a meeting of the Commonweal th Ministerial Action Group, CMAG, in London on 6 June, convened to discuss the situation in Fiji and options for Commonwealth action. This is probably one of the areas where the Commonwealth continues to play an important part not only in our region but elsewhere. Of course, at that time the Commonwealth had played an important part in sending an observer mission to Zimbabwe, which I was lucky enough to go on, for the election held there on 25-26 June. At that CMAG meeting
in London in early June, it was decided to suspend Fiji from the councils of the Commonwealth and that a ministerial mission be sent to Fiji—a mission which in fact went shortly after and was headed by the Secretary-General of the Commonwealth, Don McKinnon, a former New Zealand foreign minister. The meeting had decided to send this mission to Fiji at the earliest opportunity to press the Fijian authorities for a clear timetable for a return to constitutional government.

The foreign minister travelled to Fiji with the CMAG delegation on 15-16 June. He has been at the forefront of international pressure on Fiji. I think that the Commonwealth and others, including the UN, understand the very special relationship that Australia has with Fiji; our geographical proximity; and the responsibility that we feel, in the best possible way, for our Pacific neighbours, the microstates and others—although I do not include Fiji in that as a microstate. I think there is an acknowledgment that Australia has some responsibility, and we have taken up that responsibility with a degree of appropriateness. The situation will remain on the agenda for CMAG, which will meet again in September in New York.

Australia will also continue to review its position in relation to possible action in the UN. In deciding on the measures it took, the government recognised that broader trade and economic sanctions would further damage an economy already under severe stress and would have a disproportionate impact on the most valuable members of Fiji’s society—precisely those who are now suffering as a result of George Speight’s action on 19 May. It is worth mentioning a ballpark figure of 5,000 to 6000 people who have lost their jobs. I did mention that the cost to the Fijian economy—although how do we know with these sorts of things?—is estimated at half a billion dollars and negative growth is proposed of perhaps around 15 per cent this financial year. Enormous damage has been done. The point that has been put to me privately is that Mr Speight should be incarcerated for his own safety: if he were allowed to go free for the time being—and I suspect and hope that it will be a long time before we see Mr Speight’s smiling face again—he would not survive very long out amongst the population of Fiji. He is hated and loathed for the damage he has caused. He has some supporters, of course—these sorts of people always do—but for his own safety he should be locked up for quite a long time.

The government is not proposing to review or lift its sanctions at this stage. Any decision on the sanctions currently in place would need to be made in light of any level of commitment given by Fiji’s interim government to return that country to a democratic and constitutional state and would certainly not be taken lightly. The government will continue to watch very carefully the path taken by the new interim civilian administration. It will be important, however, that we continue to press for an early restoration of the rule of law, which I hope has not been irreparably damaged. The judiciary in Fiji had traditionally been very independent and very good. Of course, we will be pushing for a return to democracy within all their constitutional and democratic institutions. Luckily, they have a number of very strong civil society groups. The church, for example, is very strong in Fiji, and there are a lot of good people there. We will also acknowledge that the final judgment about the new government and our future relations with Fiji will be determined by the actions of the new government in the way that it handles itself. Fiji now has a clear choice: either return quickly to democracy or forgo indefinitely its former place as a valued and respected member of the international community and as our regional friend and neighbour. The government will do all that it can to help the Fijian people to restore their democracy, but in my judgment the Fijians must also help themselves. We will monitor the progress closely. I commend the motion to the Senate.

Senator MURPHY (Tasmania) (5.22 p.m.)—I would like to take up a couple of matters that Senator Sandy Macdonald made a point about during his contribution. One of these was with regard to the 1987 coups, and Senator Macdonald endeavoured to draw a parallel between the ability of the then Labor Party government to have any knowledge of
the coups then and the ability of the coalition government to have some knowledge of the coup in May this year. However, the difference is that there has been a range of problems during the whole period from 1987 until now. Given the nature of Fiji and knowing the history—as one would expect the Department of Foreign Affairs and Trade to do, and it would have obviously been informing the government—the government ought to have had a greater ability to predict events. The lack of forewarning was due to either a breakdown in communication, a failing of the department to inform the government, or the government not taking notice of what it was being told. That is a matter that we will ultimately find out more about, and we will then be able to assess why the government seemed to be so astounded by the Speight led coup. It is important that Fiji gets back into a democratic process. It is only by these sorts of processes that this country is going to survive. You cannot have a situation where there are coups from time to time with the likes of George Speight—who was on the periphery of the coup, if you can believe some of the things that have been reported, and was plonked in there to ultimately become the de facto head or spokesperson for the coup.

Fiji’s economy is also important, and I do not disagree with some of the things that the government has said in relation to this. It is a very delicate situation in Fiji. I was looking through a fact sheet provided by the department of foreign affairs on the trade relationship between Australia and Fiji. The aspect of trade again underlines how important it is for us to make sure that we have a sound and accurate knowledge of what is going on in some of our neighbouring countries, especially some of the developing countries. From a principal export destination point of view, Australia is the largest export destination for Fiji. From an import point of view, they are also very important to us. Fiji ranks 30th in Australia’s total trade in goods, so they are not a large partner. But they are important because they are a country of such close proximity to Australia. In terms of our exports, they rank 27th, and in imports they rank 34th.

I want to keep reiterating the importance of having knowledge of what is happening with the democratic processes of our neighbouring countries. It is not as though there were not noises being made about problems associated with the new Chaudhry government; by all reports, it was expected that the Rabuka led party would have been returned to government following the elections.

According to the DFAT fact sheet, the country of Fiji, in economic terms, had reasonable economic growth and was not in overly bad economic shape for a country of its size. But what has happened since the coup? The forecasts projected for growth this year are at best a negative nine per cent; some predictions even go to the extent of a negative 15 per cent. Some of the worst affected areas are going to be tourism; manufacturing, which includes the garment industry; construction; and retail and wholesale business. Government revenue, according to this paper, is expected to fall by about $121 million—that is, about one-fifth of their budget. No country of that size can sustain those sorts of losses. It has to happen for Fiji very quickly. We have to do whatever we can to get them back on the right track. It would be unfair to say that, if the government had had its antennae tuned correctly, maybe some or all of this could have been avoided. Certainly the economic fallout from this for Fiji is going to be horrendous. With regard to the forecasts, the fact sheet says:

The massive fall in government revenue could be attributed to a number of factors including: the non-harvesting of sugar cane this year ... which is another very important industry in Fiji. It continues:

... the considerable drop in tourist arrivals currently estimated to fall by as much as 50 per cent ...

I think the number of people who actually visited Fiji was some 410,000 people. A 50 per cent reduction in tourist activity is huge in a country of that size. It is going to have an astronomical effect. As Senator MacDonald said, in regard to the number of people who have lost their jobs already, if some of these matters are not addressed quickly then that number is going to double and
treble very quickly. If I can again quote some of the figures:

Bilateral trade in goods and services between Australia and Fiji reached $1.5 billion in 1999. Two way trade in goods in 1999 amounted to $966m (Australian exports to Fiji $604m; Fiji exports to Australia $362m), and two way trade in services was estimated to have reached $496m. Australia is Fiji’s major market for manufactured goods with Fiji serving as a very important market for Australian value added products and for small to medium enterprises. Australia’s share of the Fiji market is 48 per cent making Fiji Australia’s 30th largest export market.

So, for all of those reasons, we must develop a greater capacity to monitor what is going on, particularly when there are a number of signs that tell you all is not well. We have had experience right throughout the region with countries such as the Solomons; Fiji; Papua New Guinea, which I think is struggling at best; and, of course, we have had the East Timorese situation. It really amazes me to find that, if the department did know anything, it was not telling the government; or, if it was telling the government, the government was not taking any notice of it. It almost begs belief that we can have this sort of situation developing.

My view is based on the historic situation. By all accounts, after the last election there was a significant degree of unrest. How the department could not detect that that was going to lead to further problems, I do not know. It is a bit of a worry if we cannot detect what is going on in a very small nation with regard to a problem that led to the overthrow of a democratically elected government at gunpoint. Here is a country that I think we give some—

Senator Watson—It was a terrorist act.

Senator MURPHY—Terrorist act or not, the fact remains that the writing was on the wall and there were problems developing. We do not have to go back far; we only have to go back to 1987 to find out that this had occurred before and that these problems in effect have been around since the 1970s. It comes down to having your antennae tuned to the matters that have been ongoing. This is not a new phenomenon; this did not just pop up out of the blue. This country has faced problems for a number of years. It has had two or three new constitutions and, as a result, civil unrest.

So the government ought to have had its finger on the pulse a little better. If it was the foreign minister, Minister Downer, who was not heeding the information or the advice being given to him, then the department ought to be given a rap over the knuckles because of their inadequacies. We just cannot afford to allow, either in our own interests or in Fiji’s interests, these sorts of things to happen to a country like Fiji. If we want to play a leadership role as the most developed country in the region, which we should, then we have to be able to both detect and respond to these sorts of things far better than we have been to date by assisting the countries when they are confronting problems. It is beholden on the government to take some steps and, certainly, to act far more quickly and far more appropriately than it has done thus far.

I endorse and support the motion moved in the Senate and I hope, in the interests of Fijians, that George Speight will be treated according to law. There was one final point I would like to make: I do not agree necessarily with my colleague, if I understood the part of the article he read with regard to the conciliatory approach to Speight and others. I think history shows that you cannot afford to do that. If you have a democracy then you should pursue your grievances through the democratic process, which should be equally open to people in the future. I think Senator Cooney was making the point that, if Speight and the others do experience the full force of the law, it may be ‘look out next time’ because it will just make the next coup, if there ever is a next coup, even more hard-headed. But, equally, if they are not treated according to the law, future coup participants could also take a view that, ‘Well, this is easy: we get in and we try to force what we want upon the nation and we know that we will not receive any significant punishment.’ I think that is a greater encouragement for people than if these people do receive their full treatment, as they should, under the law. I do hope that Fiji gets back to a democratic process as soon as possible.
Senator WATSON (Tasmania) (5.37 p.m.)—Today in this debate I would like to think that our hearts and prayers go out to all those thousands of people in Fiji who have been damaged in such a material way by the events of the recent coup. There has been tremendous economic dislocation, economic loss and economic damage. People have lost not only their businesses, their plant and their stock but their homes and their livelihoods. But perhaps more important is the fact that there are a lot of people in Fiji at the present time who are socially persecuted and ostracised and have no hope for the future. So it is indeed a tragedy.

Following the earlier military coup in 1987 led by Rabuka, I think the world would have expected that a further coup would have been beyond reality, because the Fijians did set about establishing a not unreasonable type of constitution, an arrangement which would have ensured the rule of law and democracy. Unlike some of the island states in the Pacific, the Fijian economy was actually on the move; it was going up. What we really saw was an act of terrorism or criminality led by one person who saw his particular position in business as being a little bit disadvantaged. So it was not the result of a groundswell of public resentment as a result of being poor or being oppressed; it was the action of one man who saw himself as being disadvantaged in a business sense and gathered around him a rebel group that formed the militia that caused such damage. So it was not the result of a groundswell of public resentment as a result of being poor or being oppressed; it was the action of one man who saw himself as being disadvantaged in a business sense and gathered around him a rebel group that formed the militia that caused such damage. In such circumstances I think it is beholden on us that, in terms of the sanctions, we must be very careful that we do not hurt those people who are already hurt in this very significant way.

I recall that following the events of 1987 my office was inundated by calls from Indian Fijians, many of whom I knew, who actually wanted to come to Australia because they were worried about what had happened and they saw no future. But the position did improve and indeed we had an emerging hopeful position. I think we must acknowledge that the whole of the Pacific now is an area of some destabilisation. In fact, I would go so far as to say that many of the newly emerging nations of the Pacific are actually having their social dislocation problems. Generally it is caused by low levels of capital formation. That was not necessarily the whole problem in Fiji, because there was quite a lot of foreign money moving in there, particularly into the tourism industry, textiles et cetera. But in many of these new island nation states we have lower levels of capital formation, rising populations, declining per capita incomes, low commodity prices, budget problems and growing ethnic tensions. Ethnic tensions have always been there in Fiji, of course. All this is a recipe for destabilisation, particularly, as we have seen in recent times, in the Solomons.

Unfortunately, the coup in May was the third for Fiji and it is going to be absolutely disastrous for that country. The credibility of democracy has been shaken to the core and it has unsettled the social order, which is threatening further action and reaction. The economic welfare of the population is now in tatters. It will take perhaps decades for it to recover, and this is the tragedy. Most of the Indian population are running scared, and the indigenous population are losing jobs hand over fist as the tourists cancel visits and others go elsewhere. Businesspeople avoid the unrest and governments around the world put sanctions on Fiji and put its leaders on notice.

The recent Pacific Economic Bulletin states that, emerging from the drought which devastated the economy in 1997 and 1998, GDP growth actually hit more than six per cent in 1999. That is a fair achievement. It was forecast by the government to grow a further four per cent. The government had been working on a national development plan which incorporated target growth of six per cent per annum. Under that plan, all sectors of Fiji would have benefited. But, as the bulletin correctly pointed out, these hopes have now been absolutely wrecked in the wake of the coup. Satis Chand, who is a fellow at the National Centre for Development Studies in the Research School of Pacific and Asian Studies at the Australian National University, and Theodore Levantis, who is a postdoctoral fellow at the National Centre for Development Studies, have both studied the economic effects of the coup,
which have been absolutely disastrous. They state, and we all know, that investor confidence has been completely devastated. Investment has ground to a halt, foreign direct investment has been postponed indefinitely, exchange controls have been put in place to prevent a foreign exchange crisis and short-term lending rates have been increased from 8.4 per cent to 15 per cent. Not too many businesses can withstand interest rates of 15 per cent for too long.

International reactions are occurring all around the world. Australia, through our Minister for Foreign Affairs, Alexander Downer, announced on 18 July that Australia would impose the range of measures that were foreshadowed by the minister on 29 May. They included a reduction in the bilateral aid program—non-humanitarian aid—of around 30 per cent, involving the termination of all new scholarships and training and certain public sector projects. I do hope that, under the range of sanctions, Fiji will not look to the Northern Hemisphere as they have looked to Australia in the past, because Australia also has a lot to lose in the leadership role that we are taking. All naval ship visits have been cancelled and senior officer visits and joint military exercises have been suspended. Fiji sporting teams are prevented from playing in Australia, apart from those attending the Olympic Games. Government to government cooperation under the Australia-Fiji Trade and Economic Relations Agreement has been suspended. Australia’s High Commissioner to Fiji was recalled to Australia for consultations. A successor scheme to the import credit scheme to facilitate the textile, clothing and footwear trade—so important to Fiji, so important to so many of the Indian ladies working in those mills—will be put in place only if there is a clear commitment from Fiji to return to democracy. George Speight’s Australian visa has been rightly cancelled. The measures are wide ranging and will have significant impact.

Satish Chand and Theodore Levantis drew attention to the evidence of buoyant economic times before the coup. They included strong growth in tourism, with the landing of a record 400,000 tourists on Fijian shores in 1999. That tourism has dropped to a trickle. Just think of the impact on the local community providing services to hotels and to those tourists. There had been approval of investments totalling $US300 million, of which $US160 million were for tourism projects. There were four sugar mills in the country having crushed some four million tonnes of sugar cane. Gold and copra production were both on the rise and the garment sector was continuing its strong export based growth. These were just some of the good news stories and this highlights the tragedy that has occurred in an environment of rising prosperity.

The challenge now is to maintain a degree of stability and restore effective democracy. That effective democracy may not necessarily be the Australian recipe. It may take time. For example, Pacific islanders have a different dimension in relation to time from Australians. We saw that in the time that it took for the hostages to be released. A lot of people wanted the military to move in much earlier. Thankfully, no hostages’ lives were lost.

The Australian government should and will continue to watch very closely the path taken by the new interim civilian administration, pushing for an early restoration of the rule of law and the democratic and constitutional institutions in Fiji. Australia’s future relations will then—as will the future relations of many other countries—be determined by Fiji’s actions. I hope the students who intended to come to Australia will not be too aggrieved in relation to some of the changes. As Alexander Downer has stated, Fiji has a clear choice: return quickly to democracy or forgo indefinitely its former place as a valued and respected member of the international community.

I would like to acknowledge the stand which has been taken by so many brave Fijians, regardless of their ethnic background, who, under very difficult circumstances, attempted to stand up for that which is right, despite the tensions of the time. Their role has been underestimated. The future of that country depends on the determinations of those people who have commitment to the rule of law and to fairness.
I would like to point Australia’s role out to the Senate. We have been very much at the forefront of all those international efforts which have sought a return to constitutional government and the rule of law in Fiji. For example, our Minister for Foreign Affairs, Mr Downer, attended a meeting of the Commonwealth Ministerial Action Group in London on 6 June which was convened to discuss the situation in Fiji and developed options for Commonwealth action. I take my hat off to the Commonwealth because the Commonwealth was very much at the forefront of trying to get a sense of order and sensibility back in Fiji.

It was decided at that meeting on 6 June to suspend Fiji from the Councils of the Commonwealth and that a ministerial mission be sent to Fiji at the earliest opportunity to press the Fiji authorities for a clear timetable for return to constitutional government. In fact, Mr Downer travelled to Fiji with the council delegates on 15 and 16 June. The situation in Fiji will remain on the agenda of the Councils of the Commonwealth which will meet again in September in New York. We hope and pray that considerable progress will be made in the interim.

Australia will continue to review its position in relation to possible action from the UN. I only hope that other countries, particularly in the Northern Hemisphere, will not exploit the situation in terms of taking political and strategic advantage as a result of what has happened. I believe that Australia has taken a statesmanlike role, and Australia is going to have to fulfil a growing role in the Pacific. Following the decolonisation of the area and the withdrawal of British and, to a lesser extent, French support, there has been something of a vacuum in the region. Australia has a big role to play in filling that vacuum. We have to be very careful that one of the consequences of this destabilisation could be a withdrawal of a lot of international aid, not only for Fiji but for some of the other countries.

There is massive aid going to other countries like Samoa. We only hope that what has happened in Fiji, and also perhaps what has been happening in the Solomons, does not lead to a re-evaluation of the aid that is currently flowing to that area. As Australians we have to realise that increasingly the Pacific is becoming a destabilised area. We have a big job on our hands. Australia is a very lucky country with our freedoms, et cetera. We have been isolated from international events in the past, but I think there is an awakening within this country that perhaps we are not as secure from world forces of destabilisation as we have been in the past. We have witnessed the problems in East Timor—where I think our actions have been exemplary. It is unfortunate that we are part of a world which is increasingly seen by many as one of instability. I will conclude there because I think it is important that this matter be taken to a vote, which I believe will be a unanimous resolution of the Senate. I thank the Senate.

Question resolved in the affirmative.

COMMITTEES

Environment, Communications, Information Technology and the Arts Legislation Committee

Extension of Time

Motion (by Senator Coonan, at the request of Senator Eggleston)—by leave—agreed to:

That the time for the presentation of the report of the Environment, Communications, Information Technology and the Arts Legislation Committee on the provisions of the Telecommunications (Consumer Protection and Service Standards) Amendment Bill (No. 2) 2000 be extended to 29 August 2000.

Membership

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

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

Thursday, 17 August 2000  

SENATE

DOCUMENTS

Australian Institute of Health and Welfare

Consideration resumed from 22 June.

Senator WEST (New South Wales) (5.56 p.m.)—I move:

That the Senate take note of the document.

Where this government is leading us with health is a significant issue. In answer to questions I asked today about Medicare and about a grant being cut to a public health group, we heard the minister say that this government was the saviour of Medicare—that this government was doing wonderful things because it had got all these additional people with private health insurance. One has to wonder where Australia’s health in the 2000s is going to go when all this government can say is that extra people have private health insurance.

What the government are not telling us and what they cannot measure is what hospital and health facilities these people are going to use. What they do not tell us is that a person has to pay a very large front-end deductible before they then get the payments to cover their health needs, or that there are additional caveats. These additional people with private health insurance are not people who are wanting to take out private health insurance and to use it. This really looks like people taking out private health insurance because they are scared of what this government is going to do in the future. People are feeling that they have been blackmailed into taking out private health insurance because they are scared of what this government is going to do in the future. People are feeling that they have been blackmailed into taking out private health insurance, and they are very worried, upset and concerned. There is concern that this is a potential erosion of Medicare. The people of Australia really value Medicare, access to public hospitals and a good public hospital system.

Senator McGauran interjecting—

Senator WEST—I hear bleats from the other side about tax rebates. Who do tax rebates benefit most? Those on higher incomes. Besides that, if you do not use your private health insurance for private hospital services, you are still dependent on the public hospital sector. Senators opposite need to remember that funding to public hospitals also has a catch clause: the number of people with private health insurance impacts on it. This needs to be recalled as well.

This government do not care about health. The minister removed a grant of $300,000 and the minister representing him in this place could not tell us the reason why. This is pretty terrible. But this government do not care. They are a government who will not defend Medicare. They say they are going to, but their actions and their activities would very clearly indicate that they have no real commitment to public hospitals and public health. The minister in this place keeps talking about the number of people with private health insurance. He keeps talking about the private health sector. This country has to have first of all is a good public sector and a government committed to that. It is fine for people who live in the city areas where they have access to private hospitals, but many people in country areas who feel compelled to take out private health insurance are never going to be able to utilise it within the community in which they live. They do not have a private hospital in their community. This is what makes Australia’s health system very important. It is not an expensive health system, in terms of the world-class standards it delivers. People are able to access the health system here. But this government need to stop ripping off money for their public sector from the states and provide them with adequate Commonwealth funds to ensure that sector also is viable and vibrant.

Turning to Australia’s Health 2000, this government is doing absolutely nothing to address the training needs of allied health professionals. I have spoken many times before on this matter. This is a government that is prepared to help doctors pay off their HECS bills, but is not prepared to help nurses or physiotherapists or speech therapists pay off their HECS bills. Where is the fairness in that? You do not need as many doctors to run a good health system as you do nurses, but the federal government is doing nothing to address the shortage of nurses in this country. It ignored it in the last budget. It gave doctors a chance to reduce their HECS bill but it did nothing towards giving nurses or any of the other health professionals that chance. (Time expired)
Senator FORSHA W (New South Wales)
(6.01 p.m.)—I want to make some remarks on the report by the Australian Institute of Health and Welfare that Senator West has just spoken to—Australia’s Health 2000. One of the most outrageous claims that has been made by a minister of this government has to be the one that was made by Senator Herron, representing the Minister for Health and Aged Care, today. I note that the minister is in the chamber. He claims that this government is the greatest friend that Medicare ever had. Even Senator Herron knew, when he uttered that statement, that it is the most outrageous claim that has ever been made. This is from a minister whose Prime Minister is on the record as having had as his ultimate goal the destruction of Medicare. This is from a minister whose predecessors, when they came to power in 1975, set out to destroy Medibank. It was the Labor government in 1983 that restored universal health cover for the Australian population. As Senator West has just commented, the legacy of the Fraser years, the years when Mr Howard was a senior government member, was that two million Australians were left without any cover whatsoever.

Senator Robert Ray—Plus 11 per cent unemployed.
Senator FORSHA W—Plus 11 per cent unemployment.
Senator Robert Ray—Plus 10 per cent interest rates.
Senator FORSHA W—Plus 10 per cent interest rates.
Senator Robert Ray—Plus $22 billion of debt.
Senator FORSHA W—Plus debt that in today’s terms is $22 billion.
Senator West—I inflation was also in excess of 10 per cent.
Senator FORSHA W—Thank you. I am sure that I am going to have a lot of support from my colleagues in addressing this report. I take on board all of those comments. This government alleges that it has restored some equity, if you like, to the system. Nothing could be further from the truth. This government ripped out of the system in excess of $1 billion for public hospitals when it came to office in 1996. It reduced the level of funding available to the states for public hospitals at a time when reliance upon public hospitals in the states had been increasing.

This government introduced the rebate system for private health insurance. Today the minister claimed that because people have joined those funds somehow that is solving the problem. I make two comments about that. Firstly, we all know why in recent months additional people have joined private health funds. They have been frightened into believing that they would not continue to have access to a decent health system unless they joined a private health fund. It is well known—it is documented—that many people have taken out private health insurance in situations where they were not particularly required to with respect to the surcharge that would be applied if they did not have private health insurance. Many elderly people have been forced to join health funds to prop up the numbers, fearing the consequences from this government if they did not do so.

Secondly, we also know that many people on higher incomes have taken advantage of this system. In order to qualify for the rebate—the 30 per cent subsidy for taking out private health insurance—they have taken out the cheapest forms of private health insurance available. They have worked out that if they sign up to the cheaper forms of private health cover they get a significant rebate. So the cost to them is far less than the surcharge that would be applied if they did not have private health insurance. Further, the statistics show—they come from the Australian Healthcare Associates—that in New South Wales the number of patients going through the public hospitals is still increasing. Statistics show that half the 158,000 privately insured patients in New South Wales—85,000—registered as public patients. They are still using the public hospital system. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Human Rights and Equal Opportunity Commission

Consideration resumed for 28 June.
Senator COONEY (Victoria) (6.07 p.m.)—I move:

That the Senate take note of the document.

I should certainly get to my feet about age discrimination.

Senator Conroy—It just takes you longer

Senator COONEY—That is right. I have been on this theme before. When I was a child, which was a time ago, when Freddie Goldsmith played full-back for South Melbourne—

Senator Robert Ray—You were a teenager then.

Senator COONEY—I was a teenager then, that is true—in fact, a bit older. I remember being at the Olympic Games, actually, and seeing Chilla Porter jump into the twilight.

Senator Robert Ray—He was a Liberal Party director for Western Australia for a number of years.

Senator COONEY—Was he? He only came second in the Olympic Games, Senator Ray. We used to have this program on the air called Fifty and over. I do not know whether Senator Herron remembers that. In those days if you were 50, you were thought to be old. Now people would expect to be 60 or 70 or even getting up to 80 before they could be considered to be old. There is, fortunately, now a concept that there is discrimination on the grounds of age. At one stage, once you got to a particular age, say, 65, that was it, whereas what has happened since then is that people have understood that, if you are going to be discriminated against, then you should be discriminated against merely on the basis of your ability. In other words, if a person of 60 could play football, there would be no reason why he should not play football. People of 60 might still play for Collingwood and do it with some skill. Bring back the Pannams and Lou Richards, who, I understand, was the nephew of a Pannam. In any event, the point I want to make is that a person should be judged on his or her ability to perform the task that is set and that simply to dismiss somebody on the grounds of age is a discrimination which should not be tolerated. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Consideration

The following orders of the day relating to government documents were considered:

Council for Aboriginal Reconciliation—

Corroboree 2000: Towards reconciliation.

Roadmap for reconciliation.

Motion of Senator Hogg to take note of documents agreed to.

General business orders of the day nos 3-8 relating to government documents were called on but no motion was moved.

Orders of the day nos 1 to 8 relating to reports of the Auditor-General were called on but no motion was moved.

The ACTING DEPUTY PRESIDENT (Senator Calvert)—The time for consideration of government documents having concluded, we now move to the consideration of committee reports.

COMMITTEES

Rural and Regional Affairs and Transport References Committee

Report

Debate resumed from 29 June, on motion by Senator Woodley:

That the Senate take note of the report.

Senator MASON (Queensland) (6.11 p.m.)—I was not going to speak to this matter today but the member for Griffith saw fit to say a few words on the Brisbane Airport Corporation’s master plan, so I thought I might add a few comments for the betterment of the public interest. Mr Rudd has claimed that the Liberal Party, including me and local councillors who are Liberals, do not care about the people of Griffith, that the potential building of a parallel runway is a foregone conclusion and that he is the only one that cares.

I actually want to defend the Labor Party on this. There are very many people in the Labor Party who in fact agree that the process that this government has undertaken with respect to the master plan is appropriate. The Lord Mayor of Brisbane, Councillor Jim Sororley, agrees with the government. He says that every time Mr Rudd opens his mouth, real estate prices go down. Mr Bill Ludwig, a
grand gentleman of Queensland politics, also supports the way the government has gone about this. I think the member for Bowman, Mr Sciaccia, also does. Mr Martin Ferguson, the shadow minister for transport, has been very quiet, as has the former minister, Mr Brereton. No-one is supporting Mr Rudd on the Labor side at all. Why? Because under the Airports Act there is a process that has been outlined that we have all agreed to.

What Mr Rudd has done is this: he has made political capital out of people’s fears. The Airports Act was put together by the Australian Labor Party and admittedly passed by the Liberal Party when we were in government. No objections. That process is a fair process and Mr Rudd has decided to make political capital out of it by scaremongering. He is not concerned about aircraft noise; he is concerned about making political capital. That is what he is doing.

There is one issue that Mr Rudd has not answered. Here is a man who was the former head of the Cabinet Office under Mr Goss, the then Premier. Here is a man who seems to be constantly surrounded by lawyers, and yet he gave evidence to the Senate that he did not seek legal advice before he went around the electorate of Griffith, wrote columns to the paper and made statements on how dreadful the government process was outlined under the legislation—his party’s legislation.

He did not even check—that was his evidence. If he had checked, he would have discovered that the process was in fact fair. Do you know why he did not check? Because if he had checked he would have discovered that the Brisbane Airports Corporation master plan does not determine finally the location of any runway or staggered parallel runway. Mr Rudd is concerned with only one thing. We all know it, and those sitting opposite me know it—that is, political gain. He will do anything, including scaremongering day in and day out. I understand that many of his Labor colleagues do not agree with him, and I accept that. But the people of Griffith and I are very tired of the fact that every time he opens his mouth their real estate values go down. If he had taken the time to check the law—and remember this is a former head of the cabinet office running off to the AAT and the Federal Court at the moment and saying he had never checked the law—he would have seen that every piece of legal advice says the same thing; that is, the master plan does not determine the issue.

**Senator Forshaw**—If you keep waving your arms around like that you’ll take off.

**Senator MASON**—Senator Forshaw does not even support Mr Rudd. I congratulate you.

**Senator Forshaw interjecting**—

**Senator MASON**—That is the issue, and I think it is time that the scaremongering stopped.

Question resolved in the affirmative.

**Legal and Constitutional References Committee Report**

Debate resumed from 29 June, on motion by **Senator McKiernan**:

That the Senate take note of the report.

**Senator MARK BISHOP** (Western Australia) (6.16 p.m.)—I want to pass a few comments in relation to the Senate Legal and Constitutional References Committee report, tabled I think in June of this year, entitled *Humanity diminished: The crime of genocide*. It was an inquiry into the proposed *Anti-Genocide Bill 1999*. As we all know, there is nothing new about the crime of genocide. In that context I have recently been reading a book on Roman military strategy entitled *Rome and the Enemy: Imperial Strategy in the Principate*. The period of the principate, as we all know, was roughly from 31 BC, after the Battle of Actium, where Mark Antony was finally defeated, until about 235 AD, with the fall of the Emperor Severus Alexander. This book discusses Roman imperial strategy for that period of roughly 270 years. The author, Professor Susan Mattern from the United States, argues that Roman policy makers were not particularly motivated by traditional strategic considerations of secure borders or conquests solely for the acquisition of additional wealth or indeed for the display or use of military power. They carried out military campaigns over a 300-year period to, firstly, avenge a
perceived or real insult to their sense of gravitas as a people or, secondly, to construct and preserve an image of Roman might—rather than to exercise might, power or authority itself.

It is somewhat of a circular argument, and I am not entirely convinced, but part of this debate about Roman military strategy does necessarily lead to a discussion in part as to the treatment of conquered peoples in the Roman Empire—conquered tribes and the relocation of what the Romans called barbarian peoples within their own empire, often from Middle Europe to the eastern parts of the empire. In that context of the treatment of conquered peoples, the state authorised policy decision to destroy entire tribes, entire peoples, can only be categorised—from our time some 2,000 years later—as an act of genocide. Those acts of destruction of entire tribes of peoples, occasionally numbering up to a quarter of a million people, as a lesson to surrounding tribes and states as to the power of the Roman Empire can only be classified as an act of genocide. When one reviews some of the ancient writers such as Caesar himself, Germanicus, Tacitus, the Emperor Augustus, Agricola and a whole range of other Roman writers over a 200- to 300-year period, there are constant references to this behaviour right throughout that period. Indeed, a fifth century writer, Themistius wrote:

What divides the Scythians and the Romans is not a river, nor a swamp, nor a wall—for these one might break through, sail over, or surmount—but fear, which no one has ever surmounted who believed he was the weaker.

Professor Mattern goes on to argue that Rome’s real strategy lay in the realm of psychology, and she discusses the implications of that for conquered peoples or subject peoples and concludes, part of the way through: Marcus—
a particular general—
as noted above, planned not only to exterminate the Iazyges but, probably, to annex the Quardi and Marcomanni...

and several other tribes within the British Isles at a later time. So the strategy was not to annex Britain per se or other parts in those days of Western Europe; it was to exterminate and eliminate the subject peoples as a lesson to others. And so the extermination, the destruction of the entire people, was motivated by this desire to inflict fear or terror. That desire to inflict fear or terror was a constant and recurring principle of successive administrations through this period of the empire and was indeed, certainly de facto but one suggests also de jure, an instrument of policy of the state.

That background leads us into a discussion on a lot of the issues associated with the act of genocide as discussed in this particular report. It is always useful in discussing these reports to start from first principles; that is, the definition of genocide. The authors of this report—Senator McKiernan from our side and Senator Payne from the other side of the chamber—define genocide ‘in the sense of a crime against humanity aimed at the extermination of any civil population’. They suggest that it has come into English usage only since the end of World War I. They note that earlier writers, particularly in the postwar years, advocated the use of the term ‘genocide’ to describe the destruction of a nation or an ethnic group.

We tend to be somewhat horrified by the events that have occurred in the bulk of the Western world in the greater part of the 20th century but, as my earlier comments demonstrate, it is nothing new. It has been a recurring feature of administrations and governments throughout the world. It is only in later years—and probably only in the period post World War II—that the concept of genocide has been regarded by governments and administrations around the world as being so abhorrent that it cannot be tolerated under any circumstances.

International law has developed and adjusted to reflect that particular development. Indeed, at paragraph 2.3, the authors say:

Following World War II, the international community accepted the responsibility of constructing an international order aimed at avoiding the recurrence of state-sanctioned racist policies that are directed against specific groups.

Obviously, that is a reference to the mass destruction of the Jewish peoples in Germany in World War II. The report has a number of chapters which discuss the back-
ground, scope and development of the genocide convention over time. And then, importantly in current times, it goes into the need in Australia—a bastion of Western democracy—for such legislation in our community. In the report they address the Australian context, judicial rulings to date, the timeliness of the bill and the adequacy of existing laws, and come to the conclusion, after a period of research, that we do not have any laws on our books which make the crime of genocide a specific offence. They come to the conclusion that it is appropriate and timely for the government of the day to make some haste in the preparation of the appropriate bill so that it can be considered by the parliament.

In chapter 5, they come up with two particular recommendations. They have an extensive discussion on the background to genocide, its development over time, and some more modern, current or topical aspects of issues that might not be regarded as genocide per se, particularly issues that go to cultural or social activity, which some groups in the community now seek to advocate as genocide. They say that—and they are right—the fact of genocide is as old as humanity. To this day, no society has been protected by its structure from committing that crime. Every case of genocide is a product of history and bears the stamp of the society which has given birth to it. They go on to make the argument that it is no easy task to deal within the rational construct of law with the irrationality that perpetrates this crime. No-one would at first glance suggest that the act of genocide could in any way be regarded as a rational act.

Senator LUDWIG (Queensland) (6.26 p.m.)—Humanity diminished: the crime of genocide—the report of the inquiry into the Anti-Genocide Bill 1999—was produced by the Senate Legal and Constitutional References Committee, of which I am pleased to be a member. I participated in the Senate inquiry. It was completed in June 2000. The Senate inquiry touched on a very important part of the 20th century. It is important to proceed with the background in order to gain an appreciation of the Anti-Genocide Bill 1999, which was introduced by Senator Greig as a private member’s bill. It was then referred to the Senate Legal and Constitutional References Committee because of the important nature of the bill itself.

As I said, the private senator’s bill was introduced into the Senate by Senator Greig of the Australian Democrats. It is worth noting that, in his second reading speech, Senator Greig commented upon the need to complete the unfinished business of the Commonwealth parliament by incorporating into domestic legislation the United Nations Convention on the Prevention and Punishment of the Crime of Genocide. That matter was ratified by Australia in 1949. So we have gone on quite a journey since that matter was first ratified by Australia.

I will not go to all the terms of reference that were put before the Senate, but term of reference (a) is worth noting. It goes to the formulation of an appropriate definition of genocide. The terms of reference then explore how that convention would be ratified in Australia and then form part of our legislative base. The inquiry was conducted, firstly, in Sydney on 12 May and then in Melbourne. I was fortunate to attend the Sydney hearings on 12 May. Before I go to some of the substantive matters that I wish to comment on this evening, I want to extend my thanks to the secretariat: Dr Pauline Moore, the secretary of the committee, without whose invaluable assistance the report would not have been as good as it is, I am sure; and Mr Andrew Endrey, Mr Noel Gregory and Ms Deborah Cook, who form part of the secretariat and who provided much valuable assistance during the inquiry.

It goes without saying that the chair, Senator McKiernan, and the deputy chair, Senator Payne, provided good guidance in the conduct of the inquiry and in the discussions and the writing that went into the report. I found it very helpful that, when we came down to finalising the report, there was very little that the parties disagreed with—although we come from different views. The recommendations at the end bear that out.

The report addressed all matters in the terms of reference but focused on the key issues of the adequacy of Australia’s implementation of the genocide convention itself,
and the content of the draft legislation against the background of the relevant laws of Australia. It also considered whether there is a need for antigenocide legislation in Australia; if there is such a need, whether the bill meets this need; and, if it does not, how it can be improved upon so as to satisfy Australia’s international obligations. The report goes through that position in quite detailed fashion.

The term ‘genocide’ denotes a crime against humanity aimed at the extermination of any civil population. As Senator Bishop said, the term has been in general use in the English language only since the end of World War II. It is not a new word in the sense of describing something new for the 20th century; it is a matter that predates our civilisation and even goes back to the Roman Empire. One of the difficulties we encountered was whether there was a need for the legislation. The committee talked about the distinguishing features of the bill and examined the requirements for such legislation in today’s society. Legislators do not wish to fill books with legislation that is unnecessary, lengthy or burdensome, or to merely provide paperweights.

The committee found that there is a need for the legislation. Although the bill parted from the convention, it did add a couple of words, which I will deal with later. In the Australian context, the legislation is necessary in our society. We found that adequate legislation does not exist to fulfil the role of that convention. The convention is still on our books and has been ratified. There was a view that the committee should provide a piece of legislation that would fill that gap. The conclusions on page 27, at 3.46, highlight that in dot-point fashion by stating that genocide is not a criminal offence in Australia. My view is that it should be, that Australia has yet to fulfil its international obligations in respect of the implementation of the genocide convention—and that we should do so. It is open to parliament to consider domestic antigenocide legislation separate from judicial consideration of whether genocide is a crime, and it is a matter we need to debate. It was also plain that, although existing antidiscrimination laws could be further strengthened to cover issues raised by the draft bill more adequately, such laws can only ever complement rather than substitute for antigenocide laws in themselves.

Although a number of matters in the private member’s bill were worthy of consideration and were dealt with in the report, particularly at chapter 4, by the time the committee got to deciding the direction it would take in respect of the matters, the conclusion was that antigenocide legislation in Australia is necessary and that it is timely to consider it. To that end, the committee, firstly, recommends that parliament formally recognise the need for antigenocide laws; and, secondly, that the bill be referred to the Attorney-General for consideration of the matters identified by the committee in respect of its contents and that the Attorney report his findings to parliament by 5 October 2000. I look forward to seeing the final bill and debating it if the Attorney-General decides to put it before this parliament. I seek leave to continue my remarks.

Leave granted; debate adjourned.

Legal and Constitutional References Committee

Report

Debate resumed from 28 June, on motion by Senator McKiernan:

That the Senate take note of the report.

Senator LUDWIG (Queensland) (6.36 p.m.)—I rise to speak on the Legal and Constitutional References Committee report, A sanctuary under review: an examination of Australia’s refugee and humanitarian determination processes, which was presented to the parliament in June 2000. This was the first committee that I had the privilege to serve on. The inquiry was, in effect, an omnibus examination of Australia’s refugee and humanitarian determination processes. I wish to thank the chair, Senator McKiernan, and the deputy chair, Senator Payne, for their guidance and assistance on the journey—I think I would like to call it—and the examination of Australia’s refugee and humanitarian determination processes. I wish to express my heartfelt thanks to Dr Pauline Moore, the secretary to the committee. I will not go through the names of all those in the
secretariat, but I will say that they provided valuable help and assistance to the members of the reference committee during this journey. I also thank the participating members—Senator Harradine and others—who provided additional insight. They more than contributed to the report; they provided a lot of the body and soul of the report. The contribution extended over some 420 pages.

The report exposes some of the good, the bad and the ugly in relation to Australia’s refugee and humanitarian determination processes. It was a wide ranging inquiry with respect to the refugee issue. It not only went to the refugee issue but also extended to Australia’s international obligations and the principles of non-refoulement. In addition, it crossed the areas of legal and other assistance to asylum seekers and dealt with the decision making processes that refugees have to go through in this country. The report also deals, in part, with the Refugee Review Tribunal. Some of the structures and processes of the Refugee Review Tribunal changed while the inquiry was proceeding. Nevertheless, the role of the tribunal still exists for the determination of refugee status. In addition, the report goes into the matter of judicial oversight of administrative decisions and deals with the ministerial discretion that exists, which is, in effect, a non-reviewable, non-compellable discretion that the minister has with respect to awarding refugee status.

The report also deals with the cases of two particular individuals, which provided a very moving background to the report. One case was that of the Chinese woman and the other was the case of Mr C. They were different cases but the same in many respects. They were both refugees and, when you went through their individual cases, you found that they both had extraordinary lives. Their lives were opened up to us and we were given an opportunity to examine their lives in incredible detail. The material that was presented to the committee about Mr C and also the Chinese woman was little short of extraordinary. Perhaps the best way of putting it is that when we examined the material in detail it was like being invited into someone else’s life. It was an extraordinary experience to see the other side through someone else’s eyes.

The inquiry also dealt with the monitoring of returned persons. When people are sent back, after failing the refugee status process, we have an obligation to ensure that those people are returned safely. I think it is worth commenting that those people who have an interest in this area, and even those who do not have an interest in this area, can gain a valuable insight into the refugee determination processes in Australia by examining some, if not all, of the chapters in the report. They can certainly go to those various areas that provided insight to me and—I do not think I would be speaking out of turn—also the others on the committee.

The committee had a gruelling timetable, as Senator McKiernan often commented and as he has, I am sure, commented in this chamber. The number of hearings was extensive—both public and in camera—and the task of finally drawing the report together took a considerable amount of time and effort of not only Senator McKiernan and Senator Payne but also the secretariat, the other members of the committee and the participating members.

I now wish to go to the recommendations. By and large, the recommendations were agreed to by all the committee. The two Liberal senators—Senator Payne and Senator Coonan—provided a separate report but, when you look at the size of the report and the range of matters that the report covered, the difference in the end was very slight. The recommendations that I wish to comment on this evening go to a number of matters. I will await with interest the government’s response to some of the recommendations contained within the report, but the ones that I particularly wanted to highlight this evening go to recommendation 3.1, which says:

The committee recommends that DIMA investigate the provisions of video or other appropriate media in relevant community languages explaining the requirements of the Australian onshore refugee determination process.

One of the matters that was highlighted not only to me but to the committee generally was the lack of available information that was digestible and able to be used by people
during the processes that they may be subject to once they set foot on our shore. A number of the recommendations centre on this area, and it is not only an issue in this area. I guess when you draw it through, the recommendations in part mention it again and again—although slightly repetitive, the report is trying not to be repetitive—but what this does highlight in some part is the lack of information or the inability of refugees to obtain that information so that they can at least access assistance when they are caught within our processes in Australia.

The recommendations go not only to dealing with providing information to refugees, as highlighted in 3.1, but extend to ensuring that there are funds for translation and interpretation services. They also extend to ensuring that in particular the matter that I spoke about earlier—the section 417 process, which is the non-compellable, non-reviewable process—is provided and is transparent so that persons can understand what that section is and how it operates. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Consideration
The following orders of the day relating to committee reports and government responses were considered:

Corporations and Securities—Joint Statutory Committee—Report—Draft Financial Services Reform Bill. Motion of the chair of the committee (Senator Chapman) to take note of report agreed to.

Environment, Communications, Information Technology and the Arts References Committee—Report—Renewable Energy (Electricity) Bill 2000 and Renewable Energy (Electricity) (Charge) Bill 2000. Motion of the chair of the committee (Senator Allison) to take note of report called on. On the motion of Senator McLachlan debate was adjourned till the next day of sitting.

Economics References Committee—Interim report—Fair Prices and Better Access for All (Petroleum) Bill 1999 and the practice of multi-site franchising by oil companies. Motion of the chair of the committee (Senator Murphy) to take note of report called on. On the motion of Senator West debate was adjourned till the next day of sitting.

Finance and Public Administration References Committee—Report—Inquiry into the mechanisms for providing accountability to the Senate in relation to government contracts. Motion to take note of report agreed to.

ADJOURNMENT
The ACTING DEPUTY PRESIDENT (Senator Calvert)—Order! It being 6.47 p.m., I propose the question:

That the Senate do now adjourn.

Electronic Voting
Senator PAYNE (New South Wales) (6.47 p.m.)—I do not know whether it is the advent of laptops in the chamber—and a very effective tool they are for those of us who are interested in using that sort of technology—but one of the issues that I want to speak about this evening is electronic voting and Internet voting in particular. I was recently in the beautiful New England town of Tamworth, where, of course, as one does, I perused the local newspaper, the Northern Daily Leader. It is not necessarily the sort of publication in which you might expect to come across an article on electronic voting but there it was—pride of place—an article discussing possible moves to electronically based voting, in fact reporting statements made by my colleague Senator Chris Ellison, the Special Minister of State. In this article he was indicating the enormous potential for Internet based voting in this country and voicing his support for the efforts of the Australian Electoral Commission in keeping a watching brief on this issue.
For some time I have been looking at what advantages Australians can take of new technology to their benefit—for example, how the Internet can help those in rural and regional areas or women in certain parts of the community to overcome barriers to accessing information. I also canvassed the potential impact of the Internet on Australian and international politics. This is a potential which the Australian government is embracing with great enthusiasm. It is not only in influencing the decision making process involved in politics that technology can have a great impact, and those people who have dual interests in technology and voting systems have busily explored the possibility of using new technology to conduct ballots.

As I have said before, IT has impacted on virtually every aspect of our lives, from banking to education to communication and much more. Sometimes we do not even notice the effect of technology as we undertake our day-to-day tasks, and so far the use of technology in voting systems seems to be, to some degree, the exception to this. But there is absolutely no reason that the democratic process cannot also gain from new technology. In reality, the Australian electoral process and the voting system that we currently use have not changed significantly in the last 100 years—the computerisation of rolls and all those sorts of things, yes, but for the actual voting system itself there have been no great changes. So I think we have a unique opportunity now to consider how we might reinvigorate the electoral system.

So if you consider the possibilities on both a large scale and a small scale, you see we conduct ballots on a regular basis in Australia—in fact, some members of the community say too often. From federal elections to those at state and local level and to elections at schools, at universities, for organisations, and in the workplace, we are always participating in some sort of a ballot. We in the chamber know better than most how often you get to vote these days on a number of things. Mostly we still use that very traditional means of crossing our names off an electoral roll, whether literally or figuratively, and filling out a paper ballot. What technology offers is an enormous capacity to streamline this. There are two key means through which technology could be introduced into electoral systems here. One is through introducing computerised systems at the polling place and, of course, the alternative is the prospect of remote access to cast a ballot.

That second means is not just a theoretical possibility. Across various parts of the world, in fact, the theory has been put into practice, testing the use of technology in conducting ballots. In the United Kingdom a number of local councils trialed electronic voting at the recent elections they held in May. Similarly, in New Zealand some testing has taken place. Interestingly, Costa Rica has been trialing the introduction of technology in their electoral systems and at their national elections two years ago the entire country was able to vote electronically via computer kiosks at polling stations. They had technical support provided from AT&T and policy guarantees from the Centre for Information Law and Policy in the United States, and voters cast their electronic ballots at polling locations. They undertook that process to test the ease of using its methodology, with a long-term view to full use of electronic voting in the future.

The well-known corporation Unisys managed an electronic voting project in Brazil. They were involved in the training of personnel, the installation and the maintenance of equipment and the more technical side of an operation that allowed 35 million Brazilians to vote electronically for their municipal councils. So there has been a lot of "testing of the water" in this process.

The United States obviously has been most prolific in its take-up of Internet technologies in politics. The overwhelming majority of candidates for office in the United States have an impressive Net presence, including, most interestingly, for their fundraising efforts in this recent campaign. It has become a key part of their political system, and it is bipartisan. In the last lot of presidential elections, the Democrat and Republican candidates noted the importance of their web sites to their campaigns. Both Bob Dole and John Kerry, Republican and Democrat respectively, said that one-third of their new
campaign volunteers registered via the Internet. In 1998, for better or for worse, Jesse Ventura won a surprise victory in the gubernatorial race in Minnesota. Part of the reason for that was said to be his capacity to energise a demographic which utilises the Internet—heavily—obviously the wrestling demographic.

The Internet is obviously fundamental to this year’s US electoral cycle. Both the Republicans and the Democrats, through their national conventions, sought to have a ‘virtual’ convention presence so that the process was accessible for those who could not be there physically. It is not just in regard to proselytising that the Internet has played a role in US elections. From the perspective of administration, they have also sought to utilise technology to improve their whole electoral processes, which are pretty complicated at the best of times. Oregon has experimented with mail-in voting, South Carolina is allowing its citizens to register to vote over the Net, and in 1996 the Reform Party utilised the Internet as a means of selecting their presidential candidate. In schools, colleges and universities electronic voting is used to run elections. At Kansas State University in March, the first student-body binding Internet election was held—unfortunately I do not have a report on who won.

The United States government has been considering how to enable overseas residents, both military and other, from a number of states to vote online for the elections that they are holding in a couple of months. In Florida they trialled electronic voting in 12 counties in 1998.

More recently, the Democrats in Arizona chose to conduct their presidential primary election with the aid of the Internet. Voters were offered the options of voting at a polling place using a paper ballot, voting at a polling place using the Internet or voting via remote Internet connection. Of the 86,000 people who cast a vote, 45 per cent chose to utilise either the polling place Internet facility or to log on themselves at a remote location. A brief analysis of the results from that ballot indicated that it did not turn out any aberrant results. There were no great surprises, which hopefully goes some way towards alleviating concerns that Internet polls might bring about different results to more traditional ballots. In this case, Al Gore won comfortably over Bill Bradley, which was a result that was mirrored across the country. In a number of very remote regions of Alaska, the state Republicans have used an Internet straw poll for their state presidential primary.

There is a range of examples, and the question must be: what does it mean for Australia? I think it is important to acknowledge that Australia has been keen to involve technologies in our political process, both to engage more people in the political system and to make the system open and accessible. That is one of the reasons why I am very proud of the web site that I operate. In 1998 in our federal election, the AEC hosted the largest live Internet event ever conducted in Australia—that, of course, was the virtual tally room. It was visited by an estimated 85,000 people, who were able to obtain results at a divisional, state and territory, and national level. Following the polling day, results were updated at least daily and polling place figures were also made available. So the Australian community is, at the very least, open to the use of the Internet in the political cycle.

Particular applications of new technologies internationally present lessons and indicators for our context. The most important thing that should be taken from some of those examples I mentioned is that choice should always remain available. Not everybody will be comfortable with using the new technologies. A presidential primary is pretty different from a national or state election here, but the fact remains that in the Arizona example I mentioned nearly half the voters who participated in that ballot participated online. Obviously we need to look at things like security, the protection of privacy and the need to guarantee a secret ballot, but I think we can do that. Senator Ellison, in his discussions on this issue, has also noted concerns about access to technology as a key issue when contemplating these sorts of changes. But I think that they are changes that we can take up enthusiastically, using them to move forward. (Time expired)
Ministerial Hospitality Expenses

Senator ROBERT RAY (Victoria) (6.57 p.m.)—On Wednesday this week after question time, Senator Herron, on behalf of Minister Wooldridge, indicated that question on notice No. 2165 would not be answered. Minister Wooldridge stated that he could not ‘authorise the time and effort entailed to obtain the information required, which is unrelated to the priorities of the Health portfolio’.

On 11 April I placed a question on notice that basically sought details of entertainment and hospitality paid for by the department on behalf of Dr Wooldridge. I had not received an answer by Monday this week. I faxed Minister Herron, who represents Dr Wooldridge in this chamber, and indicated to him that, under the provisions of standing order 74(5), I was going to raise it after question time on Wednesday. Minister Wooldridge is now claiming that it is too expensive to answer the question. This is totally fallacious. Virtually the identical question was asked of five other ministers in 1998, they being Ministers Anderson, Scott, Fischer, Vaile and ex-Minister Sharp. Almost identical questions were asked of Ministers McGauran, Reith and Newman in 1999. All eight ministers or their departments forwarded answers to my questions detailing how much had been expended on hospitality or entertainment by the department on their behalf.

The answers pertaining to former Minister Sharp were highly embarrassing, because it showed a pattern of behaviour that would not be acceptable in any government. The answers in relation to Mr Scott and Mr Vaile showed them to be in fairly marginal territory when it came to making claims in this area. The answer on Mr Anderson showed that he behaved with exemplary propriety. His expenses were exactly in line with my expectation of what they should be for a good and proper minister. We did not get a totally full answer from former Minister Fischer, but again there was no indication of any poor behaviour.

With regard to the two Liberal ministers that I asked questions of, Mr Reith and Senator Newman, an examination of the details of those answers to me said that the expenditure on their behalf was right and proper. Senator Newman had the annual Christmas drinks for some of the key operatives in her department paid for by the department. I think that is fair enough. Mr Reith had some entertainment expenses to do with waterfront discussions. I think that was a good and proper use of the resources of the department. Indeed, Senator Newman, having been asked the question and not being capable of answering it within the 30 days, had the good grace to write to me—without prompting from me—saying, ‘Look, I am sorry, I can’t get an answer to you within 30 days but I will expedite this answer as quickly as possible.’ She did so, and I am most appreciative.

No such courtesy, of course, comes from Minister Wooldridge. The implication of his response is that he has directed his department not to answer the question. It must be conceded here that there are circumstances in which a minister is entitled not to answer a question on notice because of the large amount of resources that would have to be devoted to it. I certainly did it myself as a minister. Dr Wooldridge has done it on many occasions.

But there must be these two provisos. Firstly, you should be advised by your department on this, not direct your department. I am not saying ministers are merely there to follow the lead of the department but, on an issue like this, it is up to the department to advise the minister of the amount of resources that might be enervated in the process of answering the question and to ask the minister not to answer it. But the second proviso is more important: when it goes to the behaviour of a minister, when it goes to the potential probity of a minister, there should always be an answer put down. If we go to the much-maligned Guide on key elements of ministerial responsibility, on page 12 there is the following extract from Mr Howard:

As a general rule, official facilities should be used for official purposes. The distinction between official and personal conduct is not always clear (eg, in relation to the provision of hospitality/entertainment and use of car transport) but ministers should ensure that their actions are calculated to give the public value for its money and
never abuse the privileges which, undoubtedly, are attached to ministerial office.

How do we know that Minister Wooldridge is not abusing that guide and his office when he refuses to answer questions?

What we have here is a very cynical cover-up. What we have is a minister refusing to be accountable to this parliament and to the Australian public. What makes it worse is that eight of his colleagues were accountable. They did have the public spiritedness to answer the questions and be judged by this parliament and the people of Australia. Even some of the more reluctant ministers had no hesitation in answering this question. What makes Dr Wooldridge so special? What entitles him to the arrogant presumption that he does not have to answer questions to do with his own behaviour, his own probity, when it comes to the spending of taxpayers’ money? We are entitled to speculate, if indeed it is a very expensive job to answer this question: how many meals has he sponsored on the taxpayer? Are there so many that it is extremely expensive?

Senator Brandis—I raise a point of order, Madam Deputy President. I direct your attention to standing order 193(3), which makes it highly disorderly for a member of the Senate to make personal reflections upon members of the House of Representatives.

The DEPUTY PRESIDENT—Senator Ray, I was distracted and did not hear what you said. I would have to seek guidance but I do not know what you said. If you have said anything unparliamentary, I would ask you to withdraw it.

Senator ROBERT RAY—On the point of order: I do not believe I have, I have said that, from Minister Wooldridge’s failure to answer questions about his expenditures on entertainment and hospitality, one is entitled to draw a possible conclusion that, in fact, there is a whole raft of them. That is why it is expensive to answer the question. I do not believe I have transgressed the standing orders.

The DEPUTY PRESIDENT—No, I agree. There is no point of order.

Senator ROBERT RAY—But there is a second possibility here that Senator Brandis might turn his attention to. In answering those questions on when you were dining out and whom you were dining with, I would like to know whether Dr Wooldridge was hosting radiologists. I would like to know whether he was using taxpayers’ funds to host radiologists at the expense of the taxpayer, given the MRI scandal that exists.

Dr Wooldridge refuses to answer my questions in this process, so yesterday I lodged a freedom of information request. I have also lodged another 10 questions on notice this afternoon and I expect those questions, proper questions, to be answered within the 30-day rule on this occasion. I am not going to wait four months for him to cover up; I am not going to wait four months for him to stonewall. I have put another 10 questions on notice on this and on related issues and I expect an answer. I expect the minister representing Dr Wooldridge in this chamber—that is, Senator Herron—to ensure that this Senate chamber is given proper answers.

Of course, the FOI route will be a frustrating one because what will occur is that I think my request will be granted—it is quite proper, it is written in the proper way and it is in the public interest—but then we will get the great calculations of how much I have got to pay to get that information. It is standard practice for members of parliament to ask for a waiver of those discovery and processing fees, but this government and the departments now say, ‘Oh, sorry, we won’t give you this waiver because as an MP you’re entitled to ask those questions on notice and get an answer.’ Well, it won’t wash in this case. It won’t wash because in fact they have refused to answer the questions on notice. Minister Wooldridge has refused to do his public duty, and therefore that cannot apply in these particular circumstances.

What has Dr Wooldridge got to hide? Maybe nothing, but one has to be suspicious when he refuses to answer questions and when he directs his department not to answer questions when they are about himself. If I asked for every Medicare payment made in the last six months, I would expect him to refuse on the basis of resources. But this is about his own ethics, his own behaviour and
his own probity. I challenge Dr Wooldridge to reverse his decision, to come clean and to behave like his colleagues, who have all had this information published. Some have had a critical review for it, some have had compliments. (Time expired)

**Education: Queensland**

**Senator MASON (Queensland)** (7.08 p.m.)—Over half a century ago, George Orwell famously wrote that those who control the past control the future. Orwell was writing at the beginning of the Cold War, when communism, considered by so many of the best and the brightest to be the way of the future, was just beginning to menace the citizens of Western democracies, while it had imprisoned hundreds of millions behind the Iron Curtain. Now, in the year 2000, what was Orwell’s terrifying vision of the present and the future is, thankfully, just history. But as the world is still trying to come to terms with the horror and heal the scars of the 20th century, many of those cheerleaders of totalitarianism remain unrepentant. Seeing the false idols of international socialism cast down from the altar and shattered, they are now finding new ways to denigrate their own society, shift the blame, obfuscate the past and convert new generations to their creed.

It is with sadness, but without surprise, that I recently leafed through the Queensland high school syllabus of ‘studies of society and environment’, an amalgam subject taking over what in the past used to be known as history and geography. When I went to school in the 1970s, the focus of school was education. Today it seems to be about indoctrination. Socialism, primarily because of people on this side of the chamber, might be dead around the world, but it seems to be alive and well in the Queensland school curriculum, that safe haven and bastion of everything that is politically correct, intellectually trendy and very fashionably anti-Western. The studies of society and environment syllabus promotes four key concepts: democratic process, social justice, ecological and economic sustainability and peace.

**Senator Brandis**—What about truth?

**Senator MASON**—That is right. It all does sound reasonable and harmless on the surface, but what students of years 1 to 10 are being fed is a steady diet of crude leftism masquerading as knowledge. Where is the balance? What we get in this curriculum is democratic process without liberal democracy, social justice without individual justice, ecological and economic sustainability without economic development, and peace without security. When Queensland schoolchildren are being taught that ‘social justice seeks to challenge the inequalities inherent in social institutions and structures and to deconstruct dominant views of society’, they are essentially told that our nation and society are evil, oppressive and unjust. They are taught self-loathing and alienation.

What they are specifically taught—or not taught—is even more disturbing. Perhaps nothing shocked me as much in this 47-page document as its authors’ choice of people to study. On page 35 of the syllabus, as part of the ‘time, continuity and change’ section of the subject, students are required to know about ‘contributions by diverse individuals and groups in Australian and Asian settings’, with the following suggested by the curriculum council as worthy subjects of study: Henry Parkes, Enid Lyons, the union movement, Mao Zedong, Ho Chi Minh, and People Power in the Philippines. Now, there is nothing wrong with teaching our kids about Mao Zedong and Ho Chi Minh. I think we must. The younger generation deserves to learn about the horrors of the past and the shameful contribution these two leaders made to making the 20th century the bloodiest in human history.

**Senator Brandis**—Mao Zedong murdered more people than Hitler.

**Senator MASON**—He did. The problem, however, is that our children are far more likely to hear about ‘agrarian reform’, ‘anti-colonialism’ and ‘self-determination’ rather than, to use your word, Senator Ludwig, genocide, which is what it was. It was political prisons, starvation and total economic ruin. At best, they might hear the old, tired excuse from the Left that you can’t make an omelette without breaking a few eggs and that over 60 million victims of the two dictators are but an inevitable hiccup on the way to some pathetic socialist nirvana. The Left
knows how it is—the Left had to kill 60 million people in order to free them.

One cannot escape the conclusion that this syllabus and many similar documents have been written by members of the generation that found it rather trendy to hang posters of Che Guevara in their bedrooms and place copies of the Little Red Book on their bookshelves—that deluded generation that fell for the socialist dream and closed their eyes to totalitarian horror, and those of that generation who are now suffering from historical amnesia and who deny that it all happened and deny their own role as aiders, abettors and cheerleaders of slaughter and deprivation. Some might say, ‘Who cares? What does it matter now? We have left the 20th century behind and entered a new millennium. After all, we can’t look back at the past; we have got to look to the future.’

Senator McGauran—Tell them.

Senator MASON—But no-one with any conscience can easily forgive those—

Senator Forshaw—You are a fascist!

The DEPUTY PRESIDENT—Order! Senator Forshaw, the language that you have just used is unparliamentary. I would ask you to withdraw it.

Senator Forshaw—I withdraw, but I resent any suggestion that I would be an apologist for some of the actions of those people.

Senator Ian Macdonald—Unconditionally!

Senator Forshaw—Senator Mason knows that the Senate is being broadcast. This is one of the cheapest tricks that any senator can pull.

The DEPUTY PRESIDENT—Order! Senator Forshaw, withdraw unreservedly.

Senator Forshaw—I do withdraw unreservedly.

The DEPUTY PRESIDENT—I hope, Senator Mason, that what you were saying is not what Senator Forshaw has interpreted.

Senator MASON—that is correct, Madam Deputy President. But no-one with any conscience can easily forgive those who either knowingly or recklessly stood by as tens of millions were slaughtered in communist China. There is an old saying that victors write history. Obviously, this is not the case in Queensland, where history continues to be written by history’s losers. It is as if the 20th century did not happen or, worse, the lessons to be learned were exactly the opposite to what experience and common sense might suggest.

History should be written by the winners, not because we want to engage in pointless triumphalism or because we are so insecure that we want to shut out all other voices. It is not even about celebrating our achievement. It is not about us at all. It gets back to Senator McGauran’s point. It is about past generations as well as future generations. Nothing will give back to the millions of victims their lives, freedom and dignity. But the least that we owe them is the truth—as Senator Brandis said—to be told in Queensland schools about their lives and their fate.
And so it is also with the children of today and generations yet unborn. The choices they will make will be theirs, but the most valuable legacy we can leave them is the truth about the past so that they themselves are able to ensure that socialism is not replayed disastrously in their lifetimes.

Chesterton once said, ‘Education is the soul of a society as it passes from one generation to another.’ Those who inflict on students documents like *Studies of Society and Environment* under the guise of education commit a gross moral and intellectual crime against the past by making a mockery of history. Perhaps even worse, they also prejudice our future by letting down our children who, in our innocence, we entrust to history’s failures.

**Grey Headed Flying Fox Colony: Melbourne Botanic Gardens**

Senator ALLISON (Victoria) (7.18 p.m.)—This week, a letter was tabled in the Senate from the Premier of Victoria in response to the resolution agreed to by the Senate on 22 June concerning the flying fox colony in the Royal Botanic Gardens in Melbourne. My motion urged the Victorian state government to issue an interim conservation order as a matter of urgency, declaring the Melbourne Botanic Gardens critical habitat for the grey headed flying fox and ensuring the protection and survival of the grey headed flying fox colony in the Melbourne Botanic Gardens.

The grey headed flying fox had been nominated by the Humane Society International as ‘vulnerable to extinction’ under the Flora and Fauna Guarantee Act on the basis of its current status in Victoria, and the Democrats considered it important that the Victorian state government should not do anything to exterminate the flying foxes until that nomination had been dealt with. In fact, the scientific advisory committee has already made a preliminary recommendation to list the species under schedule 2 of the Flora and Fauna Guarantee Act.

Mr Bracks said he was disappointed that the Senate had passed such a resolution and his letter was written to provide factual and balanced information on the flying fox management issues. The Victorian government had been informed that Melbourne’s Royal Botanic Gardens could not sustain the continued damage being caused by the flying fox colony. I had in fact received correspondence from Mr Richard Barley, the divisional director of the Melbourne gardens, making a number of points about the management problems. He said the flying fox colony is causing serious damage to the historic and conservation significant vegetation of the gardens. He says that a number of trees have died and been removed and that most of the trees and palms in the fern gully showed significant damage. Visitor amenity of the fern gully has deteriorated to the point that many visitors deliberately avoid the area.

The colony has spread, he said, beyond the fern gully and during the warmer months occupies up to 30 per cent of the total area of the gardens. He says that the damage to the gardens will continue while the colony is there, with the ultimate likelihood that the vegetation of some of the most significant parts of the gardens will lose the tree canopy completely and become a wasteland to all intents and purposes. He points out that attempts to disperse the colony had not been successful and other options such as netting the trees were not viable because of the size of the area that would have to be covered—over 500 trees—the fact that they would simply relocate to other parts of the gardens and that flying foxes would be likely to become caught in the netting. Of course, other birds and animals for whom these trees were habitat or food sources would be disadvantaged and possibly injured and the visual amenity of the gardens would be severely damaged. Accordingly, a strategic management plan was produced for a gradual reduction of the population using capture and euthanasia. Around 100 animals were culled and the program was then put on hold because of the nomination, for which we are pleased.

Mr Barley went on to say that the national population of this species is not likely to be under threat or vulnerable and may in fact be increasing in many areas. Finally, he pointed out that research into the deadly outbreak of nipah virus in Malaysia found that the virus
is likely to be spread via the urine of flying foxes. It was also found that nipah virus is genetically very similar to hendra virus.

I also received correspondence from Dr Michael Vardon, a biologist with expertise in the ecology and management of flying foxes. He was one of the authors of the section dealing with the grey headed flying fox in The action plan for Australian bats. He says there are no data which permit an objective assessment of the status of the flying fox in Victoria or anywhere else in Australia and this lack of data is due primarily to the fact that the species is common in Australia. He refers to the debate about a possible decline in numbers in New South Wales but says that the evidence is equivocal and that the decision by the editorial committee of The action plan for Australian bats to list the grey headed flying fox as vulnerable was at odds with his own assessment. Dr Vardon describes the concern over the status of this flying fox in Victoria as 'a storm in a teacup', saying:

the loss of this colony is almost irrelevant in terms of the overall status and population dynamics of the species.

I have been invited by the gardens to visit for a briefing, and it is my intention to do so. But since the letter from the Premier was tabled this week, I think it is important and appropriate at this stage for me to put on the record another aspect of the debate, in the interests of the balance that Mr Bracks would like us to consider.

It is the case that the Botanic Gardens is the only permanent breeding colony for this species of flying fox. There is a camp at Mallacoota. However, the significance of the gardens is that it is the only permanent breeding colony for the species in Victoria. Without this habitat, it is quite likely that the grey headed flying fox will cease its occupation of Victoria entirely. In fact, Dr Vardon, in his 1977 article entitled ‘Pests, pestilence, pollen and pot-roasts: the need for community based management of flying foxes in Australia’, said:

Colony sites are traditionally occupied for generation after generation so that the loss of these habitats is particularly disruptive.

The issue here is not whether or not the national population is under threat or vulnerable. The argument is about protection of the species in the state of Victoria.

The Commonwealth has had a role in the conservation of the species. In August 1999 it released The action plan for Australian bats in which the grey headed flying fox was listed as vulnerable owing to habitat loss, shooting, disease and lead pollution. On the subject of viruses and the likelihood of transmission of disease from flying foxes to humans through their urine, another opinion is expressed in a 1995 report for the New South Wales National Parks and Wildlife Service, entitled The biology and management of flying foxes in New South Wales. That report said:

none of the ecto or endo-parasites carried by the Pteropus species—which is the grey headed flying fox—infect humans.

The point argued by Dr Vardon and the gardens is that the species should be removed because of damage to vegetation. That is interesting in the light of Dr Vardon’s own article of 1977 in which he points out:

Colonies of flying foxes can cause substantial damage to the trees in which they roost, although under natural circumstances this is self-regulating. Flying fox colonies, given adequate space, shift their foci slightly from time to time, allowing vegetation to regenerate.

That is just a very brief set of arguments that have been put forward. I think it is also important that the various players in this issue should receive some attention from the Senate. The Humane Society has a very strong record of conserving species in this country and elsewhere, and their work is exceptional. Dr Vardon is a very well-known scientist but he is also closely aligned with pro-wildlife utilisation organisations. He is an associate of Wildlife Management International, an organisation that advises developing countries on how to commercially use their wildlife. This organisation has now failed twice at CITES to have the Cuban population of hawksbill turtles downgraded to permit international trade. Our own government opposed this downgrading.

I think we need to ask why it is that Dr Vardon is so opposed to the protection of the
grey headed flying fox and has obviously had a great deal of influence over the gardens. In a publication produced by the Commonwealth Rural Industries Research and Development Corporation entitled *Marketing new animal products—shaping the future*, Wildlife Management—(Time expired)

**Senate adjourned at 7.28 p.m., until Monday 28 August at 12.30 p.m.**

**DOCUMENTS**

**Tabling**

The following documents were tabled by the Clerk:

- Cocos (Keeling) Islands Act—Utilities and Services Ordinance—Electricity Fees (Amendment) Determination No. 4 of 2000.
- Lands Acquisition Act—Statements describing property acquired by agreement under sections 40 and 125 for specified public purposes [2].
- Product Rulings PR 2000/91.

**Indexed Lists of Files**

The following documents were tabled pursuant to the order of the Senate of 30 May 1996, as amended 3 December 1998:

- Indexed lists of departmental and agency files—Statements of compliance—
  - Agriculture, Fisheries and Forestry portfolio.
- International Air Services Commission.

**UNPROCLAIMED LEGISLATION**

The following document was tabled pursuant to standing order 139(2):

- Unproclaimed legislation—Document providing details of all provisions of Acts which come into effect on proclamation and which have not yet been proclaimed, including statements of reasons for their non-proclamation and information relating to the timetable for their operation, as at 3 August 2000.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Goods and Services Tax: Department of the Treasury Research
(Question No. 1977)

Senator Faulkner asked the Minister representing the Treasurer, upon notice, on 3 March 2000:

(1) Has the department, or any agency of the department, commissioned or conducted any quantitative and/or qualitative public opinion research (including tracking research) since 1 October 1998, related to the goods and services tax (GST) and the new tax system; if so: (a) who conducted the research; (b) was the research qualitative, quantitative, or both; (c) what was the purpose of the research; and (d) what was the contracted cost of that research.

(2) Was there a full, open tender process conducted by each of these departments and/or agencies for the public opinion research; if not, what process was used and why.

(3) Was the Ministerial Council on Government Communications (MCGC) involved in the selection of the provider and in the development of the public opinion research.

(4) (a) What has been the nature of the involvement of the MCGC in each of these activities; and (b) who has been involved in the MCGC process.

(5) (a) Which firms were short-listed; (b) which firm was chosen; (c) who was involved in this selection; and (d) what was the reason for this final choice.

(6) What was the final cost for the research, if finalised.

(7) On what dates were reports (written and verbal) associated with the research provided to the departments and/or agencies.

(8) Were any of the reports (written and verbal) provided to any government minister, ministerial staff, or to the MCGC; if so, to whom.

(9) Did anyone outside the relevant department and/or agency or Minister’s office have access to the results of the research; if so, who and why.

(10) (a) What reports remain outstanding; and (b) when are they expected be completed.

(11) Are any departments and/or agencies considering undertaking any public opinion research into the GST and the new tax system in the future; if so, what is the nature of that intended research.

(12) Will the Government be releasing the full results of this taxpayer-funded research; if so, when; if not, why not.

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

Treasury

(1) Both qualitative and quantitative research has been undertaken since February 2000 to assist the GST Start-Up Assistance Office with developing and implementing a communication program to inform and educate Australian businesses, educational bodies and the community sector on the impact of the GST.

(a) Quantitative Research was conducted by Quantum Research; qualitative research was conducted by Worthington Di Mazio.

(b) Research was both qualitative and quantitative.

(c) Purpose of research: Qualitative – to determine effectiveness of creative advertising concepts. Quantitative – to determine benchmark and ongoing research regarding awareness, understanding of GST Assist and GST Start-Up Assistance.

(d) Quantitative: To be determined. Qualitative: Contract with Quantum Market Research - $156,960.

(2) An open tender was not used. Because of timing and their existing knowledge on tax reform and the GST from the Australian Taxation Office (ATO) campaign, the agencies selected were those used by the ATO. MCGC agreed to this process.
(3) MCGC agreed and approved all five Agencies, namely: J Walter Thompson (Creative), Ethnic Communications (Ethnic Consultant), Gavin Jones (Indigenous Consultants), Worthington Di Mazio (Qualitative), Quantum Research (Quantitative).

(4) (a) Refer to (3) above.
(b) Refer to (2) and (3) above.
(5) Refer to (3) above.
(6) To be finalised.

(7) A copy of the initial quantitative research report was provided to GCU on Tuesday, 21 March 2000. Peter Worthington discussed qualitative research findings at MCGC Meetings on 25 January 2000.

(8) Qualitative research reports (verbal and written) were provided by Peter Worthington to MCGC, GCU, and the Treasurer’s Office.

(9) No.

(10) (a) Another quantitative research report will be conducted later in this half of the year.
(b) June/July 2000.

(11) Yes, see (10)(b).

(12) It is expected the research findings will be released post implementation of all tax reform initiatives.

Australian Taxation Office

(1) Both qualitative and quantitative research has been undertaken since March 1999 to assist the Australian Taxation Office (ATO) with developing and implementing a communication program to inform and educate Australian business and consumers about tax reform.

(a) Worthington Di Marzio is conducting mainstream qualitative tax reform research. Quantum Market Research Services is conducting mainstream, non-English speaking background (NESB) and Indigenous quantitative benchmark tax reform research as well as both NESB and Indigenous qualitative tax reform research.

(b) The ATO is concerned that it provides well targeted information to specific business and community sectors which will enable taxpayers to meet their compliance obligations effectively.

(c) The research will obtain relevant information to aid in the development of information and education materials that will enable the ATO to successfully inform the business community of its obligations under the tax reform legislation.

(d) The contracted cost to date of Worthington Di Marzio’s research is $867,428. The contracted cost to date of Quantum Market Research Services research is $670,940.

(2) The research companies were engaged through a competitive, selective tendering process conducted by the ATO. The tenderers for the research project were selected with assistance from the Government Communications Unit (PM&C). A representative from the Government Communications Unit was on the ATO selection panel for evaluating the tendering research companies.

(3) The Ministerial Committee on Government Communications (MCGC) endorsed the ATO’s tax reform research brief which was used as the tender document. The MCGC also endorsed the number of research companies offered to tender.

(4) Refer questions (2) and (3).

(5) All nine tendering research companies were considered. The research companies did not present before the MCGC. As part of normal competitive tendering process, the ATO selection panel evaluated each company against pre-determined selection criteria and recommended to the ATO the preferred research companies to be engaged.

Based on this recommendation, Worthington Di Marzio was engaged to conduct mainstream qualitative tax reform research and Quantum market research services was engaged to conduct mainstream, NESB and Indigenous quantitative research as well as NESB and Indigenous qualitative research.

(6) Both qualitative and quantitative research is not yet complete.
(7) From March 1999 research reports have been provided on a regular basis to the ATO. The reporting deadlines are determined by the requirements of the ATO’s tax reform education and communication program.

(8) Copies of research reports are provided to the Tax Reform Legislative Unit, Treasurer’s Office, as they are completed.

(9) Government bodies concerned with tax reform education issues can access the research findings on request where the findings are viewed on site at the ATO. The findings are used to assist the relevant government bodies in developing and implementing their respective tax reform education programs.

(10) The ATO is undertaking a broad range of tax reform education and communication market research. A large proportion of the research is product and compliance related. This research is ongoing and expected to continue until July 2000.

(11) Refer to question (10).

(12) It is expected the research findings will be released post implementation of all tax reform initiatives.

Australian Consumer and Competition Commission

(1) Yes
(a) Worthington Di Marzio;
(b) Qualitative and quantitative (currently being undertaken);
(c) The purpose of the project was to research consumer and business expectations about the impact of the New Tax System on prices and to inform a proposed awareness program;
(d) $350,000.

(2) A select tender process was undertaken based on advice from Government Communication Unit (GCU), Department of the Prime Minister and Cabinet (PM&C).

(3) No. MCGC approved the research brief and list of consultants. The consultant was selected by a panel which consisted of representatives of the ACCC and GCU. The MCGC was not involved in the development of the research instrument.

(4) (a) Approval of consultancy brief and list of consultants.
(b) All communication with MCGC is conducted through the GCU.

(5) (a) Newspoll Market Research; Chant Link and Associates; AMR Quantum; The Research Advantage; and Worthington di Marzio.
(b) Worthington di Marzio
(c) The selection panel included:
   Executive General Manager, GST Operations, ACCC;
   GST Commissioner, ACCC;
   GST Communications Director, ACCC;
   Senior Communications Adviser, GCU, PM&C.
(d) Worthington di Marzio was selected on the basis of a competitive evaluation of the five tenders against the relevant assessment criteria.

(6) Not finalised

(7) Qualitative research report was provided on 8 March 2000

(8) No

(9) GCU in its capacity as secretariat to the MCGC was provided with a copy of the report.

(10) (a)(i) Quantitative research
(ii) Benchmarking research
(iii) Concept testing
(b) (i) mid-April
(ii) April, July
(iii) April, May
(11) No

(12) The research was designed to assist in the development of an awareness program. Release of the research is not proposed as it is not relevant for any other purpose and does not stand alone.

Natural Heritage Trust: Funding for Tasmania

(Question No. 2110)

Senator Brown asked the Minister for the Environment and Heritage, upon notice, on 16 March 2000:

(1) Can details be provided of the projects which have been funded from the extra $120 million over 5 years from the Natural Heritage Trust (NHT) promised to Tasmania in exchange for Senator Harradine’s support for the Telstra sale.

(2) (a) How much of the $120 million remains to be expended; and (b) to which programs has it been allocated.

(3) How much has been spent from the NHT in each of the past 3 years on the World Heritage Area Management program in Tasmania.

(4) Is it correct that NHT funding for Tasmania’s World Heritage Area Management program in the 1999-2000 financial year has been cut from $1.8 million to $0.7 million; if not; (a) what are the correct total amounts; and (b) to which projects has funding been allocated.

(5) Has the $5 million NHT money promised for track upgrades in the Tasmanian

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

(1) The Commonwealth, in recognition of the special circumstances of Tasmania, decided to spend ten percent of the expenditure under the Natural Heritage Trust of Australia Reserve in Tasmania. At the time, this represented a commitment to provide $125 million to Tasmania. Details of approved Natural Heritage Trust projects in Tasmania have been provided to the honourable senator. Further copies are available from the Senate Table Office.

(2) A summary table detailing approved Commonwealth Natural Heritage Trust funding by program, and planned allocation to meet the $125 million commitment, has been provided to the honourable senator. Further copies are available from the Senate Table Office. A total of $85 million has been approved to date. Further approvals in Tasmania will continue to be subject to transparent, rigorous and merit-based assessment of Natural Heritage Trust proposals.

Family Day Care: Funding

(Question No. 2257)

Senator Crossin asked the Minister for Family and Community Services, upon notice, on 26 May 2000:

With reference to family day care funding:


(2) What percentage of the total capital funding for child care centres is allocated to family day care operations in each of the past 5 federal budgets.

(3) What amount of money was allocated to family day care out of the 1996 Rural and Remote Initiatives.

(4) Has this initiative been funded each year since 1996; if so, how much has been allocated to family day care.

(5) What money has been allocated to family day care in the Northern Territory for capital funding in each of the past 5 federal budgets.

(6) What criteria determines that Darwin and Palmerston are considered to be ineligible for Rural and Remote Initiative funding.

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

(1) There have not been specific allocations of capital funds for Family Day Care in the last five federal budgets. Funding for the Child Care Program has been broadbanded to increase flexibility and address new and emerging priorities.
However, there is funding in the form of equipment grants provided to new Family Day Care schemes. The current rate for equipment grants is $127.20 per approved place and is provided for the purchase of toys and equipment libraries and/or to buy office furniture for the coordination unit. It is not for the purchase of or construction of accommodation for scheme offices.

(2) Capital funding has been made available to child care centres only. There is no allocation for capital funding for Family Day Care.

(3) There was no specific allocation of funds provided to the Family Day Care sector. The 1996 Rural and Remote Budget initiative ($10.9m over four years) allowed services in rural and remote areas to apply for capital funding to support projects such as building extensions or modifications to existing facilities (ie. a pre-school, health centre or a community facility). This initiative was to specifically target child care supply to rural and remote areas.

(4) Yes. The Department of Family and Community Services allocates funds based on submissions made by services to each State and Territory office. A total of $281,122 has so far been provided for Family Day Care projects.

(5) There have not been specific allocations of capital funds for Family Day Care in the Northern Territory in the last five federal budgets.

There has been very little demand for new Family Day Care places in Northern Territory and as a result of this the Family Day Care expenditure for equipment grants for new services has been very low.

(6) The Department of Family and Community Services uses a scale of classification for each Statistical Local Area (SLA) and Local Government Area (LGA) defined by the Australian Bureau of Statistics. The scale classifies areas as either capital city, urban, rural, remote or offshore.

The 1996 Rural and Remote Initiative targets communities that are classified as rural and remote, where mainstream service models are not viable. The Department’s classification of regions indicates that Darwin and Palmerston (classified as capital city) have sufficient population and infrastructure to support mainstream models of care. For this reason these areas are not classified as rural or remote and would therefore be ineligible for funding under this initiative.

Aged Care Facilities: Funding

(Question No. 2297)

Senator Allison asked the Minister for Family and Community Services, upon notice, on 5 June 2000:

With reference to the May 2000 Budget which made no provision for funding suitable accommodation for approximately 1 200 people under 65 currently inappropriately housed in aged care facilities:

(1) What plans does the Government now have for addressing this matter.

(2) Does the Government acknowledge that people younger than 65 with disabilities, injury and chronic and degenerative illnesses have higher level support and social needs than the services which are possible in nursing homes under the current funding model.

(3) What would be the additional cost of providing more appropriate accommodation and a more appropriate level of care for those people currently housed inappropriately in nursing homes.

(4) What is the current state of discussion and agreement with the states on this matter.

(5) Does the Government have any estimate of the number of people disabled and chronically ill under 65 who are likely to need residential care in 2000, 2001, 2002, 2003 and 2004; if so, what are those estimates.

(6) How many people are currently registered as having multiple sclerosis.

(7) What is the rate of notification of this condition in Australia.

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

(1) Accommodation for people with disabilities is a State and Territory Government responsibility, as set out in the Commonwealth State Disability Agreement. However, the Commonwealth Department of Family and Community Services and the Department of Health and Aged Care continue to monitor the issue of young people in nursing homes.

(2) Support needs vary for individuals depending on their circumstances. While accommodation for people with disabilities is a State and Territory Government responsibility, the Commonwealth Gov-
ernment’s view is that it is not appropriate to accommodate young people, particularly those under 50 years, in nursing homes whatever their disability. Nursing homes should be an option of last resort.

(3) This information would need to be sought from the State and Territory Governments, which have responsibility for the provision of accommodation for people with disabilities.

(4) The Commonwealth State Disability Agreement defines State and Territory Governments to have the responsibility for accommodation for people with disabilities. Unmet need bilateral agreements are currently underway to provide $150 million in new Commonwealth funding on the condition that the States and Territories also provide significant new funding to address priority areas of need, including accommodation. Most States have responded with substantial new funding in their 2000-01 Budgets.

(5) No. However, the Australian Institute of Health and Welfare estimates an annual growth rate of around 2% between 1996 and 2003 for persons with a profound or severe handicap. It should be noted that those young people with disabilities in residential aged care would be a very small sub-set of this broader population.

(6) and (7) The Department of Family and Community Services is not aware of a registration or notification process for multiple sclerosis. This question should be referred to the Minister for Health and Aged Care.

**Department of the Environment and Heritage: Fringe Benefits Tax Paid**

(Question No. 2309)

Senator O’Brien asked the Minister for the Environment and Heritage, upon notice, on 6 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 Hill—The answer to the honourable senator’s question is as follows:

**DEPARTMENT**


(2) Motor vehicle and car parking expenses, work related expenses (such as education and telephone expenses), official entertainment expenses, remote area housing, temporary accommodation expenses and leave fares for officers in remote locations, and residuals (such as spouse accompanied travel expenses).

(3) The Department does not maintain specific records on the cost of compliance, and I am not prepared to divert resources to the task.

(4) The only other incentive payments were performance bonuses paid to senior staff in accordance with their Australian Workplace Agreements. These payments attract income tax rather than FBT.

(5) The Department does not maintain specific records on the cost of compliance and I am not prepared to divert resources to the task.

**AUSTRALIAN GREENHOUSE OFFICE**

(NB: The Australian Greenhouse Office was not operational until the end of 1997-98)

(1) (b) 1997-98 – nil; 1998-99 - $34,993; 1999-00 - $61,296.

(2) 1997-98 – nil; 1998-99 - Car benefits plus car parking benefits; 1999-00 – Reimbursement of study expenses (including Higher Education Contribution fees); reimbursement for ‘healthy lifestyle’ ($200 per staff member).

(4) The only incentive payments made to Australian Greenhouse Office staff in 1998-99 and 1999-2000 were performance bonuses paid to senior staff in accordance with their Australian Workplace Agreements. These payments attract income tax rather than FBT.

(5) Not applicable.

GREAT BARRIER REEF MARINE PARK AUTHORITY


(2) For 1997-98 and 1998-99 incentives included remote locality leave fares. These were incorporated into salary under the Agency Agreement in 1998-99 and remaining entitlements paid out in that year.

Other incentives include SES vehicle scheme, reimbursement of Higher Education Contribution fees, Corporate shirts subsidy and private telephone expense reimbursement.

(3) Approximately $5,000 per annum.

(4) The only incentive payments made to Great Barrier Reef and Marine Park Authority officers in 1997-98, 1998-99 and 1999-2000 were performance bonuses paid to senior staff in accordance with their Australian Workplace Agreements. These payments attract income tax rather than FBT.

(5) Not applicable.

AUSTRALIAN HERITAGE COMMISSION


(2) Motor vehicles, semi-official telephones and official entertainment expenditure.

(3) In 1997-98 a consultant calculated the FBT at a cost of $850. In 1998-99 and 1999-00 the FBT calculations were undertaken by staff in-house at an estimated cost of $550 each year.

(4) The only incentive payments made to Australian Heritage Commission officers in 1997-98, 1998-99 and 1999-2000 were performance bonuses paid to senior staff in accordance with their Australian Workplace Agreements. These payments attract income tax rather than FBT.

(5) The Commission does not maintain specific records on the cost of compliance and I am not prepared to divert resources to that task.

NATIONAL PARKS AND WILDLIFE SERVICE


(2) Subsidised remote area housing; subsidised electricity in remote areas; and payment of Higher Education Contribution fees for aboriginal trainees.

(3) Approximately $3,800 per annum.

(4) The only incentive payments made to National Parks and Wildlife Service officers in 1997-98, 1998-99 and 1999-2000 were performance bonuses paid to senior staff in accordance with their Australian Workplace Agreements. These payments attract income tax rather than FBT.

(5) Not applicable.

Aged Care: Planning Regions

(Question No. 2325)

Senator Chris Evans asked the Minister representing the Minister for Aged Care, upon notice, on 8 June 2000:

Can a map and description be provided that identifies the relationship between the aged care planning regions and federal electorates.

Senator Herron—The Minister for Aged Care has provided the following answer to the honourable senator’s question in accordance with advice provided to her:

Aged Care Planning regions are determined by the Secretary of the Department of Health and Aged Care under section 12 of the Aged Care Act 1997. Current regions were determined in 1997 and details were published in the Government Notices Gazette - No 41 (15 October 1997). The regions are determined in terms of Australian Bureau of “Statistical Local Areas” (SLAs). Federal Electorate boundaries were not considered in determining the regions.
Maps are not available.

**Department of Finance and Administration: New Tax System Consultants**

*(Question No. 2380)*

**Senator Faulkner** asked the Minister representing the Minister for Finance and Administration, 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 Ellison**—The Minister for Finance and Administration has supplied the following answer to the honourable senator’s question:

The Department and Portfolio Agencies did not receive additional funding to cover the expenses listed below. They were absorbed by existing funds.

<table>
<thead>
<tr>
<th>Department of Finance and Administration (DOFA)</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>(1) and/or (b) Consultancy</td>
<td>(2) Cost</td>
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<tr>
<td>(a) and (b) Blake Dawson Waldron</td>
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<td>(a) and (b) Australian Government Solicitor</td>
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<td>(a) and (b) Ernst and Young</td>
<td>663,275</td>
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<td>(a) and (b) Deloitte Consulting</td>
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</tr>
<tr>
<td>(a) and (b) J Barry and Co</td>
<td>61,875</td>
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<td>(a) and (b) The Communication Company</td>
<td>119,555</td>
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<td>(a) and (b) Andersen Contracting</td>
<td>15,769</td>
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<tr>
<td>(a) and (b) Deloitte Touche Tohmatsu</td>
<td>100,000(1)</td>
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<tr>
<td>(a) Minter Ellison</td>
<td>8,479</td>
</tr>
<tr>
<td>(a) Arthur Andersen</td>
<td>31,897</td>
</tr>
<tr>
<td>(a) PriceWaterhouse Coopers</td>
<td>157,000</td>
</tr>
<tr>
<td>(b) Mercer Cullen Egan Dell</td>
<td>4,300</td>
</tr>
<tr>
<td>(b) Amaroo Associates</td>
<td>10,868</td>
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<td>(b) Clarity Communications</td>
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(1) Estimated cost

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<thead>
<tr>
<th>Australian Electoral Commission (AEC)</th>
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<tr>
<td>(1) and/or (b) Consultancy</td>
<td>(2) Cost</td>
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<tr>
<td>(a) Morgan &amp; Banks Management Services Pty Ltd</td>
<td>38,000</td>
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</table>

<table>
<thead>
<tr>
<th>ComSuper (including CSS/PSS Board)</th>
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</thead>
<tbody>
<tr>
<td>(1) and/or (b) Consultancy</td>
<td>(2) Cost</td>
</tr>
<tr>
<td>(a) John Avery CPA</td>
<td>10,150</td>
</tr>
<tr>
<td>(a) KPMG</td>
<td>18,400</td>
</tr>
<tr>
<td>(a) Australian Government Solicitor</td>
<td>8,250</td>
</tr>
<tr>
<td>(a) PriceWaterhouse Coopers</td>
<td>3,100</td>
</tr>
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</table>
Office of Asset Sales and IT Outsourcing (OASITO)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) and/or (b)</td>
<td>Deakin Consulting Pty Ltd</td>
</tr>
<tr>
<td>Consultancy</td>
<td>51,171</td>
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</tbody>
</table>

Commonwealth Car Fleet: Fuel Consumption Targets

(Question No. 2394)

Senator Allison asked the Minister for Industry, Science and Resources, upon notice, on 22 June 2000:


1. To what extent does the practice of salary packaging prevent the collation of data measuring fuel consumption by government departments and agencies in their transport operations.

2. (a) What, if anything, is preventing departments from obtaining this data from the companies that lease vehicles; and (b) what steps are the departments taking to ensure that this data is collated for the next reporting period.

3. (a) What is the status of the Government’s commitment to set fuel consumption targets for the Commonwealth car fleet, which will apply from 2003; (b) when is the deadline for the formulation of these targets; (c) which government departments and agencies are using compressed natural gas (CNG) and/or liquefied petroleum gas (LPG) in their transport operations; and (d) to what extent does this usage represent their total transport fuel consumption.

4. Which departments and agencies are planning to extend their use of these fuels; to what extent, and when.

5. Which departments and agencies do not use LPG or CNG at all in their transport fleets.

6. (a) Which of the top 20 energy consuming departments and agencies do not have energy management plans in place, and why; (b) when will they have plans in place; and (c) which departments and agencies outside the top 20 energy consumers do not have energy management plans in place, and why.

7. (a) Which department and agencies have identified opportunities to introduce solar hot water and photovoltaic systems; (b) what is the status and location of any proposed projects; (c) are they only being considered in rural and/or remote areas; (d) what steps are government departments taking to implement solar technology in urban settings; (e) how would any projects be approved so long as the requirement that they provide a return of 15 per cent or better over 7 years, or the life of the equipment or remaining period of occupancy; and (f) on what basis were the criteria in (7)(e) devised.

8. Has a decision been made by the Australian Greenhouse Office (AGO) or the department to request separate agency reports in order to circumvent the uncertainty over whether some agencies have reported separately or as part of their portfolio department.

9. Has the AGO’s Energy and Environment Services Team identified any suitable Commonwealth premises for pilot projects in energy performance contracting; if so, can details be provided.

10. What steps, if any, is the Government taking to reduce the use of automotive diesel in Commonwealth car fleets, which represents 23.62 per cent of Commonwealth energy use for transport, excluding defence operations.

11. Given the extremely high use of diesel by defence operations, have any steps been taken to identify where this usage could be reduced and replaced by CNG and LPG.

12. (a) What steps are being taken to increase the Commonwealth’s use of ‘greenpower’ above the present level of 0.2 per cent so that it comes in line with the 2 per cent renewables target; and (b) what obstacles, if any, are preventing the adoption of ‘greenpower’.

13. Which departments and agencies: (a) do not yet have staff e-mail; and (b) are forced, by the absence of appropriate information technology, to convey staff memos, bulletins and other communications on paper only.
(14) Given that defence operations account for almost 60 per cent of all Commonwealth energy use, what steps, if any, are being taken to reduce this use and to source energy from renewable or less greenhouse-intensive sources.

(15) (a) Which departments and agencies have Smart Metering, or private metering of non-essential light and power distribution; and (b) does installation of this satisfy the Government criteria set out in (7)(e) for cost-effectiveness of energy-saving equipment.

(16) Why did the following agencies record the following increases in their energy consumption over the 1998-99 financial year: (a) Health Insurance Commission, 167 per cent; (b) Comcare, 437 per cent; and (c) the Governor-General’s residences, 177 per cent.

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

The Policy for Improving Energy Efficiency in Commonwealth Operations is implemented at the agency level, reflecting the devolved decision-making environment of departments and agencies. Consequently, much of the information requested was not available through the normal annual energy reporting process that seeks information to satisfy the requirement to track agency progress in improving energy efficiency rather than the processes adopted. To obtain the information sought required e-mailing each of the 115 agencies known to be covered by the policy. The answers provided below are a summary of the responses received to this circular.

(1) In the case of SES vehicles, when all fuel is purchased on a fuel card and correct travel distances are entered, quite accurate vehicle specific fuel consumption can be calculated. Reliable travel distances are only established by taking odometer readings at the beginning and end of each reporting period and at acquisition and disposal of each vehicle in the fleet. When officers pay for their own fuel and the amount is not recorded, these calculations are not accurate. Vehicles salary packaged for non SES staff are not considered part of departmental vehicle fleets.

(2) (a) See answer to question 1.

(b) Departments and agencies are required to report fuel consumption data including SES data annually.

(3) (a) The Australian Greenhouse Office has developed a draft Issues Paper on a Commonwealth Fleet Strategy that considers both Commonwealth Fleet fuel consumption targets and other options for achieving energy efficiency improvements. On completion of the Issues Paper, the setting of a Commonwealth Fleet target will be progressed through the Joint Working Party on Energy Efficiency in Commonwealth Operations.

(b) It is anticipated that both Commonwealth fleet targets and finalised strategies for achieving them will be announced early 2001. Announcing the targets and strategies early next year will allow Commonwealth government agencies and departments sufficient lead-time to meet the relevant targets in 2003.

(c) The list below is of those agencies that reported LPG and/or CNG consumption for any of the transport categories during 1998/99:

<table>
<thead>
<tr>
<th>Agency</th>
<th>% of total transport fuel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Antarctic Division</td>
<td>1.04%</td>
</tr>
<tr>
<td>Australian Communications Authority</td>
<td>1.94%</td>
</tr>
<tr>
<td>Australian Nuclear Science &amp; Technology Organisation</td>
<td>0.24%</td>
</tr>
<tr>
<td>Commonwealth Ombudsman</td>
<td>under 1%</td>
</tr>
<tr>
<td>Commonwealth Scientific and Industrial Research Organisation</td>
<td>0.17%</td>
</tr>
<tr>
<td>Department of Defence</td>
<td>1.6%</td>
</tr>
<tr>
<td>Department of the Environment and Heritage</td>
<td>4.58%</td>
</tr>
<tr>
<td>IP Australia</td>
<td>15.57%</td>
</tr>
<tr>
<td>Joint House Department</td>
<td>1.57%</td>
</tr>
</tbody>
</table>

Subsequently, the following two organisations advised that they also used LPG in transport operations (% of total transport fuel consumption not available):

Australian Bureau of Statistics

Department of Foreign Affairs and Trade
(d) See answer to question 3c.

(4) No planned extensions have been reported by the departments and agencies.

(5) Of the 115 agencies that provided energy reports for 1998/99 only those listed in question 3c reported using LPG and/ or CNG for transport operations.

(6) (a) With the exception of the agencies listed below, the top 20 energy consuming agencies have energy management plans in place. Most agencies without current energy management plans report that they are monitoring energy use and working to improve energy efficiency.

Australian Customs Service - energy management plan under development.
Australian Quarantine Inspection Service - plan under development.
Department of Foreign Affairs and Trade - plan under development.
Department of Industry Science and Resources - energy manager recruited and plan under development.

Health Insurance Commission - plan under review pending reintroduction.

National Gallery of Australia - does not have an energy management plan in place but has been monitoring energy consumption to achieve efficiencies.

(b) See answer to question 6a.

(c) About half the responding agencies report that they have specific energy management plans in place. Many reported that they managed energy as a resource in their overall resource management processes.

(7) (a) The majority of Commonwealth agencies reporting have not identified any economical solar or photovoltaic projects. Noteworthy exceptions are the Australian Antarctic Division, Australian Sports Commission, Great Barrier Reef Marine Park Authority, and Law Courts Limited.

Solar hot water heating has been extensively used in major new Defence facilities in the Northern Territory. It is also being used in various other Defence locations throughout Australia, including some sites in metropolitan areas. Solar energy is routinely considered by Defence as one of the options during life cycle cost analysis undertaken as part of all new facilities developments. Retro-fitting to existing facilities is also considered on its through life cost effectiveness as part of all investigations into improving energy efficiency on individual Defence sites.

(b) See answer to question 7a.

(c) See answer to question 7a.

(d) See answer to question 7a.

(e) The 15% internal rate of return (IRR) hurdle is included in the policy for recommendations arising from energy audits. It is specifically included to compel agencies to take measures that have a return greater than 15%. Measures with a return of less than 15% may be implemented.

(f) The hurdle rate was set to show leadership. The Sustainable Energy Development Authority in NSW had a hurdle rate set at 20%. Many commercial enterprises seek a maximum simple payback of 2 years, equivalent to a minimum 50% IRR.

(8) DISR is not at present seeking further separation of reports. There are many variables involved in separating agency reports and the benefits of doing this must be considered against the extra administrative burden involved.

(9) The AGO has identified West Block offices, Parkes, ACT, for a pilot Energy Performance Contract. Preliminary assessments of the building have been made and documentation to support an Energy Performance Contract is being prepared.

(10) As reported in Energy Use in Commonwealth Operations 1998-99, diesel makes up more 23% of transport energy use (ex Defence Operations), but it comprises only 7% of passenger vehicle energy use. The passenger vehicle fleet, as defined for the report, includes passenger cars, light commercial vehicles and mini buses. While not separately reported, it is expected that there is little, if any, diesel use by passenger cars. Excluding defence operations, diesel use represents 4.22% of total Commonwealth energy use and 1.57% of greenhouse gas emissions.

(11) Diesel fuel for Defence operations is used primarily to propel ships and ground combat equipment for the military activities of the Australian Defence Force. Substitution of LPG or CNG for diesel in these activities is inappropriate and largely impractical.
(12) (a) The Australian Greenhouse Office is actively encouraging the use of greenpower. Agencies such as Environment Australia and the AGO are currently committed to purchases of up to 100 per cent of electricity as greenpower. The obligation to meet the two percent renewable target falls on retailers and other large buyers. To the extent that agencies source their electricity from retailers they will contribute to meeting the target.

(b) The level of additional cost for greenpower is an obstacle.

(13) (a) Responding departments and agencies had installed email systems.

(b) See answer to question 13a.

(14) As advised by the Department of Defence, fuel for Defence operations is the fuel used by Defence for aircraft, ships and ground mobility equipment. Consumption varies widely between years depending on the level of training activity, number and duration of exercises, nature and extent of military activity in any particular period. Setting annual targets for consumption of these fuels is impractical and inappropriate, as also is sourcing energy for these purposes from renewable or less greenhouse gas intensive sources, given that such technologies may impose operational limitations on defence equipment.

It should be noted that while defence operational fuel consumption is reported, it is specifically excluded from policy consideration.

(15) (a) The following departments/agencies report that they have smart metering:

- Australian Antarctic Division
- Australian Geological Survey Office
- Australian National Audit Office
- Australian Sports Commission
- Australian Taxation Office (NSW, Victoria)
- Centrelink
- Commonwealth Director of Public Prosecutions
- Commonwealth Scientific and Industrial Research Organisation
- Department of Defence
- Department of Industry Science and Resources
- Department of the Treasury
- Governor General’s Residences
- Joint House Department
- Public Service Merit Protection Commission
- SBS
- Screensound Australia

(b) See response to (7) (e). Smart metering provides consumption profiles and remote reading capability and is mainly an adjunct to working within the deregulated market. While useful for reducing the cost of energy, they do not contribute greatly to improved energy efficiency. Private metering or sub-metering that allows better tracking of energy consumption, on the other hand, is a great asset in improving energy efficiency. While they do not work to control energy consumption, the information they provide leads to better and more effective energy management. In appropriate circumstances, and these would be identified through an energy audit, the installation and operation of sub-meters can be extremely cost effective.

(16) In all cases, the increases were not in the total energy consumption of the agency concerned but related only to certain end use categories. In the first two instances the increases were in energy intensity and only in the third instance was the increase in energy consumption.

As stated at the top of each table in the report Energy Use in Commonwealth Operations 1998-99, all data should be read in conjunction with the general text of the report, particularly the sections on Data Presentation, Data Quality and Data Limitations and Department/Agency comments in Annex H.

The following answers were compiled with input from the agencies involved.
(a) A 167% increase in the energy intensity (MJ/m²) of Office - Central Services was reported. This is due to a data error in reported floor area in 1997/98 and the separation of the Health Insurance Commission from Medibank Private which resulted in a number of tenancy shifts and restructures.

(b) The 437% increase in the energy intensity (MJ/m²) of Other Buildings was reported following Comcare’s acquisition of an additional storage facility in Mitchell in June 1999. This is on a very small property holding of less than 250 m² with a total annual energy consumption of 42 GJ worth less than $1,000. As stated in the first dot point under Data Limitations in the report for smaller agencies such as this “…quite small changes in energy consumption and normalisation factors will have proportionally larger impacts on energy intensities.”.

(c) The apparent increase between the 1997-98 and 1998-99 figures shown under the heading Other Transport reflects a significant understatement in 1997-98 of the energy used for Government House off-road gardening and maintenance vehicles because of inadequate information available at the time of the initial report. Improved energy reporting arrangements are reflected in the 1998-99 figures.

**Department of the Environment and Heritage: Programs and Grants to the Bass Electorate**

(Question No. 2405)

Senator O’Brien asked the Minister for the Environment and Heritage, upon notice, on 26 June 2000:

(1) What was the level of funding provided through programs and/or grants administered by the department to provide assistance to people living in the federal electorate of Bass in the 1999-2000 financial year.

(2) What level of funding provided through these programs and/or grants has been appropriated for the 2000-01 financial year.

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

The following table relates to particular grants that are being delivered to the electorate of Bass:

<table>
<thead>
<tr>
<th>PROGRAM/GRANT</th>
<th>1999-00 $</th>
<th>ESTIMATED FUNDING FOR 2000-01</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants to Voluntary Environment and Heritage Organisations Program – grant to the Launceston Environment Centre</td>
<td>7,500</td>
<td>*</td>
</tr>
<tr>
<td>Cultural Heritage Projects Program</td>
<td>57,347</td>
<td>*</td>
</tr>
<tr>
<td>Natural Heritage Trust Projects***</td>
<td>19,856</td>
<td>****244,000</td>
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<tr>
<td>Clean Seas (Local Component)</td>
<td>121,565</td>
<td>*</td>
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<tr>
<td>Coastal Monitoring</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Introduced Marine Planning</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Air Pollution in Major Cities Program – Breathe the Benefits woodsmoke awareness project*****</td>
<td>****24,569</td>
<td>****25,500</td>
</tr>
<tr>
<td>Bushcare</td>
<td>500,147</td>
<td>*</td>
</tr>
<tr>
<td>Waterwatch</td>
<td>109,842</td>
<td>*</td>
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<tr>
<td>Feral Animal Control Program</td>
<td>29,550</td>
<td>*</td>
</tr>
</tbody>
</table>

NB: The GLOBE Australia Program provides in-kind support to three schools in the electorate of Bass. The Program is jointly funded through the Department of the Environment and Heritage and the Department of Education, Training and Youth Affairs to the value of $50,000 each per annum. The current funding period is from July 1995 until December 2000.

*No estimate has been provided as disaggregated allocations have not yet been decided for these programs.
**Only includes Natural Heritage Trust projects administered by my portfolio.**

***Coastcare is jointly funded by the Commonwealth and Tasmanian governments. The figure above denotes both the Commonwealth and the Tasmanian funding contribution. Commonwealth contributions for all Tasmanian Coastcare projects are provided by a single grant for each funding year for the whole of Tasmania and are not by project.***

****This amount represents the total allocation for Tasmania rather than for Bass. No estimate has been provided as disaggregated allocations have not yet been decided for this program.****

*****It is not possible to identify how much of these funds were/are being spent within Bass as the funding covers the whole of Tasmania.*****

**Department of Sport and Tourism: Programs and Grants to the Bass Electorate**

(Question No. 2418)

Senator O’Brien asked the Minister representing the Minister for Sport and Tourism, upon notice, on 27 June 2000:

(1) What was the level of funding provided through programs and/or grants administered by the department to provide assistance to people living in the federal electorate of Bass in the 1999-2000 financial year.

(2) What level of funding provided through these programs and/or grants has been appropriated for the 2000-01 financial year.

Senator Minchin—The Minister for Sport and Tourism has provided the following answer to the honourable senator’s question:

(1) Nil.

(2) No funding has been appropriated for the electorate of Bass in the 2000-01 financial year.

**Department of the Environment and Heritage: Programs and Grants to the Kalgoorlie Electorate**

(Question No. 2423)

Senator O’Brien asked the Minister for the Environment and Heritage, upon notice, on 26 June 2000:

(1) What programs and/or grants administered by the department provide assistance to people living in the federal electorate of Kalgoorlie.

(2) What was the level of funding provided through these programs and/or grants for the 1996-97, 1997-98, 1998-99 and 1999-2000 financial years.

(3) What level of funding provided through these programs and/or grants has been appropriated for the 2000-01 financial year.

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

The following table relates to particular grants that are being delivered to the electorate of Kalgoorlie:

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants to Voluntary Environment and Heritage Organisations – Environs Kimberley</td>
<td>$Nil</td>
<td>$Nil</td>
<td>$5,000</td>
<td>$4,500</td>
<td>*</td>
</tr>
<tr>
<td>National Estate Grants Program</td>
<td>$59,906</td>
<td>$38,000</td>
<td>$191,521</td>
<td>$Nil</td>
<td>NA – The program has ceased</td>
</tr>
<tr>
<td>Cultural Heritage Projects Program</td>
<td>$Nil</td>
<td>$Nil</td>
<td>$Nil</td>
<td>$408,411</td>
<td>*</td>
</tr>
<tr>
<td>Federation Cultural and Heritage Program</td>
<td>$Nil</td>
<td>$Nil</td>
<td>$50,000</td>
<td>$Nil</td>
<td>*</td>
</tr>
<tr>
<td>---------------------------------------------------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
</tr>
<tr>
<td>Natural Heritage Trust Projects**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coastcare***</td>
<td>214,979</td>
<td>113,386</td>
<td>229,161</td>
<td>379,670</td>
<td>549,000</td>
</tr>
<tr>
<td>Coastcare – Cyclone Repair *****</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>205,018</td>
<td></td>
</tr>
<tr>
<td>Marine Species Protection Program – Commonwealth component</td>
<td>Nil</td>
<td>60,000</td>
<td>Nil</td>
<td>Nil</td>
<td>*</td>
</tr>
<tr>
<td>Cleans Seas (local)</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>119,500</td>
<td>67,000</td>
</tr>
<tr>
<td>Coastal Monitoring</td>
<td>Nil</td>
<td>50,550</td>
<td>25,000</td>
<td>27,000</td>
<td>*</td>
</tr>
<tr>
<td>Marine Species Protection</td>
<td>Nil</td>
<td>10,000</td>
<td>15,000</td>
<td>61,000</td>
<td>*</td>
</tr>
<tr>
<td>Coastal and Marine Planning</td>
<td>50,000</td>
<td>5,135</td>
<td>350,000</td>
<td>Nil</td>
<td>*</td>
</tr>
<tr>
<td>Bushcare</td>
<td>Nil</td>
<td>626,868</td>
<td>654,415</td>
<td>201,334</td>
<td>*</td>
</tr>
<tr>
<td>Endangered Species Program</td>
<td>94,150</td>
<td>76,200</td>
<td>257,026</td>
<td>140,000</td>
<td>*</td>
</tr>
<tr>
<td>Feral Animal Control Program</td>
<td>Nil</td>
<td>97,270</td>
<td>Nil</td>
<td>59,000</td>
<td>*</td>
</tr>
<tr>
<td>National Reserve System Program</td>
<td>38,450</td>
<td>392,000</td>
<td>1,270,69</td>
<td>1,297,64</td>
<td>*</td>
</tr>
<tr>
<td>National Wetlands Program</td>
<td>Nil</td>
<td>102,660</td>
<td>54,432</td>
<td></td>
<td>*</td>
</tr>
</tbody>
</table>

NB: The GLOBE Australia Program provides in-kind support to three schools in the electorate of Kalgoorlie. The Program is jointly funded through the Department of the Environment and Heritage and the Department of Education, Training and Youth Affairs to the value of $50,000 each per annum. The current funding period is from July 1995 until December 2000.

*No estimate has been provided as disaggregated allocations have not yet been decided for these programs.

**Only includes Natural Heritage Trust projects administered by my portfolio.

***Coastcare is jointly funded by the Commonwealth and Western Australian governments. The figure above denotes both the Commonwealth and the WA funding contribution. Commonwealth contribution for all WA Coastcare projects are provided by a single grant each funding year for the whole of WA and are not by project.

****This amount represents the total allocation for WA rather than for Kalgoorlie. No estimate has been provided as disaggregated allocations have not yet been decided for this program.

*****In 1999-2000 one-off grants totalling $205,018 of Commonwealth NHT funds only, were made in the Electorate of Kalgoorlie for projects repairing Cyclone damage. These projects were not jointly funded with WA.

Department of Sport and Tourism: Programs and Grants to the Kalgoorlie Electorate (Question No. 2436)

Senator O’Brien asked the Minister representing the Minister for Sport and Tourism, upon notice, on 27 June 2000:

(1) What programs and/or grants administered by the department provide assistance to people living in the federal electorate of Kalgoorlie.

(2) What was the level of funding provided through these programs and/or grants for the 1996-97, 1997-98, 1998-99 and 1999-2000 financial years.

(3) What level of funding provided through these programs and/or grants has been appropriated for the 2000-01 financial year.

Senator Minchin—The Minister for Sport and Tourism has provided the following answer to the honourable senator’s question:

The Regional Tourism Program and the Regional Online Tourism Program.
(2)  

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Tourism Program</td>
<td>$520,000</td>
<td>$135,617</td>
<td>$70,000</td>
<td>$152,000</td>
</tr>
<tr>
<td>Regional Online Tourism Program</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
</tbody>
</table>

(3) No funding has been appropriated for the electorate of Kalgoorlie in 2000-01.

Department of the Environment and Heritage: Program and Grants to the Eden-Monaro Electorate  
(Question No. 2441)

Senator O’Brien asked the Minister for the Environment and Heritage, upon notice, on 26 June 2000:

1. What programs and/or grants administered by the department provide assistance to people living in the federal electorate of Eden-Monaro.

2. What was the level of funding provided through these programs and/or grants for the 1996-97, 1997-98, 1998-99 and 1999-2000 financial years.

3. What level of funding provided through these programs and/or grants has been appropriated for the 2000-2001 financial years.

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

The following table relates to particular grants that are being delivered to the electorate of Eden-Monaro:

(1) and (2)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>National Estate Grants Program</td>
<td>$52,200</td>
<td>Nil</td>
<td>45,000</td>
<td>Nil</td>
<td>NA – Program has ceased</td>
</tr>
<tr>
<td>Commemoration of Historic Events and Famous People</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>5,000</td>
<td>*</td>
</tr>
<tr>
<td>Natural Heritage Trust Projects**</td>
<td>56,305</td>
<td>72,825</td>
<td>139,666</td>
<td>44,939</td>
<td>$512,000</td>
</tr>
<tr>
<td>Clean Seas (Local Component)</td>
<td>Nil</td>
<td>Nil</td>
<td>200,000</td>
<td>250,000</td>
<td>*</td>
</tr>
<tr>
<td>Coastal Monitoring</td>
<td>Nil</td>
<td>Nil</td>
<td>59,160</td>
<td>104,185</td>
<td>68,255</td>
</tr>
<tr>
<td>Marine Species Protection</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>119,590</td>
<td>87,740</td>
</tr>
<tr>
<td>Clean Seas (Commonwealth Component)</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>260,000</td>
</tr>
<tr>
<td>Coastal and Marine Planning</td>
<td>Nil</td>
<td>Nil</td>
<td>250,000</td>
<td>Nil</td>
<td>*</td>
</tr>
<tr>
<td>Air Pollution in Major Cities Program – Breathe the Benefits woodsmoke awareness project*****</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>27,007</td>
<td>*</td>
</tr>
<tr>
<td>Bushcare</td>
<td>Nil</td>
<td>43,328</td>
<td>227,955</td>
<td>455,136</td>
<td>*</td>
</tr>
<tr>
<td>Endangered Species</td>
<td>Nil</td>
<td>41,000</td>
<td>15,100</td>
<td>Nil</td>
<td>*</td>
</tr>
</tbody>
</table>

*No estimate has been provided as disaggregated allocations have not yet been decided for these programs.

**Only includes Natural Heritage Trust projects administered by my portfolio.

***Coastcare is jointly funded by the Commonwealth and New South Wales governments. The figure above denotes both the Commonwealth and the New South Wales funding contribution. Common-
wealth contributions for all NSW Coastcare projects are provided by a single grant each funding year for the whole of NSW and are not by project.

****This amount represents the total allocation for NSW rather than for Eden-Monaro. No estimate has been provided as disaggregated allocations have not yet been decided for this program.

*****It is not possible to identify how much of these funds were/are being spent within Eden-Monaro as the funding covers the whole of NSW.

**Department of Sport and Tourism: Programs and Grants to the Eden-Monaro Electorate**

(Question No. 2455)

Senator O’Brien asked the Minister representing the Minister for Sport and Tourism, upon notice, on 27 June 2000:

(1) What programs and/or grants administered by the department provide assistance to people living in the federal electorate of Eden-Monaro.

(2) What was the level of funding provided through these programs and/or grants for the 1996-97, 1997-98, 1998-99 and 1999-2000 financial years.

(3) What level of funding provided through these programs and/or grants has been appropriated for the 2000-01 financial year.

Senator Minchin—The Minister for Sport and Tourism has provided the following answer to the honourable senator’s question:

(1) The Regional Tourism Program and the Regional Online Tourism Program.

(2)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Tourism Program</td>
<td>$85 000</td>
<td>Nil</td>
<td>$100 000</td>
<td>Nil</td>
</tr>
<tr>
<td>Regional Online Tourism Program</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>$50 000</td>
</tr>
</tbody>
</table>

(3) No funding has been appropriated for the electorate of Eden-Monaro in 2000-01.

**Department of the Environment and Heritage: Programs and Grants to the Gippsland Electorate**

(Question No. 2460)

Senator O’Brien asked the Minister for the Environment and Heritage, upon notice, on 26 June 2000:

(1) What was the level of funding provided through programs and/or grants administered by the department to provide assistance to people living in the federal electorate of Gippsland in the 1999-2000 financial year.

(2) What level of funding provided through these programs and/or grants has been appropriated for the 2000-01 financial year.

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

The following table relates to particular grants that are being delivered to the electorate of Gippsland:

(1) and (2)

<table>
<thead>
<tr>
<th>PROGRAM/GRANT</th>
<th>1999-00</th>
<th>ESTIMATED FOR 2000-01</th>
<th>FUNDING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Heritage Trust Projects**</td>
<td>$182,337</td>
<td>$427,000</td>
<td></td>
</tr>
<tr>
<td>Coastcare***</td>
<td>35,000</td>
<td>215,000</td>
<td></td>
</tr>
<tr>
<td>Coastal Monitoring</td>
<td>40,000</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>Marine Species Program</td>
<td>20,000</td>
<td>20,000</td>
<td></td>
</tr>
<tr>
<td>PROGRAM/GRAINT</td>
<td>ESTIMATED FUNDING</td>
<td>FOR 2000-01</td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------------</td>
<td>-------------------</td>
<td>-------------</td>
<td></td>
</tr>
<tr>
<td>Clean Seas (Commonwealth Component)</td>
<td>$100,000</td>
<td>$200,000</td>
<td></td>
</tr>
<tr>
<td>Air Pollution in Major Cities Program – Breathe the Benefits woodsmoke awareness project* ****</td>
<td>$57,097 *</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bushcare</td>
<td>$717,348</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waterwatch</td>
<td>$42,800</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NB: The GLOBE Australia Program provides in-kind support to two schools in the electorate of Gippsland. The Program is jointly funded through the Department of the Environment and Heritage and the Department of Education, Training and Youth Affairs to the value of $50,000 each per annum. The current funding period is from July 1995 until December 2000.

*No estimate has been provided as disaggregated allocations have not yet been decided for these programs.

**Only includes Natural Heritage Trust projects administered by my portfolio.

***Coastcare is jointly funded by the Commonwealth and Victorian governments. The figure above denotes both the Commonwealth and the Victorian funding contribution. Commonwealth contributions for all Victorian Coastcare projects are provided by a single grant for each funding year for the whole of Victoria and are not by project.

****This amount represents the total allocation for Victoria rather than for Gippsland. No estimate has been provided as disaggregated allocations have not yet been decided for this program.

*****It is not possible to identify how much of these funds were/are being spent within Gippsland as the funding covers the whole of Victoria.

**Department of Sport and Tourism: Programs and Grants to the Gippsland Electorate**

(Question No. 2474)

Senator O’Brien asked the Minister representing the Minister for Sport and Tourism, upon notice, on 27 June 2000:

(1) What was the level of funding provided through programs and/or grants administered by the department to provide assistance to people living in the federal electorate of Gippsland in the 1999-2000 financial year.

(2) What level of funding provided through these programs and/or grants has been appropriated for the 2000-01 financial year.

Senator Minchin—The Minister for Sport and Tourism has provided the following answer to the honourable senator’s question:

(1) The Regional Tourism Program provided $85,000 to the federal electorate of Gippsland in 1999-2000.

(2) No funding has been appropriated for the electorate of Gippsland in the 2000-01 financial year.

**Aged Care Providers: Administrative Appeals Tribunal**

(Question No. 2476)

Senator Chris Evans asked the Minister representing the Minister for Aged Care, upon notice, on 27 June 2000:

With reference to application by residential aged care providers to the Administrative Appeals tribunal over departmental validations of resident classifications:

(1) On what date was each application lodged.

(2) For each of the applications lodged, was the application heard by the Tribunal.

(3) Can a copy be provided of all decisions handed down by the Tribunal in relation to the applications.

Senator Herron—The Minister for Aged Care has provided the following answer to the honourable senator’s question, in accordance with advice provided to her:
Eucalyptus Globulus

(Question No. 2479)

Senator Brown asked the Minister representing the Minister for Forestry and Conservation, upon notice, on 27 June 2000:

(1) What is the optimum time for planting Eucalyptus globulus to ensure survival and maximum early growth.
(2) What factors influence a seedlings survival and maximise its chances.
(3) (a) What studies have been carried out on the question of Eucalyptus globulus seedling survival and growth; and
(b) What government guidelines, if any, are available.

Senator Hill—The Minister representing the Minister for Forestry and Conservation has provided the following answer to the honourable senator’s question:

(1) The optimum time for planting Eucalyptus globulus is June and July. This planting season may be extended from May to August, depending on the timing of adequate rainfall.
(2) The major factors that maximise seedling survival are weed control, soil preparation and the availability of water.
(3) (a) Seedling survival is determined by the combined effects of adequate site preparation, seedling number and restricted competition from weeds to minimise the loss of water and nutrients. No studies have specifically investigated Eucalyptus globulus survival, but rather the effects of site and silvicultural management on volume production, height increment and diameter increment of trees. Examples of the most recent research results in this area were presented at a Plantation Management Workshop held in Pemberton, Western Australia, on 9 and 10 November 1999. The Workshop was entitled Balancing Productivity and Drought Risk in Blue gum Plantations.
(b) Information on site management for Eucalyptus globulus plantations is provided by the forestry agencies in each State where blue gums are grown. Private Forests Tasmania, Agriculture WA and the Department of Natural Resources and Environment in Victoria have details on their web sites. Forestry SA has printed copies of their plantation guidelines. Additional details can be obtained from farm forestry networks and the Regional Plantation Committees.

Information was collected from the State forestry agencies of South Australia, Tasmania, Western Australia and Victoria.

Bankstown Airport: Air Traffic Control Tower

(Question No. 2539)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 28 June 2000:

(1) What are the current operating hours for the air traffic control tower at Bankstown Airport.
(2) Since January 1998: (a) on how many occasions have the operating hours for the air traffic control tower varied; and (b) in each case, how were hours of operation varied.
(3) Will the operating hours be varied again from 1 July 2000 and if so: (a) was the decision to reduce hours taken by the Airservices Australia Board; (b) what will the new operating hours be; and (c) why are the operating times being varied.
(4) Will the shorter hours be suspended during the Olympic Games: if so, what will be the hours of operation.

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

Airservices Australia has provided the following information:

(1) 6am to 9pm Monday to Friday and 6am to 8pm Saturday and Sunday.
(2) (a) From January 1998 to present, the notified operating hours for the Bankstown Tower have been varied for Christmas days in 1999 and 2000 and New Years Day 2000 i.e. a total of 3 days. The actual operating hours have also been varied (shortened) on occasions as a result of staff contingencies.

(b) On each occasion the actual operating hours have been less than the previously notified hours of operation.

(3) No, except over the Olympic Games period.

(a) No.

(b) Bankstown Tower hours will be increased over the Olympic Games period from 1 August to 31 October 2000 and will operate as a minimum between 6 am to 11 pm with 24 hr operation during the peak Olympic Games period.

(c) To meet the demand over the Olympic Games period.

Regional Forest Agreement: Sawmill Funding

(Question No. 2550)

Senator Brown asked the Minister representing the Minister for Forestry and Conservation, upon notice, on 30 June 2000:

(1) Are Bush Mills Pty Ltd and Hamilton Saw Mills being given funding through, or consequent on, the Western Australia Regional Forest Agreement; if so, how much and what for.

(2) (a) Is any Commonwealth money being used to buy Whittakers mill or its site; and

(b) who has been given any money and for what purpose.

Senator Hill—The Minister for Forestry and Conservation has provided the following answer to the honourable senator’s question:

(1) The Commonwealth Government has not funded Bush Mills Pty Ltd or Hamilton Saw Mills through, or consequent on, the Western Australia Regional Forest Agreement.

(2) (a) No

(b) The Commonwealth Government is currently negotiating with the Western Australian Government on the implementation of a joint $15m Forest Industry Structural Adjustment Package in Western Australia. No specific amounts have been earmarked for a particular company or purpose. However, the Commonwealth has agreed to jointly fund an Industry Development Strategy that is intended to guide funding priorities.

Rescheduling Assistance ($118,800) was paid to the Western Australian Department of Conservation and Land Management in 1996/97 as a result of the Deferred Forest Agreement.