## CONTENTS

**WEDNESDAY, 6 SEPTEMBER**

ACIS Administration Amendment Bill 2000—  
First Reading .............................................................................................................. 17381  
Second Reading ......................................................................................................... 17381  

Business—  
Consideration of Legislation ...................................................................................... 17381  

Defence Legislation Amendment (Aid to Civilian Authorities) Bill 2000—  
In Committee .............................................................................................................. 17382  

Matters of Public Interest—  
Australian Labor Party ............................................................................................... 17411  
Senate Committees: Conduct .................................................................................... 17415  
Aboriginal Deaths in Custody .................................................................................... 17418  
Workplace Relations ................................................................................................. 17421  
Accounting Standards ............................................................................................... 17425  

Questions Without Notice—  
United Nations Committees: Australian Participation .............................................. 17427  
Information Technology: Skills Shortage ................................................................... 17428  

Distinguished Visitors ................................................................................................. 17429  

Questions Without Notice—  
Goods and Services Tax: Petrol Prices ...................................................................... 17429  
Goods and Services Tax: Car Industry ........................................................................ 17430  
Goods and Services Tax: CPI and Petrol Excise ......................................................... 17431  
Aviation: Audible Warning Systems .......................................................................... 17433  
Sugar Industry: Assistance Package .......................................................................... 17434  
Medicare: Abortions ................................................................................................... 17435  
Aviation: Audible Warning Systems .......................................................................... 17436  
Electronic Purchasing: Government Policy ............................................................... 17437  
Education: Vision College ......................................................................................... 17438  
Invest Australia: Local Content Guidelines .................................................................. 17438  

Answers To Questions Without Notice—  
Aged Care: Facilities .................................................................................................. 17440  
Computer Equipment: Losses .................................................................................... 17443  
Goods and Services Tax: Petrol Prices ...................................................................... 17443  
Civil Aviation Safety Authority: Operations .............................................................. 17449  

Notices—  
Presentation ................................................................................................................ 17450  

Telstra: Contracts With Leighton Holdings—  
Return to Order ........................................................................................................... 17454  

Committees—  
Selection of Bills Committee—Report ........................................................................ 17454  

Notices—  
Postponement ............................................................................................................ 17457  

Committees—  
Foreign Affairs, Defence and Trade References Committee—Extension of Time ............................................................................................................... 17457  

Budget 2000-01—  
Consideration by Economics Legislation Committee—Answers to Questions on Notice ........................................................................................................ 17457  

Corporate Code of Conduct Bill 2000—  
First Reading .............................................................................................................. 17457
CONTENTS—continued

Second Reading........................................................................................... 17457
Human Rights (Mandatory Sentencing for Property Offences) Bill 2000—
  First Reading ........................................................................................... 17461
  Second Reading ....................................................................................... 17461
2020 Vision: Plantations ........................................................................... 17464
Matters Of Urgency—
  World Economic Forum ........................................................................... 17464
Committees—
  Native Title and the Aboriginal and Torres Strait Islander Land Fund
    Committee—Report ................................................................................ 17477
  Scrutiny of Bills Committee—Report ....................................................... 17481
  National Crime Authority Committee—Report ......................................... 17481
Ministerial Statements—
  Natural Heritage Ministerial Board ........................................................ 17481
Senators’ Interests ...................................................................................... 17487
Documents—
  Auditor-General’s Reports—Report No. 9 of 2000-01 ............................ 17497
  Department of Employment, Workplace Relations and Small Business... 17498
  Consideration ........................................................................................... 17499
Adjournment—
  Western Australia: Mortgage Broking ................................................... 17499
  Hill, Ms Jennifer ...................................................................................... 17501
  Wool Industry .......................................................................................... 17503
  Queensland Labor Party: Racism ............................................................ 17504
Documents—
  Tabling ........................................................................................................ 17507
Questions on Notice—
  Health and Aged Care Portfolio: Agency Boards—(Question No. 2152)... 17508
  Civil Aviation Safety Authority: Qantas Accidents—(Question No. 2228)... 17509
  Airports: Rescue and Firefighting Services—(Question No. 2281)........... 17510
  Pharmaceutical Industry Working Group: Meetings—(Question No. 2299).... 17510
  Helicopters: Civil Aviation Authority Requirements—(Question No. 2366)... 17511
  Telstra Country Wide: Staff—(Question No. 2390) .................................. 17511
  Department of the Prime Minister and Cabinet: Programs and Grants to the Bass Electorate—(Question No. 2401) ........................................ 17513
  Department of Transport and Regional Services: Programs and Grants to the Bass Electorate—(Question No. 2402) ........................................ 17513
  Department of the Prime Minister and Cabinet: Programs and Grants to the Kalgoorlie Electorate—(Question No. 2419) ........................................ 17516
  Department of the Prime Minister and Cabinet: Programs and Grants to the Eden-Monaro Electorate—(Question No. 2437) .............................. 17517
  Aboriginal and Torres Strait Islander Commission: Programs and Grants to the Eden-Monaro Electorate—(Question No. 2454) ............................ 17518
  Department of the Prime Minister and Cabinet: Programs and Grants to the Gippsland Electorate—(Question No. 2456) ........................................ 17518
  Aged Care Providers: Validation of Resident Classifications—(Question No. 2477) ........................................................... 17519
CONTENTS—continued

Korean Peninsular Energy Development Organisation: Funding—
(Question No. 2480)........................................................................................................ 17519
Department of Family and Community Services: Salaries—(Question
No. 2566)..................................................................................................................... 17520
Department of Finance and Administration: Salaries—(Question
No. 2578)..................................................................................................................... 17520
Eurobodalla Disability Action Inc.: Proposed Funding—(Question
No. 2579)..................................................................................................................... 17520
International Maritime Organisation and the International Civil Aviation
Organisation: Search and Rescue Joint Committee—(Question
No. 2582)..................................................................................................................... 17521
Centenary of Federation Celebrations, United Kingdom: Minister for
Transport and Regional Services Staff—(Question No. 2597).................. 17521
Stone, Mr Shane: Correspondence with the Australian Ambassador
to the United Nations—(Question No. 2623)......................................................... 17522
The PRESIDENT (Senator the Hon. Margaret Reid) took the chair at 9.30 a.m., and read prayers.

ACIS ADMINISTRATION AMENDMENT BILL 2000

First Reading

Motion (by Senator Ian Campbell) agreed to:
That the following bill be introduced: a Bill for an Act to amend the ACIS Administration Act 1999, and for related purposes

Motion (by Senator Ian Campbell) agreed to:
That the bill may proceed without formalities and be now read a first time.

Bill read a first time.

Second Reading

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (9.31 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—

This bill will make several minor amendments to the ACIS Administration Act 1999 which came into effect on 30 December 1999. The Auto Motive Competitiveness and Investment Scheme (ACIS) will commence from 1 January 2001 and is scheduled to end on 31 December 2005. The scheme will encourage the development of internationally competitive firms in the Australian automotive industry through rewarding eligible production, strategic investment and research and development.

ACIS will provide capped benefits of $2 billion over the five years of the scheme. Benefits will be provided in the form of duty credits which can be used to offset Customs duty on eligible automotive imports, or can be sold.

The administrative framework for delivering the scheme to the Australian automotive industry is now well developed, and the minor amendments set out in this bill will enable the efficient delivery of the program. The amendments will streamline the operation of the scheme and reduce the administrative burden on both participants and the Government.

The main change to the Act will be an increased capacity for regulations to define what is approved plant and equipment and approved research and development for the purposes of calculating benefits under the scheme. The regulations will be able to clarify exactly what is the maximum claimable value of investment in different kinds of plant and equipment and research and development. This will assist participants to determine what is and is not eligible expenditure, in what is largely a self assessed scheme.

The regulations will also be able to provide for investment loadings to cover all those incidental costs of investment which are extremely difficult to substantiate from a participant’s point of view, and almost impossible to audit from an administrator’s point of view. It is intended that these loadings will substitute for the labour costs of repairs and maintenance associated with investment in plant and equipment, and those low cost or short life items that are normally fully depreciated in the year of purchase.

The loadings will also substitute for overhead costs associated with research and development, removing the need for participants to substantiate and pro-rate costs where R&D activities occur in the same building as, for example, production activities.

As well as clarifying terms and phrases used in the legislation, this bill will also introduce provisions to protect the scheme from “artificial” companies set up to take advantage of ACIS, that are not going to contribute to the sustainable growth of the Australian automotive industry. This will permit the benefits of the $2 billion scheme to be directed at those firms that are working to improve their competitiveness.

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

BUSINESS

Consideration of Legislation

Motion (by Senator Ian Campbell) agreed to:
That the provisions of paragraphs (5) to (7) of standing order 111 not apply to the following bills, allowing them to be considered during this period of sittings:

Patents Amendment (Innovation Patents) Bill 2000
Senator BROWN (Tasmania) (9.33 a.m.)—Perhaps I could have the amendments read out, please.

The CHAIRMAN—What do you mean ‘have the amendments read out’? These are amendments Nos 1 and 2 on sheet 1895 revised 2.

Senator BROWN—that is a simple enough request, Chair.

The CHAIRMAN—The amendments read:

(1) Schedule 1, item 3, page 5 (lines 26 to 29), omit subsection (3), substitute:

Involvement of State or Territory

(3) If paragraph (1)(b) applies:

(a) the Governor-General may make the order whether or not the Government of the State or the self-governing Territory requests the making of the order; and

(b) if the Government of the State or the self-governing Territory does not request the making of the order, an authorising Minister must, subject to subsection (3A), consult that Government about the making of the order before the Governor-General makes it.

Exception to paragraph (3)(b)

(3A) However, paragraph (3)(b) does not apply if the Governor-Governor is satisfied that, for reasons of urgency, it is impracticable to comply with the requirements of that paragraph.

Further, section 51A, consultation with states et cetera:

(2) Schedule 1, item 3, page 6 (line 16), after “the order”, insert “, or in deciding whether he or she is satisfied as mentioned in subsection (3A)”.

Senator BROWN—I thank you for that, Chair. To describe where we are, this is the opposition’s backdown amendments to enable the armed forces to be used against civilians in Australia who are protesting or on strike, or in worse circumstances. This is the Labor Party prescription for pulling the rug out from under a century of practice and expectation that armed forces would not be brought out against Australians, unless a state government called for it. That is a very important restriction because it means that the police and their tactical response groups in each state and territory are there to keep the domestic peace, and it is not up to politicians in Canberra, on their expectation of impending domestic violence, to be able to call the armed forces out, unless the state has made that call.

This is Labor’s way of eliminating that restriction and codifying the new provision—that is, it will be up to politicians in Canberra in future to be able to call out the Army, with or without a state request. Of course, they can still do so if a state makes a request. But here we have it in black and white, through this Labor amendment, that the states will not have to make that request, as custom would have it, anymore. I know that Labor may argue, ‘Well, it wasn’t there in the law before.’ But combine law with convention, and for over a century it has not been the case that the armed services have been sent in against Australians. Except for some examples very early in the century, the states have not made that request. Where they did make that request on three or four occasions early last century, the Commonwealth essentially turned them down. But we are in a changing world. We are in a world of globalisation. We are in a world where the power of wealth demands that there be security for huge developments, which may be unpopular, coming down the line—for events, which may be unpopular, coming down the line.

The question I will again put to Labor, because so far it goes unanswered in this debate, is: what are the circumstances in which
this clause becomes necessary? Give us an example taken from the last century of Australian history where the state police force have been overrun, the state tactical response group have not been able to handle it and federal politicians are then brought into play. Even if they do give that example, we have got to the stage now where that does not have to happen anymore. Federal politicians can call out the Army as their police, effectively, under this, and they only have to consult with the state or territory that is involved. Let me re-read the section:

(a) the Governor-General—
that is effectively the three ministers—
may make the order—
that is, to call out the troops—
whether or not the Government of the State or the self-governing Territory requests the making of the order...

Bang goes that proviso. Secondly:
(b) if the Government of the State or the self-governing Territory does not request the making of the order, an authorising Minister—
just one of these three federal ministers—
must, subject to subsection (3A), consult that Government about the making of the order before the Governor-General—
that is, the ministers—
makes it.

‘Must consult’ there means they must make a phone call. There is nothing about permission or a go-ahead being required; they just must make a phone call to say that this is happening. Senator Faulkner and all other members of this place know that that is what the word ‘consult’ can mean. I am very well aware that in environmental legislation over many years of practice it has been the requirement that the minister involved with the development must consult with the minister for the environment. All that meant before a forest got knocked down, a dam went into place or some petrochemical works went up was that a phone call had to be made. Even a talk in a corridor would do. So ‘consult’ is here not defined. It simply means passing on the information that a decision has been made.

This is a complete capitulation by Labor. It goes against the concerns of those unions who have spoken up in this situation. I think we have had a remarkable silence from the ACTU on this matter. Here we have the Labor Party giving future governments, conservative or otherwise, the ability to bring out troops against a strike with or without the permission of the state government involved. It is not just a case of giving approval to a government move on this: Labor is drawing up the guidelines. Where is the ACTU on this matter? Or have they been nobbled, too? I ask the Labor Party, whose amendments these are, to give some examples of where they see this measure being required—that is, the calling out of the troops being decided upon and consultation with the states being then required to give effect to the action. What does ‘consultation’ mean, and under what circumstances would the troops be called out?

Senator HARRIS (Queensland) (9.41 a.m.)—Yesterday, at the conclusion of the debate on this particular section, I was speaking about the rights of the states because in effect these amendments will bring about a reduction in the rights of the states. Here we have another piece of legislation being brought into this chamber for debate which will again usurp the rights of the states. It would appear from the structure of Labor’s amendments that Labor are approaching this position mindful of a time when they will be in government. I do not believe that Labor are standing up for the rights of the states. This is why, as I said yesterday, Labor’s amendments are essentially, in rhetoric, stating exactly the same position, if not a worse one, as the government amendment, because in 3(a) they are giving the Governor-General the ability to bring out the troops if he believes that it is impractical to comply with the requirement of consulting with the states. The amendments do not mention anything about a state not wanting the Army called in. They do not cover the situation where the state believes that it has the ability to control whatever issue is at hand. Throughout the whole of this debate the position of the Australian Federal Police has basically not even been mentioned. At a later stage today I will be bringing forward amendments to rectify that. If the Commonwealth has a power—and I believe
it does not—that power should be exercised through the Australian Federal Police. The state police have the ability to control and effectively look after the rights of the state in relation to domestic violence.

If a single state or territory is in a position where it does not have sufficient officers to achieve that, as has happened here in Canberra, it can call on neighbouring states for assistance from their police forces. It can also call on the assistance of the Australian Federal Police. It is interesting to note the psychology of the two groups of people that I am now referring to—that is, the defence forces and the Australian Federal Police. The Australian Federal Police are primarily trained to protect life and property, be it Commonwealth or state. The officers are trained to preserve; they preserve both life and property. The defence forces, on the other hand, are trained entirely differently. They are trained to neutralise an enemy. As I said earlier, ‘to neutralise’ is the sanitised version of ‘to eliminate’ or ‘to kill’. So we have two totally opposite approaches in how domestic violence would be controlled by either of the groups. I believe that is what raises the greatest concern in the community, and the community are concerned about this bill. They are showing that concern by contacting the members of both the Senate and the House of Representatives.

The essence of Labor’s amendments goes to the fact that the Commonwealth can—and, by virtue of Labor putting it forward, they are indicating that they will—bring the troops in if they believe it is necessary. They will ride roughshod over the rights of the states. They will, against the will of the states, bring in the troops. If Labor’s position were that they supported the rights of the states, then those words would be in these amendments. The amendments would say, ‘The Commonwealth government will not at any point bring out the troops against the wishes of the states.’ Those words are not there. The provision is there for the Commonwealth government to do exactly that: to bring out the troops. It is with that in mind that I clearly state that One Nation will be voting against these amendments, because I believe the amendments put into place exactly the situation that we should not have—that is, the situation where the Commonwealth can override the rights of the states.

Senator BROWN (Tasmania) (9.48 a.m.)—I ask the opposition to give examples of where this proposed section would come into play. I would like the opposition to respond to that question.

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (9.48 a.m.)—I am not going to make a habit of responding to requests from Senator Brown or from any other senator in the committee stage debate, but on this occasion I will do it in the context of indicating that I do not see it as a precedent. Senator Brown, I will respond to you on this occasion, but I do not intend to waste the Senate’s time engaging in an unnecessary filibuster on the legislation. I accept that Senator Brown and others have strongly held views on this legislation, and I accept that Senator Brown may not agree with the opposition’s very important amendments to this bill. He has got the right to vote against them. I have commended the amendments to the Senate. I think Senator Brown is wrong not to embrace those amendments. I think they are a very significant improvement, but I respect his right to vote against them if he does not support them. He does not have to support them. He is not obliged to support them. I think I mounted a very cogent case for these amendments yesterday evening, and I would commend that case to Senator Brown.

Senator Brown asked a question. I want to make it clear again that I am not going to engage in tick-tacking of this nature. I will be ignoring most requests of this type. After all, if senators are not satisfied with amendments, if they so desire they have an opportunity to speak against them and vote against them. In relation to the call-out, take your mind back to 1978. Take your mind back to the Hilton bombing, when Malcolm Fraser in fact utilised the capacity to call out the troops. That was the last occasion this occurred. The opposition are seeking to put in place a mechanism for giving consultation and formal notice to a state. We think it is important that the Commonwealth be obliged to consult with state governments before it undertakes
any action under this legislation. Others may not share that view, but we believe it is important. If Senator Brown wants an example, he should think back to the Hilton bombing in 1978. I think that is the best example for him to consider as he determines his approach on these amendments and on the legislation as a whole.

We do not want to see a situation where there is any level of disagreement, dispute or confrontation between the Commonwealth and a state government. We believe the Commonwealth should consult with the appropriate state government before any such action to call out the troops. After all, we argue—and you can make a very cogent case for this—that the Commonwealth, at the very least, would want to know what on earth a state was up to in this situation. It is quite possible that, if there were appropriate consultation, the Commonwealth might take a different view on the necessity or otherwise of calling out the troops. I commend the very informative contribution I made in moving these amendments on behalf of the opposition yesterday. I commend the case that was mounted yesterday. The Hansard record shows that there is a very good reason for supporting the opposition amendments to the government’s bill in this area. Let me stress that I will not be delaying the work of the committee in future by responding to questions that might be directed to me by Senator Brown or any other senator.

Senator BROWN (Tasmania) (9.53 a.m.)—When any party or senator moves amendments in this place, one can quite properly expect that they will field questions on them and explain to the committee why the amendments have been proposed. That is what the committee is for. We now have an indication from Labor that it is not going to defend its amendments, and that is a tacit admission that they are indefensible. Remember, these are Labor-Howard government amendments. They have been agreed to in an arrangement of one form or another—which we are not going to have explained to us—so that they are acceptable to the government as well as to the opposition. The best the Leader of the Opposition in the Senate could do was to cite the Hilton bombing in 1978. That is an example of a post-terrorist situation in which consultation with the state did—and should—take place. But the whole tenor of this debate has been about opening up this legislation, way beyond terrorist situations, to a situation where politicians in Canberra can use the troops against civilians who are protesting—against dissidents, as the handbook says; that is, somebody who disagrees with the government.

Senator Faulkner is not going to get up and agree that that is exactly what Labor’s amendments are enabling a future government to do. He is not going to agree to that; nor is he going to tell us who has been advising the opposition on its serial backdowns from a position of defending civil liberties in this place and keeping a very clear divide between our community—where civil protest is a time-honoured component of democracy—and the use of armed forces for domestic purposes. Labor is not going to give us that information. What it is doing here is inexplicable. I have had it put to me that it is a legacy of Kim Beazley’s years as the Minister for Defence, which were not so long ago. We have had it put to us that this is a result of Labor’s ability to perceive itself back in office somewhere down the line, where there might be large community protests against something it is doing on behalf of, for example, a Pangea waste dump. I do not think that is unimaginable. Labor will want to have at its disposal the defence forces, the same as any conservative government. On this matter, there seems to be almost no difference.

Gone is the time-honoured Labor position of defending the rights and interests of the average Australian, particularly those who feel disempowered. This legislation is essentially about further empowering the already powerful and about defending the day when Australians may be in some form of peaceful rebellion against the great potential there is for a continuing growing gap between the rich and the poor, the haves and have-nots, and the possessed and the dispossessed in this country. There is, for example, increasing resentment amongst indigenous Australians about the way in which the conservative governments in this country—including Labor
governments—have sold out their interests and their right to determine what will happen with their lives and on their land. Behind all of this, Labor is reserving for itself the ability to use the troops in a situation where even a state government does not agree. If there is anything in this which says that you cannot override the wishes of a state government, I would ask Labor to get up and show us where it is. It is quite the reverse: the Labor Party is saying here, ‘That time-honoured role is gone. We are removing that stricture.’ If Labor were fulfilling its function as a party of social justice, it would be taking the government on, tooth and nail, at this juncture. This issue would make front-page headlines around the country, and there would be massive public debate.

Where Labor acquiesces and sells out on its time-honoured role as a party of social justice and defence of the rights of the average Australian and moves ever closer to the Howard government’s position on this legislation, the issue goes off the boil and the spin goes out from the Labor Party that this issue is worn out and that the debate in the Senate is becoming tenuous. Senator Faulkner just used the word ‘filibuster’.

Senator Faulkner—I said ‘tedious’. Well, I would have said tedious.

Senator BROWN—Senator Faulkner says ‘tedious’. That is what he thinks about a debate on this matter; it is tedious as far as Labor is concerned now. One of the reasons it is tedious, Senator Faulkner, is that you have descended to being hand in hand with the Howard government on this matter. I know that is the case.

Senator Faulkner—Rubbish! You know that is a lie.

Senator BROWN—That is not a lie. That is the case. If it is not, get up and defend yourself.

Senator Faulkner—I have—all through this debate.

Senator BROWN—that is something you have patently failed to do. You sat here the other night saying you were listening to the debate to determine whether you would acquiesce to the government’s new amendment that said that troops could be called out in defence of property. It did not have to be life and limb anymore; then it was property. The force of government argument apparently got to you, and Labor caved in on that. That was a very telling cave-in by Labor because, behind all this, property is what it is all about. For example, the legislation is about the great forests of Australia—now owned by the major woodchipping corporation under the signature of Prime Minister Howard—being used against protesters if they get out of hand. If a state government does not do something about employing its police to the maximum on that, the troops can be brought in. The best Labor can do is get up here and say, ‘Oh no, that would not happen. It can happen under this legislation but, trust us; it is not going to happen under any future Australian government.’

I do not trust that not to happen. I have a pretty wide-ranging knowledge of human affairs and history, and I do not happen to believe that Australian politicians are that much different from politicians in countries where things have gone wrong. The other day, someone in here mentioned a caller to ABC radio in Melbourne who last week brought up the situation of Argentina. In the thirties, Canada, Argentina and Australia were seen as the three countries of the future. They all had democracies, they all had healthy economies and they all had vibrant societies. But a little later in the century, Argentina had a dictatorship, which inflicted awesome abuse on the populace because it brought in the army as its police. It did some of the things that the manual which will guide the use of Australian troops, if they are called out by the politicians, says can be done here: for example, setting up intelligence units to keep tabs on what are called dissidents in Australia—anybody who disagrees with the government. As I have said before, this Manual of Land Warfare, which I have in my hand, is a guide for troop units if brought in against people who disagree with the government, and on who to shoot first amongst Australian civilians. Labor are not opposing that.

Labor are now running from this debate. Labor say it is tedious. It is only tedious because Labor are in an indefensible situation.
On these amendments, Labor are saying, ‘We give in to Prime Minister John Howard; we are going to acquiesce to his view of the world against the time-honoured Labor view of the world. We are going to say that you do not need to get the agreement of a state government before you bring in the troops—as the Green amendment next down the line would have it; Labor is going to vote against that—you just have to make a phone call and say the troops are coming. That will do.’

Then there is a let-out even for that. Next under the Labor amendments is a subsection that proposes that, if that proves to be difficult, you do not even have to do that. The minister—and it is down to one minister now—does not have to consult with a state or territory government. ‘Just send in the troops. We will say it was an urgent situation; we will say it was the middle of the night; we will say we had to act quickly. And the troops have gone in.’ The precautionary principle is right out of the window here. If there was ever a piece of legislation that needed caution built into it, this is it.

What Labor are doing is extending the provisions for a terrorist situation to be used against a non-terrorist situation of protest, civil disobedience or dissent against government—all parts of a healthy and vibrant democracy which should be honoured not abused in the fashion in which Labor are allowing it to be abused under this amendment. Madam Temporary Chairman, you know what is going to happen here. Labor will go over there and vote with the government to see their wishes fulfilled in this matter. It is left to the Democrats, One Nation and the Greens to defend Labor’s patch. Thank goodness that at least the Senate has a diversity of voices in it. Thank goodness we are moving away from a two-party system, which has become an amalgam, a ‘Laborial’ presentation before the Senate in a situation where opposition has become a sham in a historic piece of legislation which effectively interprets the Constitution down and abuses the inherent meaning of the Constitution, which is that you do not give politicians at the centre an untrammelled ability to bring out the troops against Australians. You just do not do that, but that is what Labor are doing through this amendment.

Senator WOODLEY (Queensland) (10.07 a.m.)—I want to just make a couple of comments, particularly historical comments, about this amendment, because Senator Brown is quite correct. I really do urge the government and the Labor Party to think about the constitutional implications of this. If the Commonwealth called out troops over the objection of a state or without a state really knowing what was happening, then in fact the Constitution is torn up. I have to say to you that the Democrats are the last people to want to defend states rights. We usually go the other way. That is on the record on many occasions. But on this occasion the balance between the authority and the rights of the states and the authority and rights of the Commonwealth is a very finely balanced issue, particularly when it comes to the Commonwealth calling out troops to be used against the citizens of the Commonwealth—or, if you like, the citizens of one of the states.

I would remind the Senate that during the period between the First World War and the Second World War Prime Minister Billy Hughes was pelted with fruit in the town of Warwick, and it was because he felt that the Queensland police did not give him sufficient protection that he instigated the formation of various security services. I am using that to illustrate that in this whole area of protest—and who should regulate protests and how protests should be conducted—there are historical precedents in Australia. Another example was a strike in the early days of this century in which troops were called out against trade unionists in Queensland. There was serious injury. It was not serious injury to anyone except trade unionists. That caused great unease in Queensland.

What I am saying is that the Constitution in this instance is very finely balanced between the states and the Commonwealth, and legislation that allows the Commonwealth to seek to override the states at any point in the calling out of troops is a very dangerous piece of legislation indeed. I simply put on the record those historical examples of what happened in Queensland earlier this century, to underline the sensitive and very finely balanced nature of the Constitution. If we pass this law we might as well tear up the Consti-
tution, because this drives a very serious wedge into one of the fundamental things that we have often criticised in the Constitution, and that is that there is a fine balance between the states and the Commonwealth, which in this instance must be preserved and is not being preserved by this amendment.

Senator HARRIS (Queensland) (10.11 a.m.)—I have spoken earlier regarding the constitutional validity of this bill. In a particular section of the amendment that Labor is proposing—amendment (1)(3A)—it clearly says that the Governor-General does not even have to consult with the states if the Governor-General is ‘satisfied that, for reasons of urgency, it is impractical to comply with the requirements’ of the previous paragraph. The Constitution under section 119 very clearly says:

The Commonwealth shall protect every State against invasion—

The wording there is clear. The intent is clear. It cannot be misunderstood. The Commonwealth can protect a state from invasion, and the word ‘invasion’ clearly means ‘from an act of aggression outside of that state’. Section 119 then goes on to say:

and, on the application of the Executive Government of a State ...

You cannot get anything clearer than that. The powers of the Commonwealth are only those that the Constitution grants it, and they must be implicit, they must be clear. Here we have the Constitution very clearly saying that the Commonwealth can only protect a state on the application of the state. This is exactly the opposite to what Labor’s amendment will create. So this amendment in actuality builds on the constitutional invalidity of the bill. Domestic violence is a state issue, and it should be left to the states. As I have said earlier, what we have in this bill is an eroding of the rights of the states, and I believe that if the Senate passes this Labor amendment today they will be contributing to the constitutional invalidity of the bill.

Senator BROWN (Tasmania) (10.14 a.m.)—Madam Temporary Chair, I seek your guidance on this. The next amendment, as you will see, is from the Greens, and it would require the agreement of states and territories. The running sheet seems to indicate there is conflict there. I do not think there is. I think the Green amendment simply tightens up on this Labor amendment, which says that consultation will suffice, by saying that agreement is then required. I ask: if this Labor amendment is passed, will the Green amendment then come before the committee for consideration?

The TEMPORARY CHAIRMAN (Senator Crowley)—I think the understanding is that we deal with the amendments currently before the committee and then, when the next amendment is moved by you, the committee will examine just the point you have raised.

Senator BROWN (Tasmania) (10.15 a.m.)—I think that is how it should be. I want to ask the opposition—I note Senator Faulkner has stepped out for a moment—about the Hilton bombing. Is that a situation in which consultation would have taken or should take place? Remember we are talking here about terrorism and not about a community insurrection, a notion which Labor is allowing to be brought into play here. In that situation would consultation with and agreement of the states be prerequisites for a decision by the minister here in Canberra to involve the armed forces?

Amendments agreed to.

Senator Brown—No, I am on my feet again.

The TEMPORARY CHAIRMAN—Senator Brown, you sat down.

Senator Brown—Yes, and then I stood up again.

The TEMPORARY CHAIRMAN—The usual procedure in this place is that when you sit down it is appropriate to put the question. I understand that you have had two turns at speaking and that it is in order to put the amendments at this time.

Senator Brown—Madam Temporary Chair, I raise a point of order. That is right: one can speak twice and then can get no further. I was trying to get an answer out of Labor, but I guess my standing a third time was simply a protest at the failure of Labor to answer my questions.
The TEMPORARY CHAIRMAN—The amendments have been moved and have been agreed to. The committee understands that that is what we have just achieved. I now call the Australian Greens to move amendments (3) and (6) on sheet 1894.

Senator BROWN (Tasmania) (10.17 a.m.)—by leave—I move Green amendments (3) and (6):

(3) Schedule 1, item 3, page 5 (line 12), after “Territory” (first occurring), insert “and the State or self-governing Territory has agreed to the proposed call out”.

(6) Schedule 1, item 3, page 5 (lines 26 to 29), omit subsection (3).

Here we have a test again of both Labor and the government. Greens amendment (3) says that there shall not be a call-out unless the state or territory where it is to occur has agreed to that proposed call-out. That is very clear. This brings into play section 119 of the Constitution, which Senator Harris was just quoting. Let me read it again. Under the heading ‘Protection of states from invasion and violence’, it states:

The Commonwealth shall protect every State against invasion and, on the application of the Executive Government of the State, against domestic violence.

This amendment says just that: the agreement of the state or territory in which the call-out is proposed is required. You will remember, Madam Temporary Chairman Crowley, that in a submission to the committee from the New South Wales cabinet office Mr Wilkins pointed out the potential for this legislation to allow the unthinkable—that is, a state police force doing its duty in domestic circumstances but displeasing a federal government which wants action to remove civilians who are protesting about something. The federal government sends in the troops and you effectively have a confrontation between the state forces on the one hand and the federal forces on the other.

Our amendment makes sure that can never happen. No doubt, if Labor were to get up and defend its position or put its position on this—and it will not, because it has collapsed and counted itself out of the debate now—it would say, ‘That cannot happen. Politicians would never do that.’ I submit that that is not really the agenda here at all. Not only is Labor not leaving it to the good faith of every future government and of the present government but Labor sees itself in the position where it may want to use the power itself somewhere down the line and ignore opposition from a state or territory government which says, ‘We do not want the troops brought in against civilians in our state or territory; we can handle this situation. We always have over the last century and we do not need to change things.’

Labor has the opportunity here to show that this is not its situation at all. Senator Faulkner has said a number of times in here that Labor wants to ensure through this legislation that the troops can never ever be brought out against Australian workers or Australian protesters. Certainly here is another test of that commitment. Labor says at least the constitutional provision shall prevail—troops can never; ever be brought out against the wishes of a state or territory. I tell you what is going to happen: Labor, which has gone quiet on this, is going to vote against this amendment. Labor is going to vote this amendment down, because it agrees with the Howard government on this. It has made its arrangement behind whatever screen it is that we cannot see. It is not prepared to tell the Senate about that. But on the eve of the Olympics, where it knows this is not going to get the airing in public that it deserves, it has gone into this arrangement which is going to give these powers to federal politicians for ever and a day. I ask Labor why it will not support this amendment.

Senator BOURNE (New South Wales) (10.21 a.m.)—The Democrats will definitely be supporting this amendment of the Greens. We agree that there should be agreement. We have an amendment coming up a bit later; we prefer this one. We would rather this one got up. Ours is different in many ways: it does not call for agreement, although I think agreement is necessary. Once this amendment was put up I saw it was unnecessary for us to do the same, although I fear, as does Senator Brown, that we are not going to get this one. I think we should get this one. I think this is very important. I think the states should have to agree before troops are called
in, and that they should have to have a lot of consultation, particularly with the police force of the state. The state Premier should have to agree, and the state opposition leader, as well. The leaders of any other parties represented in those state parliaments should also have to agree. But this is a step in the right direction for this bill—heaven knows this bill needs an awful lot of steps in the right direction, and we are not getting very so the Democrats will be agreeing with this amendment. If, as we fear, it goes down, we will move ours. We fear that will go down as well, but we think it is well and truly worth a try.

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (10.22 a.m.)—The opposition will not be supporting the Greens amendment that insists on agreement of a state or territory on this matter. I think I can sum our position up very quickly indeed, and it will not come as a surprise to anyone in this chamber or beyond it. As far as the Labor Party is concerned, we know and understand that the Commonwealth is given powers to act under the Constitution. We do not believe on this occasion—and nor do we believe as a general principle—that it is appropriate to subject Commonwealth powers to veto by the states. That is the simple principle on which we work, and it is an important principle in relation to this legislation. I am surprised and disappointed that some senators believe that in certain circumstances this is the way to go. I would have thought that history shows that the opposition’s approach is considered and sensible; certainly it is consistent with the sort of behaviour we have seen from others in the chamber on other issues at other times. But I cannot talk for others; I can only talk for the Labor Party. That is our view. It is a strong principle, and we are going to stand by it.

Senator ELLISON (Western Australia—Special Minister of State) (10.24 a.m.)—For the record, the government opposes this amendment by the Greens for reasons similar to those outlined by Senator Faulkner. There is a duty, the government would say, that the Commonwealth has to protect Commonwealth interests. In fact, section 51 of the Constitution says that the Commonwealth parliament:
... shall, subject to this Constitution, have power to make laws for the peace, order, and good government of the Commonwealth with respect to...

We believe that, should this amendment be passed, it would effectively do away with the Commonwealth call-out under section 51A of the bill, and that would be undesirable. In fact, the Senate Foreign Affairs Defence and Trade Legislation Committee recognised that the Commonwealth had a duty to protect its interests, and this is contained in section 51A of the proposed legislation, which, as I said, this proposed amendment would, if passed, do away with.

Senator BROWN (Tasmania) (10.26 a.m.)—What effectively the government and opposition are saying here is that you can trust federal politicians with this power but you cannot trust state politicians. That is what is being said here. Tell that to somebody else—I do not accept it. I believe this failure to read section 119 of the Constitution as it stands makes this legislation, outside the Constitution, invalid anyway. It opens up a field of future abuse by Commonwealth politicians. It is not the institution; it is always the politicians who interpret the institution and use the power that it gives them. I do not accept the argument that there is some sort of ethic or record of high-minded behaviour at Commonwealth level which is superior to that of politicians acting at state level. I think that if we want to change the Constitution we should put it to a referendum and have it changed. This is certainly pushing the limits as far as the Constitution is concerned. The advice which I have put to the committee from Mr Gary Corr, a barrister here in Canberra, puts that point of view quite cogently. But that is not to be. Effectively, this removes that check that there should be state involvement and agreement. It is just the wrong process.

Senator Faulkner says this is in line with ALP policy and ALP feeling on the matter. But we are dealing with real situations coming down the line here, and I think this excuses anything by a federal minister in the future in terms of the call-out of troops. We
Senator HARRIS  (Queensland)  (10.29 a.m.)—The amendment that the Greens have put forward will very clearly set out that the government cannot bring troops into play in a state unless the state agrees. The minister made reference to section 51 of the Constitution and referred to ‘the power to make laws for the peace, order and good government’. He then went on to very clearly articulate that that was in relation to the Commonwealth protecting its interests, and I have no problem with the Commonwealth protecting its interests under section 51. I ask the minister: where in section 51 of the Constitution does it give the government the power to bring in troops in relation to domestic violence? I have had a good look at section 51, and I do not believe that section 51 even refers to domestic violence. So my question to the minister is: where does section 51 explicitly refer to domestic violence?

Senator ELLISON  (Western Australia—Special Minister of State)  (10.31 a.m.)—Primarily, section 51, as I mentioned. It says, and I will repeat:

The parliament shall, subject to the Constitution, have the power to make laws for the peace, order and good government of the Commonwealth with respect to—

And then it lists those incidental powers. Added to that, through the chair to Senator Harris, section 119 of the Constitution provides an obligation for the Commonwealth. It states:

The Commonwealth shall protect every State against invasion and, on the application of the Executive Government of the State, against domestic violence.

That deals with a situation where you have not only foreign invasion but domestic violence. That is not a head of power, but it is casting an obligation upon the Commonwealth. There are other heads of power in the Constitution for the Commonwealth. But I reiterate what I said previously: section 51 is sufficient for this legislation.

Senator HARRIS  (Queensland)  (10.32 a.m.)—I would like to turn again to the report of the Senate committee that inquired into this bill and quote from section 1.44, which is the area where the Victoria Police expressed some views on exactly this issue. The report said:

For some of the State Governments this was a vexed question. The Victoria Police, the views of which were endorsed forcefully by the Government of Victoria, submitted that legislation should not ‘be enacted which gives the Commonwealth power to intervene in the affairs of the State without the consent of that State. Put bluntly, ‘The proposed automatic power to provide a military intervention where “Commonwealth interests are threatened”—

and the Victoria Police were even referring to Commonwealth interests at this stage—represents an unreasonable intrusion on the rights of the States’. This view was strongly supported by the Western Australian Government, which argued that proposed section 51A ‘allows the Commonwealth to unilaterally enter a State and protect undefined ‘Commonwealth interests’. The NSW Government added weight to this concern submitting that the Bill contemplates ‘unilateral Commonwealth action’ without any State consultation or agreement. It suggested that this approach leaves open ‘the possibility of conflict between State police and Commonwealth Defence Forces’.

We cannot have the argument of the states articulated any better than it is in that section of the Senate committee report. Here we have the government continuing with the bill, if it is unamended by this Greens amendment, to do exactly what the Victorian, Western Australian and New South Wales governments have clearly articulated they see as an intrusion in states rights. The minister answered a question before in relation to section 51. I do not believe that section 51 gives the Commonwealth the head of power to do what it is setting out to do. Section 119 is a clear expression from the Constitution that the Commonwealth government cannot interfere in a state issue regarding domestic violence unless the state requests it. This is exactly what the Greens amendment will bring about.

Again, we have the situation where we are looking at the Labor Party supporting the government to maintain the bill in its present
state, and one has to really question why they are doing it.

Senator BROWN (Tasmania) (10.36 a.m.)—Can the government say in what situation where it would want to call out the troops it would find this clause an impediment to that being properly done in this country?

Senator ELLISON (Western Australia—Special Minister of State) (10.36 a.m.)—This ground has been trawled over before over the previous days of debate, and I do not think it is appropriate to go over it again. We have made very clear the procedures that have to be followed and the conditions that have to be met in order for there to be a call-out. I do not intend to traverse that ground again.

Senator HARRIS (Queensland) (10.37 a.m.)—In responding to my earlier question, the minister referred to section 51 giving the Commonwealth the power to protect its interests. Another concern that the states have in relation to this bill is that the Commonwealth interests are not defined. We have already spoken about the Commonwealth selling off airports and therefore no longer having a direct interest through section 51 to protect them. They have also sold off Telstra and a large proportion of the Commonwealth Bank. So if the government are relying on section 51 as their head of power to protect their interests, what are they going to do when they have sold off all of the Commonwealth assets and they no longer have Commonwealth interests?

Senator ELLISON (Western Australia—Special Minister of State) (10.38 a.m.)—Senator Harris previously referred to the Senate committee’s report when he talked about the concerns of the states in relation to the exercise of this power by the Commonwealth. Senator Harris did not refer to the subsequent paragraph by the committee, which stated:

The Committee appreciates the concerns of the States but believes that the Commonwealth has a duty under the Constitution to protect its own interests if the State or Territory, in which the threat to Commonwealth interests is occurring, cannot cope with that threat. Moreover, the Committee believes that there are safeguards in the legislation preventing any unwarranted interference by the Commonwealth in State or Territory affairs.

I think it is only fair that that be placed on the record in view of what Senator Harris referred to earlier. There was some comment as to Commonwealth interests being somewhat vague. The order relating to the call-out would have to specify the Commonwealth interest in that order, and nothing could be clearer than that. It has to be publicised. I fail to see where the concern is there.

Senator Harris asserts that the Commonwealth, in divesting itself of various assets, will not have any interests left. Commonwealth interests are not just properties; Commonwealth interests can refer to a number of areas which would be of interest to the Commonwealth—we are not dealing with just bricks and mortar. The destruction of an airport, as we have previously stated, or the bombing of a port or the placing of mines in Sydney Harbour I think would be very much within the definition of Commonwealth interest. Those examples have nothing to do with any divesting of assets by the Commonwealth. So let’s just get real on this issue. Commonwealth interest is not just about buildings. It is a legitimate term, one which the committee was happy with and one which would have to be defined in the order.

Senator BROWN (Tasmania) (10.40 a.m.)—How is a call-out of Commonwealth troops after the bombing of an airport going to stop the bombing from occurring?

Senator Ellison—I am not going to answer that.

Senator BROWN—My previous question was: what difficulty does the Commonwealth have with this provision of the Greens, supported by the Democrats and One Nation, that a state has to give agreement before troops are brought in? In what situation would it find that unacceptable? The best the minister could do was say, ‘We have trawled that ground before.’ Well, the nets were empty last time and they are this time. He is simply not going to be honest with the committee and give an example. No doubt Labor has a fresh and different point of view to that and will be prepared to be more informative as far as this debate is concerned. So I ask the Labor Party: in what circumstances does it
see difficulty in having states’ agreement in the call-out of Australian defence forces in some sort of civil situation?

**Senator Harris (Queensland)** (10.42 a.m.)—The minister referred to the next section of the Senate committee report, that the Commonwealth has a duty to protect its own interests if the state or territory in which the threat to Commonwealth interests is occurring cannot cope with that threat. That raises two questions. The first is: who is going to make that decision? Is the Commonwealth just going to say, over the top of the state, ‘You can’t cope, so we’re coming in’? That is one situation. If the report is indicating, as I believe it is, that the state cannot cope with the threat, the state would automatically request assistance from the Commonwealth. We would then have exactly the situation that the Constitution sets out under section 119.

So I believe the Greens amendment, when passed, will bring this bill a little closer to being constitutionally valid because, in relation to domestic violence in this section of the bill, assistance will be at the behest of the state government. So the uncertainty here highlights the question: which entity will assess whether the state can or cannot cope with the threat? The bill does not give us any indication. The minister is saying that the committee supports the provision for the Commonwealth to come in if the state cannot cope, but the question I put to the minister in relation to 1.45 of the Senate committee report is: who makes the decision that the state cannot cope?

**Senator Brown (Tasmania)** (10.45 a.m.)—That was a perfectly straightforward question—is the minister going to answer it? And is Labor going to answer my previous question? I want to object to the close-down on this debate by both parties. This is not a filibuster. We have here a strike by the big parties in their mutual defence of the indefensible, and do not let that go past, Mr Temporary Chairman. This is an extremely important matter of national interest. These questions are valid. They ought to be answered, but the big parties have gone on strike as far as that answering is concerned. That is no way to treat the committee. That is no way to treat the valid interests of the three parties at this end of the chamber. We expect those questions to be answered. We cannot do anything to make the government or the Labor Party do the responsible thing and answer these important questions, but I am not going to allow it go past without notice.

**Question put:**

That the amendments (Senator Brown’s) be agreed to.

The committee divided. [10.50 a.m.]

(The Chairman—Senator S.M. West)

<table>
<thead>
<tr>
<th>Ayes</th>
<th>12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Noes</td>
<td>40</td>
</tr>
<tr>
<td>Majority</td>
<td>28</td>
</tr>
</tbody>
</table>

**AYES**

Allison, L.F.  
Bourne, V.W.  
Greig, B.  
Harris, L.  
Murray, A.J.M.  
Stott Despoja, N.

**NOES**

Abetz, E.  
Brandis, G.H.  
Campbell, G.  
Collins, J.M.A.  
Crossin, P.M.  
Denman, K.J.  
Ferris, J.M.  
Gibson, B.F.  
Hutchins, S.P.  
Ludwig, J.W.  
Macdonald, J.A.L.  
Mason, B.J.  
McKiernan, J.P.  
Murphy, S.M.  
Patterson, K.C.  
Ray, R.F.  
Schacht, C.C.  
Tehen, T.  
Troeth, J.M.  
Watson, J.O.W.

* denotes teller

Question so resolved in the negative.

**The Chairman**—As those amendments are identical to the next one from One Nation, I presume it is not going to be moved.

**Senator Harris (Queensland)** (10.54 a.m.)—That is not correct, Chair. I intend to move the amendment.

**The Chairman**—Senator, you are not able to move an amendment if it is identical to the one that has just been determined. I understand that this one is.
Senator BROWN (Tasmania) (10.54 a.m.)—I have not got to it yet, but I would ask you to double-check that to make sure that that is the case.

The CHAIRMAN—I am advised that is the case. The following amendment is in conflict with that which was just resolved. I do not know what the Democrats intend to do with that.

Senator BOURNE (New South Wales) (10.55 a.m.)—The Democrats do intend to move it. It was in conflict with the previous amendment, because the previous amendment required agreement of the states. This is another amendment that goes further than the opposition’s amendment and the government’s amendment requiring the consultation of the states. Because it was in conflict with the previous Greens amendment, we actually preferred the Greens amendment but it went down, as we all noticed just now in the division. So the Democrats are moving this as the next best step towards more consultation with the states. I move:

(3) Schedule 1, item 3, page 5 (after line 20), after subsection (1), insert:

State or Territory to be consulted

(1A) Before the authorising Ministers can be satisfied in relation to the condition mentioned in paragraph (1)(b), the authorising Ministers must first consult the Premier or Chief Minister of the State or self-governing Territory concerned about the proposed order.

Senator BROWN (Tasmania) (10.56 a.m.)—I support this amendment. As Senator Bourne has said, it is a much more complicated amendment and, as you will note, Chair, it takes up a page or more. This amendment at least lays down some provisions for consultations with the states. It cannot be seen as anything but interpreting the Constitution in a way that is different to the way the government and the opposition are interpreting the Constitution, which is that the states have no say when the troops are called out. If it is in Hobart, the Tasmanian government gets no say; if it is in Darwin, the Territory gets no say, and so on. At least this provides for a consultation process, which is very much in the spirit of the Constitution.

I might point out for the record that in that previous amendment, which was to ensure that the state’s agreement was involved, Senator Harradine and I voted for the amendment, but all the Labor and Liberal Tasmanian senators voted to remove that state power, that requirement that the states be in agreement before the troops are sent in. Now we have this fall-back option of an extensive mechanism for consultation; it is very much weaker but at least consultation is there. The Commonwealth still prevails: it makes its decision and proceeds with it. It is a very important precaution, and I would be amazed if, once again, the Labor and Liberal senators from my home state of Tasmania were to vote against this. What, no consultation even? That is certainly, as far as the government members are concerned, a total backdown from the position of defending the states’ interests that they have always taken. I can accept that, but not without argument. I can accept that, but not without reason. I can accept that, but not without submission.

I ask both Senator Ellison, for the government—through you, Chair—and Senator Faulkner for the opposition why this very restrained Democrat amendment cannot be put in place. This bill is supposed to be about codifying the call-out of troops, about getting down to detail. Here the Democrats have got down to detail about the very important first step; that is, the decision to call the troops out. It has codified it in a way which goes far beyond the government’s and opposition’s assurances, ‘Oh, leave it to the politicians; they’ll do the right thing.’ This at least requires some formal steps to be undertaken. What is wrong with that? What is the government’s cavil with it? What worries the opposition about it?

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (11.00 a.m.)—I do not think I can add to what I have said, as this issue has been before the chair. I think I have presented a very strong and cogent case on behalf of the opposition. I appreciate that Senator Brown does not agree with it; that is his right. But I do not think I can add to the words that already appear in Hansard on this issue—in many
places indeed. I commend the strength of the opposition’s arguments to the committee.

Senator ELLISON (Western Australia—Special Minister of State) (11.00 a.m.)—The opposition has stated its position. Briefly, the government’s position is that it prefers the amendment as passed by the opposition and that the consultation outlined therein is appropriate, and it does not see a need to agree to this amendment. This consultation has already been catered for in an amendment previously passed.

Senator BROWN (Tasmania) (11.01 a.m.)—That is the same as the Labor position: no real argument brought in here. I wonder whether either party then might like to come to one specific under (R4) here. The Democrat amendment that Senator Bourne has moved says that, if the Parliament is not in session when an order to call out the troops by the federal government of the day is made, ‘it must be summoned to meet within 2 days of the making of the order’—that is, let’s have parliament involved. The (R4) provision has removed the states, but it says to at least have the national parliament brought in; have the opposition and the other parties involved and let’s have a debate about it. It does not say that that is a halter on matters.

If a situation in Australia is so grave that the troops are brought out to confront Australians who are protesting about something or are on strike about something, if the gravity of that situation is so great that a state police force and its tactical response group have been unable to handle the situation—and we are assured that is the only case in which the troops would be brought out by these two big parties—then surely that is a situation where the parliament should be recalled. The country would be in pandemonium. This would be a situation beyond anything in our last 100 years of history. It is the situation that this bill caters for. But surely, in that situation, the parliament should be recalled.

What Labor is joining the Howard government in saying, if it rejects these amendments, is that they think, ‘All power to the executive. Parliament, go jump!’ We have gone one step further here. We disempower not only the states, as far as this legislation is concerned, but also the parliament. We put it in the hands of the executive. As we know, in the House of Representatives, under our two-party system, that is very often the case anyway. But the Senate is here to make sure that there is a review and that states’ interests are taken into account. That is why the Senate is here.

This is essentially to let us have that role of the Senate brought into play in a national emergency where the states have been ignored. If ever there were a situation in which this Senate should be voting for a measure, here it is. The country is in pandemonium, state police forces have been unable to handle the situation and tactical response groups cannot handle it. The Australian armed services have been brought in by three ministers—and have been sent in against Australians, moreover—and without necessarily the agreement of the states; they may or may not have been consulted. Is this not a situation where parliament should be recalled? I submit that it absolutely is. I would ask the government or the Labor Party to say why it is not.

Senator HARRIS (Queensland) (11.05 a.m.)—The Democrats amendment, I believe, does raise a very valid issue, and that is that the authorising minister who will call out the troops must first consult, with the Premier or Chief Minister of the state or self-governing territory concerned, about the proposed order. It does not say that the Commonwealth cannot go ahead and do what it wants to do. But it does clearly say that it must consult with the Premier or Chief Minister of the state or territory. Again, the bill itself is eroding the rights of the states, and it is doing it in two ways: it is doing it by giving to the Commonwealth power that it has never ever had before; and it is doing it in a more sinister way, by failing to define terms and situations. In this case, the Democrats amendment is attempting to give clarity to the bill. I commend the Democrats amendment to the chamber.

Amendment not agreed to.

Senator HARRIS (Queensland) (11.07 a.m.)—by leave—I move amendments Nos 1 to 3:
(1) Schedule 1, item 4, page 11 (line 20), at the end of paragraph (1)(a), add “and, where relevant, with the Australian Federal Police”.

(2) Schedule 1, item 4, page 11 (line 22), after “unless”, insert “a member of the Australian Federal Police or”.

(3) Schedule 1, item 4, page 11 (line 28), at the end of subsection 51F(2), add “or to the Australian Federal Police or member of that police force”.

These amendments address another inadequate area in the bill. The bill itself speaks primarily of police in the states, but we know that the Australian Federal Police carry out a significant role in providing security for both personnel and Commonwealth property. The bill in no way empowers a member of the Australian Federal Police to request assistance from the Governor-General. I would like to place it very clearly on the record that One Nation is not in support of the bill because, as I have very clearly said previously, I believe there are processes that already exist for the Commonwealth to be able to carry out that function. But, if we are to have a bill, we may as well have the bill as workable as possible, and this is one area that will assist the Australian Federal Police to be able to request support from the federal government. In its present form the bill does not in any way, shape or form allow for that. I believe there are processes that already exist for the Commonwealth to be able to carry out that function. But, if we are to have a bill, we may as well have the bill as workable as possible, and this is one area that will assist the Australian Federal Police to be able to request support from the federal government.

It is interesting to note that this bill, if passed, will bring in a situation whereby the Australian Defence Force can shoot a fleeing person—and it does not define whether that person has an object in their hand or whether, as the minister said earlier, they are going to a different area to pose a greater threat. The bill does not describe any of that. Under the Australian Federal Police regulations, police are actually forbidden from using lethal force in relation to a fleeing felon. So we will have a situation whereby Australian Federal Police who may be attempting to apprehend a known felon who is fleeing from an area cannot use lethal force, yet the Australian Defence Force under this bill will be able to use lethal force against a citizen who is not even a felon. Earlier on in the debate I said that it would be preferable, if the Commonwealth needs to protect Commonwealth property, that if were done through the Australian Federal Police and that any member of the Australian Defence Force be seconded to the Australian Federal Police as a special constable.

I have this question for the minister: is this the reason why the Australian Federal Police have been excluded from the bill? Is it because, if the Australian Defence Force were to be brought in under the Australian Federal Police and had to operate under Australian Federal Police regulations, they would not be able to use lethal force against either a fleeing felon or an Australian citizen?

Senator ELLISON (Western Australia—Special Minister of State) (11.13 a.m.)—No, that is not the reason. Can I say that the government will be opposing these amendments. Section 51F indeed restricts the operation of the ADF in any call-out. You do not have those restrictions enacted in law at the moment. They are highly desirable. The question of the Australian Federal Police is best left to section 51C which deals with territories where, of course, the Federal Police do have jurisdiction, but the AFP have not been excluded for the reasons that Senator Harris asked about.

Senator BROWN (Tasmania) (11.13 a.m.)—Section 51F does talk about ‘State or Territory’, and indeed about ‘the police force of the State or Territory’.

Senator Ellison—Yes, it does.

Senator BROWN—But you said that the other section deals with territories. I ask the simple question that Senator Harris put forward: why not include the Federal Police in this section? Secondly, I ask: what is meant in the section when it says: ‘must ... ensure that ... the Defence Force is not utilised for any particular task unless a member of the police force of the State or the Territory
specified’ says so? What sort of task is envisaged? What does ‘task’ mean there? Does it mean a task that the police would do, does it mean any task at all, or does it mean a task that the Defence Force has not considered is necessary to its operations?

Senator ELLISON (Western Australia—Special Minister of State) (11.15 a.m.)—As I said, clause 51F is a provision which places restrictions on the activities of the ADF and is highly desirable. That is why you have there the phrase ‘any particular task’. We do not want to give the ADF any broader mandate than is needed. This is tightly restricted to a particular task at hand, which we are saying would be the subject matter of the call-out. You do not want to just leave it open and say that they can do anything they like. You want to make it as particular as possible. That is why the bill says:

... the Defence Force is not utilised for any particular task unless a member of the police force of the State or the Territory specified in the order requests, in writing, that the Defence Force be so utilised.

I have covered this before on more than one occasion in this debate. The task is the problem at hand. It is the subject matter of the problem. I cannot take it any further than that. It may be a terrorist situation. It may be the bombing of a public utility or the mining of a harbour. It is the task that would be confronting the ADF. On the question of the police force, the definition section says quite clearly:

... the expression police force of the Territory means the Australian Federal Police, so far as it provides police services in relation to the Territory ...

That is what I said previously.

Senator BROWN (Tasmania) (11.16 a.m.)—This is really important. I do not understand what you mean by this, Minister. On the one hand, you are indicating to the committee that the Defence Force will undertake a task that Canberra has given it. On the other hand, this clause says that the Defence Force cannot be ‘utilised for any particular task unless a member of the police force’ of the state involved calls on it to do so. They are in conflict. Those things do not sit together. Who is in charge of what the Defence Force does? Is it the directive from the Commonwealth that controls it, or is it the state police force that is in control of the Defence Force in this situation?

Senator ELLISON (Western Australia—Special Minister of State) (11.17 a.m.)—I covered this last Thursday. In fact, we had a wide-ranging discussion, albeit in relation to an amendment which did not relate to that. But I did answer those questions in the spirit of cooperation. I think we are just traversing the same ground that we did last Thursday.

Senator BROWN (Tasmania) (11.17 a.m.)—No, we are not. Senator Ellison did make reference to this clause last Thursday, but he made no explanation whatsoever. You can see from the huddle of advisers at the moment that this matter is not clear.

Senator Ellison—I will point you to the Hansard to show that you are going over the same ground.

Senator BROWN—We are not going over the same ground at all.

Senator Ellison—You asked a question about that last Thursday.

Senator BROWN—You did not answer it, if that is the case. If you want to expedite this committee stage, answer the question I have asked. Mr Temporary Chairman, get the minister to answer the question I have asked. It is very simple. Who outlines the task—that is, who gives the orders—to the Australian Defence Force when it is brought out? Does that come from Canberra or does it come from the state police force involved, as indicated by this clause?

Senator ELLISON (Western Australia—Special Minister of State) (11.19 a.m.)—It outlines in proposed section 51F—and I will refer to it once more—that the Chief of the Defence Force, who is in charge of his or her troops, must ensure that those personnel are used to ‘assist the State or Territory specified in the order’ and, furthermore, that they are not utilised for any particular task which has not been requested by the police. The situation there is that, in relation to the problem at hand, you would have the ADF perhaps seeking to recapture an aircraft that was the SAS in a terrorist situation. Quite clearly, the commanding officer of the ADF would be in
charge of that operation. However, you have to bear in mind that the particular task is one which the police have sought assistance on. The police would still be involved in the operation and would still be cooperating with the ADF. But, for that task, the government would say that you do not call in the ADF to just have them stand there and do nothing. You call them in for a particular task, they do it and the officer in charge is in charge of dealing with that problem.

Senator BROWN (Tasmania) (11.20 a.m.)—I thank the minister for that. That was very important to my understanding of this legislation, and it confirms the worst fears I have about it. I had thought in reading clause 51F over and over again, particularly following last Thursday’s submission from the minister, that it meant the Australian Defence Force could not be used to recover aircraft, could not be used against strikers or Australian civilians or could not be used during a peaceful protest without the state police force involved requiring them to do so. But what the minister has said makes it very clear that that is not case: that the directive comes from the politicians in Canberra, that the Defence Force gets sent in to put down the protest, to break up the picket line or to end the strike and that it is only if a state police force requests that they do something else that they are not to take that directive. The caveat that I thought was in clause 51F has just been exploded. I am glad we have had that situation clarified, although it is a ‘worst fears’ situation.

I will refer to a specific issue in the Australian Army Manual of Land Warfare, section 543. This deals with a situation where the Army is brought in against a protesting crowd in Australia and ordered to selectively pick out the dissidents—that is, people who are opposed to the government’s point of view—in that crowd and to shoot them. The order, as we know from previous debate here, is that the shots are to be aimed at the centre of the person, where they will have deadly impact, so as to avoid hitting other people in the crowd. Section 543 is headed ‘The recovery of dead and wounded’, and it says:

Dead and wounded dissidents—these are the people who disagree with the government—if identifiable, must be removed immediately by the police.

Under this legislation, we have a situation where the police may not be there. The states may not have been consulted, and the states may not approve of what is happening. The manual goes on to say:

When being reported, dissident—

that is, people who disagree with the government—and own casualties—

that is, Defence Force casualties—are categorized merely as dead or wounded. To inhibit propaganda exploitation by the dissidents—

that is, the Australians who do not agree with the government—the cause of the casualties (for example, ‘shot’) is not reported. A follow-up operation should be carried out to maintain the momentum of the dispersing crowd—presumably, anything up to shooting more of them. In this situation, where the police are on hand, there is a requirement that the police recover the bodies and also a requirement that the information about how the people died is explicitly to be kept from the public by the Defence Force. We know that is the current situation, because the minister has said that this manual is patent but will be replaced by another manual after this legislation comes through. On the ground, what happens if the police are not on the scene and do not recover the bodies? Does the minister endorse this manual’s directive that the manner of the deaths is not to be reported?

Senator ELLISON (Western Australia—Special Minister of State) (11.25 a.m.)—I would refer Senator Harris to page 15665 of last Thursday’s Hansard, where I did answer questions on the chain of command and section 51F, and I would also refer the committee to the answers to a variety of questions posed by Senator Brown last week, which are in last Thursday’s Hansard, page 15661. I will restate the government position, and that is that the Manual of Land Warfare is under revision. It is totally dependent on the passing of this bill, and the provisions that Sena-
Senator Brown is referring to would be updated by the passing of this legislation. In relation to the jurisdiction of the state authorities vis-a-vis the Commonwealth, state legislation would deal with how fatalities are handled. There are the state coronial acts, for a start. They would have requirements, and they would have to be followed. There has never been any suggestion that the law would be usurped, breached or not obeyed, and a range of state and territorial legislation would apply. To suggest that the ADF would be involved in a cover-up does no justice to your argument and certainly does a disservice to the men and women serving in the ADF. This manual is going to be revised in relation to call-outs and, especially, on the passing of this legislation. So the provisions you refer to are going to be updated on the passing of this legislation.

Senator Brown (Tasmania) (11.27 a.m.)—What an extraordinary answer that is.

Senator Ellison—You think we should keep the manual? Okay, we’ll keep it.

Senator Brown—The minister asks: do I want to keep this provision? Absolutely not. I am opposed to this legislation. He is the one who is bringing it forward. We ought to be giving clear directives to the Defence Force personnel when they are brought in, because they will hate this task—politicians using them against Australians.

Senator Bourne—They do hate it.

Senator Brown—The minister is saying here, ‘But cover up.’ This is a cover-up in two ways. It says here in black and white—and these are the minister’s own instructions, which stand now; they are the relevant ones for this debate—that, to inhibit propaganda exploitation by dissidents, the ‘cause of the casualties (for example, ‘shot’) is not reported’. The minister then jumps across to the states—which he has just excluded—and their provisions for coroners, and so on. But it says in the manual that the cause ‘is not reported’—presumably, not to the coroner either. This is walking across the provisions of state laws. My friends in this corner of the chamber have been saying that this is the problem. This overrides state laws. This treads them into the dust. If you are going to abide by state laws, this gives illegal directives to members of the Defence Force in that situation.

Senator Ellison—It’s going to be cancelled.

Senator Brown—the best this pathetic government presentation can do is say, ‘This is going to be changed, but we won’t tell you how.’ The Labor Party go along with that and say, ‘We’ll trust Mr Howard to bring in a new manual after this, sight unseen.’ What an extraordinary situation.

Senator Ellison—It will be tabled.

Senator Brown—The minister says it will be tabled. He said that one of the manuals will be tabled after this debate is finished. Not only are the armed forces being directed to cover up damage done to Australian citizens when they are sent in by the politicians; the minister is also covering up here in the chamber right now and will not say what the directives will be. The Labor Party say, ‘That’s okay; we’re going along with you. We will accept everybody being kept in the dark about those directives’—many of which are illegal because they breach state laws. We have said time and again that these give directive powers, not just powers that may or may not be used by soldiers in the future. They are directions to use powers which go way beyond those of the civilian police forces of this country. They should be the ones in control, but the minister is remove under the potential directive of a federal government.

It is disgusting that the government is denying this chamber that information, which is absolutely germane to this debate, and it is reprehensible that the opposition goes along with it. There are comprehensive shortcomings in this legislation and in the manual that goes with it, and it is totally unacceptable that the minister says, ‘Trust us; we will come out with another manual afterwards over which you will have no say’. What is the Labor Party going to do as far as that manual is concerned, having now effectively ceded its powers to the government? What has the Labor Party come to that it is prepared to endorse the government’s position in this matter without seeing the vital document which says...
what will actually happen when troops come into combat with striking or protesting Australians? We do not have the numbers. This legislation is going to pass through and, yet again, we are going to see an amendment knocked down that should be in place. So be it.

Senator HARRIS (Queensland) (11.32 a.m.)—I would like to return to the substance of the amendments that I have moved and make reference to Commonwealth interests, which are a pivotal part of this legislation. Through you, Mr Temporary Chairman, I ask the minister: is it the responsibility of the Australian Federal Police to protect property, facilities and persons connected with the Commonwealth?

Senator BROWN (Tasmania) (11.33 a.m.)—I want to ensure that the minister has time to answer Senator Harris’s question.

Senator ELLISON (Western Australia—Special Minister of State) (11.33 a.m.)—In answer to that question, the AFP are charged in the territories with normal policing functions, with protection of Commonwealth property being part of that role. It is as simple as that.

Senator BROWN (Tasmania) (11.33 a.m.)—The handbook for use when the troops are called out says, under ‘Recovery of evidence,’ that military evidence such as spent casings and diary notes should be retained by the military commander. Does that mean they will not be available to a state coroner, and does that mean that that evidence will not be made available to public scrutiny?

Senator HARRIS (Queensland) (11.34 a.m.)—The role of the Federal Police goes to the substance of this bill, which is why I requested clarity on the matter. It is the essence of what the government are saying they are about to do. They are about to protect Commonwealth property, facilities and personnel. If we have in existence a force whose purpose is to carry out the protection of Commonwealth facilities and personnel, why are they not in the broad section of the bill? I would like to ask the minister: since, in answering, he has only accredited the Australian Federal Police with responsibilities to the Australian Federal Police in the territories, is he clearly saying to us that the Australian Federal Police are not used in any way to protect Commonwealth personnel in the states?

Senator BROWN (Tasmania) (11.35 a.m.)—The minister was about to make a contribution but, while he is reviewing that, I will ask him some other questions. If troops have shot on an Australian crowd, will the ability of the military commander to withhold evidence of that from a state coroner be part of the new guidelines, or has that been changed? Secondly, I refer to the sequence of events for crowd dispersal: the soldiers arrive, rooftop watchers are put out, a banner is displayed ordering the crowd to disperse, a verbal warning is given over a loudhailer and then the whole front section of the troops take position—out of missile range, 50 or 60 metres away—take aim and fire on the crowd of Australians. I ask if that section will be altered in the new manual. If so, what will the intended replacement directives be for troops firing on Australians under those circumstances?

Senator ELLISON (Western Australia—Special Minister of State) (11.37 a.m.)—There are a number of questions there, and I will deal with perhaps the last one first. Just quickly, the manual, as I have said repeatedly, will be cancelled. It will be replaced with provisions which reflect the provisions contained in this bill. I have not got a crystal ball. I cannot tell you what form this bill will end up in, Senator Brown, but I can say that the manual will reflect those provisions. I cannot take it any further than that. But I can tell you the current manual will be replaced.

In relation to Senator Harris’s question, the AFP can embark on protection of Commonwealth property in other jurisdictions apart from the territories. That is not their primary role, though. In fact, the Australian Protective Service is used in many cases to protect institutions. I hope you are not confusing Commonwealth interests with Commonwealth property because, as we have discussed previously, they are not one and the same. But the AFP can have that role in other jurisdictions.

Senator HARRIS (Queensland) (11.38 a.m.)—As the minister has said, the Austra-
lian Federal Police and the Australian Protective Service do cover the protection of personnel in the states. It is with that reference in mind that I have moved these amendments, which I believe would facilitate the role of the Australian Federal Police and assist in the functioning of the bill in a way that would afford better protection for both Commonwealth property and facilities and personnel. Section 51F(1)(a) of the bill reads:
(a) The Defence Force is utilised to assist the State or Territory specified in the order and cooperates with the police force of the State or Territory...
That is one area where I am suggesting we add ‘and the Australian Federal Police’ so it would add to the ability of the legislation to clearly define that the Australian Federal Police could actually be used in relation to any order. In section 51F(1)(b) the bill states:
(b) The Defence Force is not utilised for any particular task unless a member of the police force of the State...
So the bill directly only refers to the police force of the state. Again, it would seem logical to me to add into section 51F(1)(b) a reference to the Australian Federal Police, for the reasons that I have outlined before. If we go to section 51F(1)(b)(ii) we have a similar situation, where it only refers to a member of a police force and, again, does not refer to the Australian Federal Police. The essence of the amendments is to facilitate a situation where the Australian Federal Police find themselves requiring assistance—to clarify clearly through the bill that such a request would be covered by the bill. There are other issues relating to the use of reasonable and necessary force, but I will make comparisons again between the Australian Federal Police and the defence forces where there are anomalies there. In concluding, I would commend to the committee these amendments that would clarify and assist the Australian Federal Police if they were in a situation where they required additional support.

The TEMPORARY CHAIRMAN (Senator Murphy)—The question is that the amendments be agreed to.

Senator BROWN (Tasmania) (11.42 a.m.)—There was a question there from Senator Harris that the minister might like to answer. I want to ask in general terms—because there are a lot of specifics in the manual that we should be questioning; there is another manual that the government has got, but it is not going to give the Senate the opportunity to take that into account in the debate here—if the situation is covered, and will be covered in the new manual, where the police are not on the scene, since we know already that this legislation provides for the Australian defence forces to be sent into a state or territory, with or without the agreement of the state, to protect what is deemed a Commonwealth interest. Under those circumstances will the new manual have directives which pertain to the situation where the troops are working with the police and also to the situation where they are not working with the police and, thirdly, even to the situation where the police forces are either not cooperating with or are opposed to the Defence Force presence in the state or territory involved?

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

Senator BROWN (Tasmania) (11.43 a.m.)—I expect an answer to that question, because it is central to this debate. These are the questions the Labor Party should be asking if it were defending the public interest here. I want to know a lot of specifics—and I am not going to ask about those, because we would never get to the end of this debate. But there are really important specifics. We were told that this debate was about laying down the real guidelines for the use of troops in this country. What we have found, in fact, is that it is opening up a whole range of questions which are not going to be answered. This legislation in fact makes the situation much more complex than it has been in the past. Rather than making it clear, it has raised a huge number of new questions.

I could, as I say, go through the manual, piece by piece, as it is at the moment. For example, will section 630, which describes the task of searching Australian civilians in the region where the defence forces are deployed, remain? It says that each search party should also include a trained woman searcher to search women and children and to detect men disguised as women. It goes on to say that under no circumstances must women and
children be exempt from search and that, if there is a shortage of women searchers, all women must be concentrated in one place to make the best use of available searchers. That is extraordinary stuff, but we are dealing with an extraordinary situation here. I want to know if that section remains in the new manual that has been drawn up—the manual which we cannot see—or if the government can give a commitment that that section will be removed and that no such search warrant will be available to defence forces in the future, where women are concentrated into one place and then searched by men under the provisions of this particular manual?

Senator ELLISON (Western Australia—Special Minister of State) (11.46 a.m.)—It is envisaged that the new manual—bearing in mind that the manual Senator Brown is referring to will be cancelled, so once again he is referring to defunct provisions—after the passing of this bill will have provisions containing directives that ADF personnel should comply with the state laws in place, and that covers the earlier aspects that Senator Brown raised. Once again I say that the amendment sought by Senator Harris is irrelevant because the AFP is mentioned in subsection 51F(b). It refers to the ‘police force of a territory’, and when you turn to the definitions section it says that that is the Australian Federal Police. We did not see any need for that addition at all.

Senator HARRIS (Queensland) (11.47 a.m.)—I thank the minister for his answer. Can he just very distinctly clarify something for me. The minister is saying that, under the definition that he has just used relating to ‘police’, the Federal Police are actually covered under the wording ‘the police of a state’. So we are back to the situation where the ‘Australian Federal Police’ are defined as a ‘police force’ but only in relation to a territory. That is the concern I have and it is the reason I moved these amendments in the first place—that is, so that they would clearly allow Australian Federal Police personnel, through this bill, to request assistance in a state area.

Earlier on I asked the minister some questions relating to why the Australian defence forces were not being deployed as special personnel under the Australian Federal Police. Again I ask the minister: is part of the reason for this embodied in the restraints placed on the Federal Police? The Federal Police are placed under a regime of the Commissioner of the Australian Federal Police. They come under the Australian Federal Police disciplinary regulations, the Australian Federal Police Act and the Ombudsman in relation to their conduct. So there is clearly a regime where an action carried out by an officer of the Australian Federal Police in the course of carrying out their duties is reviewed by all of those entities.

The problem we have—and Senator Brown has highlighted this very effectively—is that in the existing regulations for the Australian defence forces it would appear that we have exactly the opposite: the Australian defence forces are to a large degree excluded from scrutiny under those regulations in relation to their actions, where the Australian Federal Police are subjected to that scrutiny. This is one of the major concerns I have in relation to this whole bill: who is accountable for their actions and how are they accountable? That is why I have raised the point that the ADF would be far better served by being seconded to the Australian Federal Police. The Australian Federal Police are trained to protect life and property but are also able to preserve and obtain evidence of criminal activity. So here again we have the Australian defence forces, under the existing regulations, having the ability to remove criminal evidence and withhold it.

The Australian Federal Police are trained in the preservation of crime scenes. They are trained in search procedures. They are trained in the seizure of evidence, including forensic evidence. They also are trained in the area of the powers of arrest. None of these procedures would normally be carried out to Australian Defence Force personnel. The government are adamant that they want this legislation through for the Olympic Games. My question is: Minister, how will you train the Australian defence forces—if you need them for the Olympic Games—and, in approximately 10 days, train them so that they have the ability to preserve a crime scene? How will you train them how to search? How will
you train them in the seizure of evidence, irrespective of whether that evidence is physical or forensic? How will you train them so that they have the ability to arrest a person? Because unless you can achieve that in a competent manner, you are placing those defence forces in an unknown area; that is, unless they are competent in carrying out those procedures they may well find themselves in a situation where your legislation, to put it bluntly, will not cover their arse.

Question put:

That the amendments (Senator Harris’s) be agreed to.

The committee divided. [11.59 a.m.]

(The Chairman—Senator S.M. West)

Ayes…………… 10
Noes…………… 36
Majority……… 26

AYES

Allison, L.F.
Bourne, V.W. *
Greig, B.
Harris, L.
Ridgeway, A.D.

Bartlett, A.J.J.
Brown, B.J.
Harradine, B.
Lees, M.H.
Woodley, J.

NOES

Abetz, E.
Brandis, G.H.
Collins, J.M.A.
Crossin, P.M.
Eggleston, A.
Forshaw, M.G.
Heffernan, W.
Hutchins, S.P.
Ludwig, J.W.
Macdonald, J.A.L.
Mason, B.J.
McKierman, J.P.
Murphy, S.M.
Patterson, K.C.
Reid, M.E.
Tamblyn, G.E.
Tierney, J.W.
Watson, J.O.W.

Bishop, T.M.
Chapman, H.G.P.
Crane, A.W.
Denman, K.J. *
Ellison, C.M.
Gibson, B.F.
Hogg, J.J.
Lightfoot, P.R.
Lundy, K.A.
Mackay, S.M.
McGauran, J.J.J.
McLuccas, J.E.
O’Brien, K.W.K.
Payne, M.A.
Sherry, N.J.
Tchen, T.
Troeth, J.M.
West, S.M.

* denotes teller

Question so resolved in the negative.

Senator BOURNE (New South Wales)
(12.02 p.m.)—by leave—I move amendments (R4), (R5) and (R6) on sheet 1893 revised:

(R4) Schedule 1, item 3, page 5 (after line 25), after subsection (2), insert:

(2B) If the Parliament is in session when an order is made under subsection (2), but either House of the Parliament is adjourned for an indefinite period of time or for a period of time which will expire more than 2 days after the making of the order, the Presiding Officer of that House within the meaning of the Parliamentary Presiding Officers Act 1965, or the person who is deemed to be the Presiding Officer of that House for the purpose of that Act, must summon that House to meet within 2 days after the making of the order notwithstanding anything contained in the resolution of adjournment of that House.

(2C) A copy of the order must be laid before each House of the Parliament as soon as it meets under subsection (2A) or (2B).

(2D) An order made under subsection (2) ceases to be in force at the end of the third day after it is made unless it is approved by resolution of both Houses of the Parliament.

(R5) Schedule 1, item 3, page 7 (after line 19), after subsection (2), insert:

(2A) If the Parliament is not in session when an order is made under subsection (2), it must be summoned to meet within 2 days after the making of the order.

(2B) If the Parliament is in session when an order is made under subsection (2), but either House of the Parliament is adjourned for an indefinite period of time or for a period of time which will expire more than 2 days after the making of the order, the Presiding Officer of that House within the meaning of the Parliamentary Presiding Officers Act 1965, or the person who is deemed to be the Presiding Officer of that House for the purpose of that Act, must summon that House to meet within 2 days after the making of the order notwithstanding anything contained in the resolution of adjournment of that House.

(2C) A copy of the order must be laid before each House of the Parliament as soon as it meets under subsection (2A) or (2B).

(2D) An order made under subsection (2) ceases to be in force at the end of the third day after it is made unless it is approved by resolution of both Houses of the Parliament.

(R6) Schedule 1, item 4, page 9 (after line 21), after subsection (2), insert:
(2A) If the Parliament is not in session when an order is made under subsection (2), it must be summoned to meet within 2 days after the making of the order.

(2B) If the Parliament is in session when an order is made under subsection (2), but either House of the Parliament is adjourned for an indefinite period of time or for a period of time which will expire more than 2 days after the making of the order, the Presiding Officer of that House within the meaning of the Parliamentary Presiding Officers Act 1965, or the person who is deemed to be the Presiding Officer of that House for the purpose of that Act, must summon that House to meet within 2 days after the making of the order notwithstanding anything contained in the resolution of adjournment of that House.

(2C) A copy of the order must be laid before each House of the Parliament as soon as it meets under subsection (2A) or (2B).

(2D) An order made under subsection (2) ceases to be in force at the end of the third day after it is made unless it is approved by resolution of both Houses of the Parliament.

These are the Democrat amendments which would require both houses of the parliament to be recalled, if the order is issued, in order to debate and resolve the matter within the parliament. An order under subsection (2)—that is, the order to call them out—is of no effect and is taken never to have been issued unless it is approved by resolution agreed to by each house of parliament. The amendments state:

(2A) If the Parliament is not in session when an order is made under subsection (2), it must be summoned to meet within 2 days after the making of the order.

(2B) If the Parliament is in session when an order is made under subsection (2), but either House of the Parliament is adjourned for an indefinite period of time—

this is the possibility of an election period—or for a period of time which will expire more than 2 days after the making of the order, the Presiding Officer of that House ... or the person who is deemed to be the Presiding Officer ... must summon that House to meet within 2 days after the making of the order notwithstanding anything contained in the resolution of adjournment of that House.

The effect of that would be that, within two days of an order being made, both houses of parliament would be recalled and both houses of parliament would have to agree that that order should be made. If they did not agree that the order should be made, the effect would be that the order would never have been made.

The obvious possible problem with that, which I am sure the minister will say, even if the opposition is not that keen at the moment, is what happens if it is an emergency situation which is bound to be over within an hour and a half or a slightly longer period. I can tell you what would happen: the three ministers who call out those troops would not want the order to be deemed not to have been made, because they could be in trouble if anything happened and they would have to consider themselves to be without the protection this bill gives them when it becomes an act. So what they would do obviously, if they have any sense, is they would go to the Leader of the Opposition and any other parties represented in both houses of parliament and they would say, ‘This emergency situation has happened. We’re thinking of calling out the troops. What do you think?’ If the Leader of the Opposition or the other parties represented agreed with the calling out of the troops, then they would know they would have the numbers. They would know that, within two days when the parliament were called back, they would have no problem in getting the numbers and ensuring that that order was agreed to. That would effectively widen the number of people—and the number of representatives of the Australian people, I might add—who are involved and agree to that call-out. In the very short term when the order is actually made, it would widen that number to cover a broader cross-section of representatives of the Australian people than just the Prime Minister and two members of the cabinet. In the longer term—that is, two or three days after, when the parliament has voted—it would include all members of the Australian parliament; all representatives of the Australian people in the federal parliament would have the right to say whether or not it was reasonable to call out those troops.
The Constitution actually puts the running of the country in the hands of the parliament. The parliament makes the laws and the parliament determines in the final instance what laws there will be to cover the Australian people. We believe that the parliament ought to also be the final arbiters—in fact, the first arbiters really, but also the final arbiters—in whether or not the very important, very infrequent and potentially very dangerous step for the Australian people is taken to call out the troops. Once this bill goes through, remember that all the possible problems in the minds of those who would call out the troops about the constitutionality or otherwise of those troops using violence against Australian citizens and Australian residents will be taken away. They will be able to do it, so it is a potentially very dangerous step. It is obviously a very important step. It is one that is never taken lightly. It is one that is seldom taken, and I hope it will be taken even less frequently in the future. But if it is taken, I think it should be taken with as much consultation as can be done. I think it should be treated in an extremely serious manner. This recall of both houses of parliament with both houses having to agree to it would give it the gravitas that I think it deserves and would end up giving it the response that it needs.

The TEMPORARY CHAIRMAN (Senator Murphy)—The question is that the amendments be agreed to. Those of that opinion say aye, the contrary no. I think—

Senator BROWN (Tasmania) (12.08 p.m.)—I am on my feet to give the government and the opposition an opportunity to respond to Senator Bourne’s submission.

Senator Bourne—Very kind of you, Bob.

Senator BROWN—Thank you, Senator Bourne. Mr Temporary Chairman, you were about to call a vote with the government and the opposition sitting stony silent. I think ashamed of themselves that they are not even going to involve the Australian parliament in debating a situation in which the troops, with the right to shoot to kill, have been called out against Australians—for example, a strike that a federal government thought was against the national interest or a protest that the federal government thought was getting out of hand. Senator Bourne’s Democrat amendment is saying that that is such an extraordinary situation and that, on the face of it, it breaches so much of the democratic convention of this country that the parliament, the elected representatives of the people, must be brought in to review it. Effectively it is saying that the opposition of the day should be involved. The government should not be able to do this for a purely political purpose unless the opposition agrees. I am not going to divert to say that there is less and less difference between the government and opposition these days that you could count on the opposition agreeing with the government in a situation like that, as they are doing with this legislation right now. This is a very serious amendment. I am saying that if it is serious enough to call out the troops against Australians it is absolutely serious enough to recall parliament and to have a debate while these events are occurring.

I am particularly alarmed that the executive, not even the government, has so much power in this legislation. The ‘government’ term is used loosely here, but this does not involve the members of the government or the caucus being called together. It does not involve cabinet giving a directive. It involves three ministers—the Prime Minister, the Attorney-General, and the Minister for Defence—and when it comes down to directives in the field it involves one minister. I ask the opposition: does it really not foresee the potential for abuse of that circumstance by some future government? Is it not just pure commonsense that in that circumstance parliament should be recalled?

We have debated whether agreement of the states should be required, and the opposition has joined the government in voting that down. So that check has gone. Now we are debating whether the national parliament should be enjoined in this situation. So states rights is not the issue anymore; it is whether the national parliament should be enjoined. I ask the opposition on pure democratic principles, regardless of whether or not they are in government or opposition at the time: to safeguard us against the unthinkable, which nevertheless could happen, should a government be empowered to continue to use troops against Australian civilians if an opposition
disagrees? The circumstance there is going to be one of political disagreement about something. The word ‘dissident’ is central to this debate we are having. It is what is in the Army manual, and it will stay in the Army manual or be changed to a word that means the same. People who disagree with the government are going to find themselves facing the guns of the Australian military—I think many of the women and men who will be ordered out in this circumstance will be unwilling—on the decision of three members of the government. Should we have just three members of a government not elected to make this decision able to make it and carry it through? Is it not wise that we call on parliament to review this as soon as possible?

The situation here which is provided for under this legislation is an absolute disaster for Australia. Something has gone terribly wrong. The government keeps giving terrorist examples, but this bill opens the way for non-terrorist situations. Whatever the situation, it will be a civil emergency of the most extraordinary and cataclysmic dimension. Surely in that situation the Australian parliament should be brought hurriedly into play. Does the Labor Party really trust three ministers, then devolving power to one minister, to be in charge of that situation? Does it not think that parliament has a role there, that parliament should be entrusted in this situation? I implore Labor to think about this. This is a very, very important amendment.

The government might say, ‘We are dealing here with situations which are not going to occur.’ Well, if that is the case, this amendment is not going to matter. But the whole debate in this place is about if such a situation were to occur. That is why this amendment matters and matters greatly.

Are we all as democrats, in the full meaning of that word, going to leave this situation to an authoritarian cabal of three ministers? Or would we prefer that Australian parliamentary democracy be brought into play in this situation? It has to be the second choice; it must be the second. It is up to the opposition to ensure that it is the second—that we put our faith in democracy and that we put restraint on authoritarianism in this country. Now is the moment to do that. I asked the government and the opposition: what is wrong with bringing parliament to review a situation where troops are firing on Australians? Can you tell us what is wrong with that situation? What is wrong with a two-day recall of parliament? Of course it is totally right.

I implore the opposition to support these Democrat amendments. I implore the opposition to do it. I implore the opposition to stand for democracy and not for authoritarianism because that is what the people of Australia want in this situation. As the opposition knows, if you pass up this kind of situation, you may never recover it. You cannot get a recision bill through the House of Representatives during the life of this parliament, and this sort of legislation has a habit of going onto the shelf unreviewed because it is too hard to get at by future governments. The opposition’s hour is now. Again, I implore the opposition to support these amendments.

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (12.17 p.m.)—Everyone’s hour has been with us for quite a considerable amount of time in this debate, but Senator Brown has asked a reasonable question. He asked: what is wrong with these amendments? I think it is
fair to say that these amendments include division 2 powers. No doubt the minister will correct me if I am wrong, but I notice a couple of nods from over there, so I assume that that is correct. That is what I think Senator Bourne, who has moved these amendments, and Senator Brown need to consider. These could mean that division 2 powers might be used in perhaps a terrorist situation involving the SAS. That might be the situation that we face, as I understand it, from reading the bill. You have to appreciate—and I am sure Senator Bourne and Senator Brown do appreciate this—that I am just a member of the opposition. I do not have all the great assistance of departmental and of other resources that government can bring to bear on these. I am a mere mortal, so I just do my best on these things.

Senator Bourne’s amendments deal with division 2 powers. Remember what that means: that might mean the involvement of, say, the SAS in a terrorist situation. What then do the amendments mean in reality? I know a number of those making a very critical contribution to this bill do care about this issue because they have said so. But think about this: could it mean, for example, that if these amendments were passed, you might have a situation where there was a very serious disadvantage because public attention would be drawn to a possible terrorist situation? That would be inevitable if such amendments were passed.

I am not a professional in this area, but it seems to me from my own background, and I would say it to the committee, that there is a risk obviously in this situation, if publicity surrounded the parliament’s being convened, that we would be signalling to terrorists, in a very difficult situation for authorities to handle, that perhaps decisions had been made to utilise a force, such as the SAS, to deal with that sort of situation.

They seem to be some of the difficulties that are possibly contained within Senator Bourne’s amendment. I am not as expert as others—I was going to say ‘others in this chamber’ but, apart from Senator Hogg, I probably am as expert as others in this chamber—but obviously there are many people who have views on this, and all of us depend at times on the guidance we have from advisers. I, as a mere mortal, have come to some of those conclusions as I look at Senator Bourne’s amendment. I do accept that it is moved in good faith. I understand why she has moved it. I have given an example of some of the problems that would be embraced if this amendment were carried. It is up to Senator Bourne and others to progress some of those scenarios with the government, if they care to. We have dealt with a lot of hypothetical situations, as I think senators would appreciate, in this committee stage. But that is what I understand to be the situation—and, no doubt, I will be informed by senators in the chamber if I am wrong.

It is for these sorts of reasons that I am sure that my colleagues the shadow minister for defence and the shadow Attorney-General have taken the alternative approach that they have commended to my colleagues in the federal parliamentary Labor Party, which is the approach of notification of parliament, which we believe in the circumstances is a safer course—and, I agree with Senator Brown, it is a very important course of action. We do not want to see a situation where there is no capacity for parliamentary involvement. We think it is absolutely essential in the first instance that the government’s actions be brought to parliament’s attention as soon as an order for call-out is given. But we are sensitive to those sorts of issues.

There may be many other scenarios that, no doubt, the expert advisers and those who have the resources of government at their fingertips can draw attention to. I do not have those advantages, but they are some of the thoughts that cross my mind. I put them before the committee in a serious way. I am sure they are the sorts of issues that have led to the sort of balanced outcome that has been the hallmark of Labor’s approach on this bill. I hope that that in some way at least answers the question that Senator Brown raises of the opposition, and he may care to progress those issues with the government. They are at least some of the thoughts that have, I am sure, crossed the minds of many senators. They have certainly been treated seriously by opposition senators. My advice—and certainly it is the view of my shadow ministerial col-
leagues and the caucus—is that the course of action that Labor is pursuing is the best one. In other words, certainly make changes to the bill in this area, to improve the bill substantially. Of course, this is being done in the context of understanding and acknowledging that the current situation—where there are no constraints at all on government and no legislative framework at all governing the call-out of troops—is an unsatisfactory one and one that we find unacceptable and believe needs to be addressed.

Senator BOURNE (New South Wales) (12.27 p.m)—I would just like to address three of the points that Senator Faulkner made. I take his point that he makes these points in all seriousness, and they do need to be addressed. First of all, he says that there are no constraints at the moment. I think we have addressed that in this debate. The fact is that constraints exist because this bill is not in law, and the constraints that exist are that nobody knows how far the troops can go with any constitutionality and, therefore, the troops never go very far at all and never have done—and, until this bill comes in, they will not. But, of course, once this bill has passed they will be able to go to much longer lengths than they can now. So there are constraints.

Secondly, Senator Faulkner makes the very serious point about division 2 powers, which might mean the involvement of the SAS in the situation. He is worried that the recall of parliament would alert people to the fact that the troops were being called out and that this might disadvantage the SAS et cetera. I cannot imagine a situation in Australia where all this would be secret and no media would have noticed that there was a situation going on that might require troop call-out. I suppose it might happen. It might happen in the middle of the desert, if there were a US base and somebody parachuted in and the only people who noticed it were the RAAF and the coastguard and anybody who happened to be living around there and the troops had to be called out. But it must be terribly unlikely. Even if it were to happen, do we think that the terrorists, or whoever this is whom we do not want to alert to the fact that the troops might be called out, would be sitting around thinking that nothing was going on and that nobody had noticed that they had taken over the Olympic site or something? I think people would notice. I think that people carrying out the action would know that people had noticed. I just do not think it would be a problem.

However, in case it is a problem, I believe Senator Brown has an amendment that would cover that. I look forward to hearing it. But I really think that, if any situation occurred in Australia—any situation at all that might require a troop call-out—we would all know about it. It would be so extreme that it would be something that would be in all the newspapers, on television and on the radio, and we would know about it. It would be so extreme that people would be thinking, ‘There might be a troop call-out here.’ If you look at the times that the troops have been called out in the past, they were not secret situations. Everybody knew about the coal strike. Everybody knew about the pilots strike. They were not situations where, if the parliament had been recalled to discuss them, there would have been an alerting of the perpetrators so that something dreadful might have happened. So I really do not think it is a problem. However, as I said, I believe Senator Brown does have an amendment which would cover that if it did happen to be a problem—which I still do not think it is.

The other point that I think it is worthwhile making is that the Democrats have had on the books for a long time now—since former senator Colin Mason was in here, so it was in the late 1970s or early 1980s—a private member’s bill that would require exactly this: the agreement of parliament for our troops to be called out to do something that is not in the ordinary course of their duties. Nobody has ever agreed to that bill and it has languished, I am afraid—but it is still there. The point about that is this: every time that has happened—that the troops have been called out to do something that is not in the ordinary course of their duties—no body has ever agreed to that bill and it has languished, I am afraid—but it is still there. The point about that is this: every time that has happened—that the troops have been called out to do something that is not in the ordinary course of their duties—the parliament has been either recalled or asked to discuss a motion to agree to and support the troop call-out. So it has actually happened, this parliament actually does that—even though the bill never went through.
There have been two occasions that I can think of where that has happened. One was the Gulf war. I think that was in 1990 or 1991; it was just after I had got into this place. On that occasion, the parliament was recalled, there was a motion and it was agreed to—by both the government and the opposition. There was some vocal disagreement. But we did not have the numbers at that point to wait six months to call out the troops, so the calling out of the troops was agreed to. The second time I can remember it happening was with East Timor. We can all recall that because we were all here. We had a motion, we had the debate and we all agreed to it. There was no disagreement.

So it is not as scary as the government and the opposition seem to think it is. I sometimes wonder whether they feel that they really need to look after us because we are rather like children and that, to look after us, they really need as much power as it is humanly possible to have. They seem to think that, if they can get as much power as they possibly can, they can then look after us and we need not be bothered. But they really do not like giving up any of that power— for our own good, I am sure. They really do not like giving up any power. They particularly do not like giving up power to the parliament— and I worry about that.

So I make those three points. There are constraints at the moment. Those constraints will come off to a considerable degree if this bill is passed—I should say when this bill is passed, because it will be. Secondly, I cannot imagine that recalling parliament will alert those who would not already know about such a situation. Their attention would have been drawn to it already in a very extreme manner—because, remember, the police would have already gone in. If the troops were called out, the police would already be in there, and it would be obvious that the police were not coping—because of our being told, by both the government and the opposition, that the only time this would ever happen is once the police had done everything they could and they were desperate and needed help. I cannot imagine how that could be secret. I cannot imagine how people would not have realised that something was going on—that the police had been trying and they had not been able to fix the situation and that the troops now were being called out. I cannot imagine where this would be a problem. However, as I have said, I believe that Senator Brown has an amendment that would fix that, just in case it ever did become the case.

The third point is that we already do this. There is no need to legislate for this; our private member’s bill has never gone through, but we already do this. It is not that scary. It gives back the power to the Australian people, to the representatives of all the Australian people—not just the representatives who happen to be in government, who happen to be in cabinet, who happen to be the three right at the very top of cabinet. It gives the power not just to those few representatives of the Australian people but to all of them, and there has to be overall agreement.

Senator Brown (Tasmania) (12.35 p.m.)—Senator Bourne has flagged the amendment that I will now move to her amendment to this bill. Senator Bourne’s amendment says that parliament will be recalled within two days if troops are being called out in Australia for an emergency. The opposition has indicated that it will not support that amendment, which I support as it stands. But the opposition argument goes roughly this way—

Senator Faulkner—An opposition argument

Senator Brown—An opposition argument

Senator Brown—An opposition argument—Senator Faulkner corrects me—is that there could be situations in which terrorists would be alerted to the Defence Force coming simply by means of a parliamentary call-out. I share Senator Bourne’s constricted imagination in that I cannot foresee what that situation would be—and I think her amendment should stand as it is. I have always maintained that we should be dealing with an antiterrorism bill here; we should be making sure that the employer, the Defence Force, should be against terrorism. But the problem with this legislation is that it gives exactly the same opportunity for three federal ministers to call out the troops against Australians who are striking or protesting.
Yesterday the opposition amended the provision for the call-out to say that you could not call out the Defence Force to stop or restrict any protest, dissent, assembly or industrial action, except where there is a likelihood of death, serious injury or property damage. I move:

Subsection (2A), after ‘subsection (2)’, insert ‘in relation to any protest, dissent, assembly or industrial action under 51G(a)’.

Purely and simply, this says that, if there is a situation where the troops are called out against Australian civilians, parliament should be recalled. It gets around the concern that the opposition have flagged that the troops will be called out against terrorists who may be given an advantage. It allows for that. But it goes right to this very important matter of the horrendous situation arising where troops may be called out in a political situation against strikers or Australians civilians. In that situation, parliament will have to be recalled within two days. Again I implore the opposition to look very carefully at this amendment. It is very important that this amendment goes through the Senate because it puts some restraint, some democratic halter, on an authoritarian situation where three ministers may take it into their heads to give one minister the ability to give the armed services directions so that they are used against Australians. All the way along the line that is why we have opposed this bill: we should not entertain that situation. Senator Bourne, on behalf of the Australian Democrats, has said, ‘Well, the opposition have moved a raft of amendments to the bill. But you know that.

Senator Faulkner—That is not right.

Senator BROWN—But the troops cannot be deployed unless there is a reasonable likelihood of death or serious injury to a person or property.

Senator Faulkner—All we are doing is supporting your position—that is, that they not be called out willy-nilly with no legislative restraint, which is the current situation.

Senator BROWN—Let me divert for a moment, Chair, because Senator Faulkner interjects that what Labor is doing here is not allowing the troops to be called out willy-nilly under the current situation. I believe the problem for government is that it is very difficult, if not impossible, for the troops to be called out in the current situation.

Senator Faulkner—There are no constraints on the constitutional power at all, Senator Brown. You know that.

Senator BROWN—There are very real constraints and constitutional questions there, Senator Faulkner, and you know that, and there is a century of convention that says that you do not do this.

Senator Faulkner—I know there is not. You and I disagree on that.

Senator BROWN—Senator Faulkner knows. I am saying that I disagree with that point of view; and that is why we are having this debate. Does that mean Labor cave in totally to the government?

Senator Faulkner—No, it does not.

Senator BROWN—And say, ‘Okay, we will codify the use of troops against Australian strikers’? That is what you have done.

Senator Faulkner—What it says is that Labor have gone in open-mindedly and moved a raft of amendments to the bill. But you know that.

Senator BROWN—The opposition are now tested again. They say they will not support the parliament; they support the authoritarian line.

Senator Faulkner—What do you mean we won’t support the parliament? What are you talking about?

Senator BROWN—Senator Faulkner is getting tetchy here. I am talking about Labor saying they will not support the parliament. If you do not support the use of the parliament, you do not support the parliament; you support, rather, the centralisation of power to the executive, which is what this amendment is all about. The amendment says, ‘Allow the parliament in for a review,’ but Labor say no and say, as their argument, ‘Because terrorists might get an advantage by democracy; democracy might advantage terrorism.’ As a fall-back situation, I say, ‘Okay, you won’t allow parliament to be brought in in what you figure is a terrorist situation, but surely’—
Senator Faulkner—But you are happy with that, are you?

Senator BROWN—No, I am not. Parliament should be recalled.

Senator Faulkner—So you agree with what I said?

Senator BROWN—Parliament should be recalled. I disagree with you.

The TEMPORARY CHAIRMAN (Senator Sherry)—Order! Senator Faulker and Senator Brown, this is not the proper way to conduct a committee debate.

Senator BROWN—The proper way is for the chair to call disorderly interjections to order.

The TEMPORARY CHAIRMAN—I have just done that, Senator Brown, so address your remarks to the chair.

Senator BROWN—And then we can get on with a clear debate, uninterrupted. The position here is that the opposition are saying that parliament does not have a role in the call-out of Australian troops. The Democrats have brought forward an amendment which says that parliament has a pivotal role. It is not going to have a role in whether the troops are called out or not, but it will have a role in an immediate review of that disastrous situation. Going to the government, the opposition say, ‘But what about a hypothetical, ill-defined terrorist situation—the “resort to the terrorist fear” option?’ I say okay, we will cover that, but how could the opposition fail to support the employment of democracy and a recall of parliament in a situation where it is not terrorism; it is troops being sent in against strikers or against public protesters in this country? We are coming up to lunchtime: I hope that the opposition during the lunch hour will give this amendment the scrutiny it deserves.

Senator Faulkner—We have given all the amendments the scrutiny they deserve.

Senator BROWN—I once again implore the interjecting Leader of the Opposition in the Senate to look at this matter. It is a test of the opposition because they do have a stream of the antidemocratic ‘let us leave it to the executive’ creeping into their thinking. But here is an opportunity to make sure that the parliament, as the fulcrum of democracy, is used as a restraint on the actions of the executive. It needs to be codified, and it cannot be left to the whim of the government and/or the Senate of the day when the government may have a majority in the Senate. In fact, this is an opposition enhancing amendment. It says, ‘Let us make sure the opposition have a say in a disastrous situation such as the troops being called out by the executive against Australian civilians.’

Progress reported.

MATTERS OF PUBLIC INTEREST

The ACTING DEPUTY PRESIDENT (Senator Sherry)—Order! It being 12.45 p.m., I call on matters of public interest.

Australian Labor Party

Senator PATTERSON (Victoria—Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs and Parliamentary Secretary to the Minister for Foreign Affairs) (12.45 p.m.)—I rise today with a sense of deja vu, because two years ago I rose in this place during the matters of public interest debate to highlight the policy-free ALP’s disgraceful record of lies, misinformation and scaremongering. Two years later nothing has changed. Two years ago, on 1 July 1998, I said in this place:

The Australian people have a right to expect that public discussion of government policy will be free from scaremongering. This standard has not been met by the Australian Labor Party.

As I said, nothing has changed. I could read out word for word the speech I made two years ago outlining all the lies that Labor have told. Two years later it is all still relevant. The Labor Party still have the same weak leader, Kim Beazley, who bends and sways to the whims of the unions and various special interest groups. Labor still have no policies. They still continue to spread lies and misinformation about coalition government policy. Some people would say it is done in an effort to shore up a few votes, but I would say it is to ‘scare up’ a few votes.

Two years ago, I said in that speech:

What about Labor on child care? One of the more persistent myths peddled by the Australian Labor Party relates to child care.
Again, nothing has changed. Two years ago, I quoted in that speech some of former Labor senator Belinda Neal’s worst statements about child care. She was one of the more outrageous scaremongers who has since been dumped by the Labor Party in the Senate in a factional deal. It seems that is what they do in New South Wales—dump their female senators in factional deals. Belinda Neal failed to win the seat of Robertson at the last federal election, despite the amount of money that was spent on that. Maybe the people of Robertson could see through her lies about government policy, and decided to stick with their excellent, hardworking local member, Jim Lloyd. The faces have changed but the lies have remained the same, and Labor have continued to lie about child care. I have a couple of examples of what they have said.

On the 7.30 Report—I have the transcript here—Wayne Swan said:

The Government has hacked into child care, making child care more difficult to get.

Jenny Macklin put out a media statement on 16 April called ‘Flying Nanny Squads Won’t Save Families From The GST’. She said in this media statement:

This $65 million for flying nanny squads won’t make up for the $800 million the Howard Government has cut from childcare.

Like the telemarketing people, we can say, ‘Wait, there’s more.’ We have Senator Chris Evans in a media statement on 26 November 1999 saying:

More than 300 centres have closed in the last couple of years. The Childcare sector is already reeling from the impact of the Government’s policies that have seen a 10% reduction in Commonwealth childcare funding from 1996-97 to 1997-98.

Let me just say what the facts are. The facts are that allocations for child care have been greater every year under the Howard government than in the last year of the Keating government. A record $5.3 billion has been allocated over four years until the 2002-03 budget. This figure includes $600 million in additional funding through a simpler and more generous child-care benefit from 1 July this year.

When I look at who tells the biggest porkies, I think Jenny Macklin would have won the ballot in July two years ago but now Wayne Swan would be heading up the porky list as one of its premiers. Jenny Macklin was the worst performer on lies. When I was a shadow minister in opposition, I actually used to read the Labor Party’s press releases to make sure I had it right in my press releases. How stupid! How stupid we were, Senator Vanstone! I suppose you did the same thing too. It does not matter. The Labor Party says, ‘Don’t let the truth get in the way of a good story.’ We are still waiting for Jenny Macklin to apologise for her promise that many of the 1,400 Commonwealth rehab service workers would be sacked. Also, what about the withdrawal of CRS services from the bush? That has not happened, and we are waiting for her to apologise.

As I said, Wayne Swan outlied, outmisrepresented and outscared. He has done better than Jenny Macklin in the last two years in this parliament. Here are just a couple of Wayne’s shockers. On the 7.30 Report, unabashed and unashamed, he said:

This Government has cut JET funding for sole parents.

So what are the facts? The Howard government has increased spending on the Jobs, Education and Training program to $17 million and has increased the number of JET advisers. But don’t let the truth get in the way of a good story. Just keep telling the same old lies over and over and hopefully one day the public will believe you. What the public will believe is that the Labor Party have no policies and that all they can do is tell big pork pies. In a media statement on 22 June 1999, Mr Swan said:

Can we really expect the Coalition to invest in early childhood when they have cut $1 billion out of childcare and have cut school funding? Can we really expect the Coalition to invest in parenting skills when they spend just $2 million on better parenting programs ... What are the facts? First of all, it must be a record for Mr Swan to tell three lies in one sentence. Three lies in one sentence is not bad.

The ACTING DEPUTY PRESIDENT (Senator Sherry)—Order! Senator Patterson, you will have to withdraw that remark about Mr Swan.
Senator Patterson—Mr Swan bent the truth three times in one sentence.

The Acting Deputy President—You will have to withdraw it unconditionally.

Senator Patterson—I withdraw it. Mr Swan continued to misrepresent the government’s policies and did it three times in one sentence. Whether I use the word ‘lie’, ‘untruth’ or whatever, he bent the truth three times in one sentence. The government has not cut child care, as I have outlined—

The Acting Deputy President—Order! Senator Patterson, I am advised that ‘bent the truth’ is not satisfactory either. It is outside the standing orders, so I require you to withdraw that as well.

Senator Patterson—I withdraw the fact that he bent the truth.

The Acting Deputy President—Thank you, Senator Patterson.

Senator Patterson—I will say again that three times in one sentence Mr Swan misrepresented our policy. He misrepresented our policy by giving false information about it. Some people might call that a lie and some might call that an untruth, but I will say that he misrepresented the truth. The government has not cut child care, the government has not cut school funding and, on the matter of early childhood and parenting skills, the government has invested $40 million in that area and a further $65 million to provide greater flexibility and choice in child care.

Senator Calvert interjecting—

Senator Patterson—Don’t worry about the facts, Senator Calvert—but you are not allowed to say that it was a lie. It was a misrepresentation of our policy. In a media release on 20 January, Mr Swan said:

The Howard Government has cut social services to Australians by a massive $5.26 billion since coming to office in 1996.

He is wrong. Between 1995-96 and 1998-99, total Commonwealth spending on health, education, social security and welfare increased by 12.3 per cent in real terms and, furthermore, this increased spending has come at the same time as falling unemployment.

Unusually, for a discussion of Labor lies, I have to give credit to a Labor minister for telling the truth. The great Labor rot of this term of government is ‘roll-back’. The last time we heard the Leader of the Opposition mention the word ‘roll-back’ in this parliament was in June. They have obviously had a strategy meeting. They have decided not to mention roll-back: ‘Take the word out, and the people might forget about it.’ So we do not hear them mentioning the word ‘roll-back’. It is a new strategy. We go through transcripts of the Leader of the Opposition’s speeches every day, trying to find any mention of the wonderful policy of roll-back which he seemed to boast about for so long. Now, he bury it on a daily basis. But the questions remain: what exactly is roll-back? How will a roll-back of the GST be funded? Which taxes will be raised? Which government programs or payments will be cut? How will the small business community be compensated for the resulting extra red tape?

The only person who was willing to speak the truth about a roll-back was John Della Bosca. He said in the Bulletin—and he got the sack as a result of it; he never got to be President of the Australian Labor Party:

And with the rollback, well people think ... —

I delete the expletive, because I am not allowed to swear in the chamber—it’s complicated enough already. Why make it more so? Then there’s how you make it simpler for small business. No one is going to believe you can do this. The only thing you can do is give more exemptions. But that makes it more messy. Here, Mr Della Bosca was telling the truth about a roll-back, and we know what happened to him. Paul Kelly said, in response to that—and this is the most accurate version of all:

The John Della Bosca incident is significant because it was a critique of Beazley on the basis of fraudulent policy—the most potent critique for any leader.

Paul Kelly’s statement is an indictment of that situation and supports my case that Labor will do anything to win office.

The problem is not just the roll-back. Labor has an enormous credibility problem when it comes to tax. The Labor Party’s policy on the GST seems to change every time
Kim Beazley is asked about it. In a doorstop in Launceston in February this year, Mr Beazley said:
And they face, on 1 July, an absolute nightmare.
That is what he said about what was going to happen on 1 July. Then, in July, at a press conference, Mr Beazley said:
When has the Labor Party said that day one would be a melt down? We have never said that.
He did not actually say that there would be a meltdown; he did not use those words. But he said that it would be ‘an absolute nightmare’. Then, on whether you can make the new tax system fair, Mr Beazley said in a doorstop at the Burwood Council Chambers on 15 April 1999:
The problem is you can’t make it fair.
Then he had an about-face and said on 1 July:
And it is possible to make it fairer and that’s what roll-back is all about.
But we are not talking about roll-back anymore; roll-back is off those words. So you cannot make it fair, then you can make it fair; Labor said that it would be a nightmare, but Labor did not say that there would be a meltdown. Mr Beazley needs to get his facts straight and to stick with the truth.

Labor’s lies on health have been nothing short of disgraceful. The best they can turn up in terms of policy is an agreement to have a giant talkfest about Medicare—a bit like the state government in Victoria; we have had 143 reviews, but nothing happening. They suggest no changes and have no real policy—just a nice long chat about what they will do about Medicare if they ever win government. They have resorted to lying about government policy to cover up their lack of policy. At an AMWU conference in Newcastle on 19 July, Mr Beazley said:
Upon coming into office, John Howard cut $800 million from the public hospital system. He increased patient charges under the Pharmaceutical Benefits Scheme by $500 million.
This is untrue, it is wrong and it is a misrepresentation of what actually happened—I am not allowed to say that it is a lie. Under the coalition, record levels of funding have been provided to the states and territories for their public hospital systems. The five-year Australian health care agreement negotiated in 1998 increases funding to the states and territories by 25 per cent, in real terms, compared with what Labor provided in their last Medicare agreement in 1993. So we have a 25 per cent increase, in real terms, compared with what Labor provided in 1993. Further, under the coalition, Medicare has received its highest level of funding, and Australians have greater access to Medicare than ever before.

What about Labor’s comments on the 30 per cent private health insurance rebate? In reference to the health insurance rebate, Mr Beazley said in a speech to the parliament on 24 November 1998:
What shower did you lot come down in? ... What an extraordinary thing for you to be doing. We oppose bad policy wherever we see it. This is why we are opposing this piece of bad policy.
Then, speaking about the 30 per cent rebate in an interview with 3LO on 22 February, Mr Beazley said:
It is a complete and monumental failure.
We are sorry, Mr Beazley, but almost eight million Australians are now covered by private health insurance—the highest level of health insurance coverage since health insurance levels have been recorded. This is all about covering up Labor’s real agenda: to remove the rebate. Jenny Macklin has refused to rule out means testing for the rebate—abolishing the rebate by stealth. She has been asked about this over and over again—I think Laurie Oakes asked her about it on the Sunday program. On one program she was asked, ‘Will you have a means test on the rebate?’ and she has failed to answer it. I can tell all those self-funded retirees: watch out. If ever Labor get their hands on the levers, there will be a means test on the rebate, and it would cost the average Australian family $700 a year.

Before I finish, let us talk about Labor’s sneaky survey. There was this huge fanfare on 18 July this year when Labor’s spokesman on community affairs, Lindsay Tanner, released Labor’s GST survey, claiming to show many prices soaring as a result of the GST. He got found out because the Herald-Sun revealed that Mr Tanner had only published less than a quarter of his own survey results, and then only the price increases. This is
Wednesday, 6 September 2000

The full survey indicated that more than half of the basic goods surveyed were priced within or lower than the ACCC’s price guide. Mr Tanner lamely told the ABC that it was an average presentation of the impact of the GST. How feeble! This litany of lies and untruths should be enough to make all Australians wary of ever giving the Labor Party the reins of government. After all, lying is just part of Labor’s modus operandi. As Graham Richardson said, ‘You have to lie to keep your job. If you have to lie, it is probably a good system.’ (Time expired)

Senate Committees: Conduct

Senator JACINTA COLLINS (Victoria) (1.01 p.m.)—Today I wish to make some comments in relation to the conduct of Senate committees. I had the pleasure of a number of years of work on the economics references and legislation committees, which involved constructive work across both major parties and with the Democrats, in particular, Senator Alan Ferguson and many others, and their participation on those committees was generally quite constructive.

Unfortunately, today I have to refer to my more recent experience with the Senate Employment, Workplace Relations, Small Business and Education Committee. In noting that experience and broader complaints from witnesses to other committees, this has led me, not lightly, to the comments that I now make. One can expect that one’s colleagues from both parties have a bad day occasionally but recent experience with the Employment, Workplace Relations, Small Business and Education Committee has established a very disturbing pattern. This culminated in the very poor behaviour exhibited by some senators in hearings last Thursday.

Firstly, the chair, Senator Tierney, ruled out the Office of the Employment Advocate to appear before the committee, despite the fact that the committee was addressing a bill with respect to extending their powers to the Employment Advocate regarding Australian workplace agreements.

Senator Patterson—You shouldn’t have done this in the chamber. You should have found another way. Did you tell Senator Tierney you were going to do this?

Senator JACINTA COLLINS—I encourage all senators to listen to the whole event here and then they will understand why this has been done. As the chair on this occasion, Senator Tierney’s first question to the department says:

Senator Collins alleged that a recent decision by Senior Deputy President Harrison has found the Office of the Employment Advocate to be partisan and to have inappropriately applied the no-advantage test.
The reason this needs to be highlighted today is that there has never been an assertion, and it is definitely not the case, that Senior Deputy President Harrison found the Office of the Employment Advocate to be partisan.

I need to clear the record for Senior Deputy President Harrison that it has been alleged that she found the Office of the Employment Advocate to be partisan, because this has not been the case. Secondly, whether she found that the Office of the Employment Advocate applied the no-disadvantage test inappropriately or not has yet to be determined and cannot be determined in the absence of the Employment Advocate. That question could not be addressed, even though it was very relevant to whether additional powers should be referred to the Office of the Employment Advocate.

Unfortunately, I need to go to the record on this occasion and put the record straight because the original debate was conducted in this chamber. I refer honourable senators to the Hansard of the original debate, dated 17 August 2000. Unfortunately I had her title incorrect at that stage and referred to Commissioner Harrison. I said that, as far as I understand, Commissioner Harrison found that the Employment Advocate did not apply the no-advantage test appropriately and did not accept appropriate assurances about how an agreement could be applied in the workplace. There was nothing about Senior Deputy President Harrison finding the Employment Advocate to be partisan. I have referred to my view that the Employment Advocate is partisan, but in no way have I ever suggested that Senior Deputy President Harrison has found the Employment Advocate to be partisan.

The reason this is in the chamber today is that these comments were made in the chamber and the record needs to be corrected that any suggestion has been made that Senior Deputy President Harrison has found the Employment Advocate to be partisan.

Going back to the original issues associated with conduct of committees, unfortunately I do need to go back to that point. The reason is that that question then basically humiliated the officers of the department. There was not one single officer from that department who had read the question that Senator Tierney was asking them to comment upon.

Senator Patterson—Did you speak to Tierney about this before you came into the chamber today? That is the normal courtesy.

Senator JACINTA COLLINS—Unfortunately, the pattern of lack of courtesy in this committee—

Senator Patterson—Two wrongs don’t make a right.

Senator JACINTA COLLINS—You may well be right, Senator, and I may take that point on board, but let me go to the decision that was being referred to in relation to Senior Deputy President Harrison. Unfortunately, the department, in responding to Senator Tierney’s question—because they had not read the decision—were firstly confused that it involved two employers. It only involved one employer. Secondly, they were confused about whether undertakings had been given in relation to a first set of agreements that had been approved by the Office of the Employment Advocate and a latter set of agreements that were referred by the Employment Advocate to the commission and ultimately to Senior Deputy President Harrison.

Unfortunately, had the officers been given due warning or had suitable officers been present at the hearing in relation to matters pertaining to the Office of the Employment Advocate and Australian workplace agreements, we would be able to clarify the concerns that exist from the opposition and, as I understand it, also from the Australian Democrats in relation to what is happening to these agreements. Senior Deputy President Harrison makes it quite clear. The undertakings or proposals that were given were not acceptable and hence the AWAs were referred to the commission. There is no confusion that there were not undertakings that the employer had provided. The concern is that those undertakings were insufficient. What we do not know, and what we need to ask the Office of Employment Advocate—since the department also does not appear to understand—is: were there any initial undertakings with the first set of Australian workplace agreements? Were those undertakings the
same as were provided with the second set of agreements that were then found by both the Office of the Employment Advocate and the commission to be unsatisfactory?

Why is there then the difference between the first set of agreements and the second set of agreements? Had there been complaints about the undertakings and that they were unsatisfactory, or why else were there reasons that similar Australian workplace agreements that had been approved by the Office of the Employment Advocate were later referred to the commission and found to be unsatisfactory?

Going back to the conduct of committees and my central theme, the most concerning part about this issue is that those questions could not be asked of either appropriate officials within the department who were properly briefed or of the Office of the Employment Advocate himself. Why could they not be asked? That is the major concern. I am not focusing this on the particular committee members or necessarily the chair of the committee. Senators would be well aware of the complaints that I have made over time in relation to the history of the minister’s behaviour with respect to this committee. Matters have been referred to the Senate Privileges Committee in relation to this committee.

We have the occasion where the minister, I would argue, contrived for witnesses to appear with the department when we sought to question the department about a bill. It seems on that occasion the witnesses were rolled up to present a particular perspective, but essentially to take up the committee’s time so that insufficient time would be available for us to appropriately question the department on the minister’s intentions and on the legislation itself.

The next occasion we had problems in this committee related to the regional employment report. Senator Mackay might recall copies of the chair’s draft of that report were found circulating within the department. That again went off to the Privileges Committee, with serious concerns raised about how such a report could go through the minister’s office and end up in the department when it was at the chair’s draft stage and had only just been circulated amongst committee members.

The next occasion—I am sure some senators will recall—was in relation to the patent bargaining bill. There were concerns and quite a lot of public angst raised over the way in which, I would assert, the minister sought to control the committee’s program and ensure that only witnesses he thought would paint a particular perspective were able to appear and that the time allowed for questioning on this bill would be so limited we would not be able to highlight what I would say were his real intentions.

History now tells that the committee quite rightly responded and had a more adequate program, a longer hearing time, and we were able from the Labor Party’s perspective to point out to the Democrats that the real intentions here and the real consequences of the bill as it was currently framed were not just about campaign 2000, but about limiting the power of unions across the board.

These are not the only occasions. In this committee we have had senseless debates in estimates about whether a question of the committee, unless disputed at the time, is a question of the committee rather than a question of just an individual senator. Most recently, we had the Office of the Employment Advocate constrained from furnishing information to the Senate. We have discovered, as early as yesterday, that it appears, certainly from my reading of the facts, the Office of the Employment Advocate was silenced by the head of the department, Dr Shergold, for the minister—at Dr Shergold’s instigation, after our hearings, when the Office of the Employment Advocate indicated he would provide us information.

That information is a matter of public record now. It has been provided to the committee and, as a matter of information provided in Senate estimates, is now a matter of record. We know that Dr Shergold instigated the contact with the Office of the Employment Advocate immediately after the hearings when the Employment Advocate undertook to provide the committee with information.
As recently as today, we have news reports that Minister Reith is tipped to get industry in a likely reshuffle. Minister Reith is reported in today’s Financial Review as having made it clear within government circles that he is frustrated with the workplace relations portfolio because he is unable to get any further reforms through the Senate. Is it any wonder he continues to fail? His intentions and his methods are poor. It is no wonder he wants a change, because he cannot succeed. As one colleague said to me today, it is an example of the schoolyard bully being bested by the schoolyard.

If Minister Reith portrayed more maturity in both his intentions and his method, he would face more reasoned consideration before the Senate in progressing a reform agenda. He has chosen not to do this. I wish him well in a move to another portfolio and I hope that what I have outlined here today will be a lesson to his successor.

Aboriginal Deaths in Custody

Senator RIDGEWAY (New South Wales)
(1.14 p.m.)—In this chamber last year, as the country was about to embark on the festive season, I spoke about Aboriginal deaths in custody. In that speech I called on members of this chamber to commit to a number of things. The first was a return to cross-party support for the full implementation of the recommendations of the Royal Commission into Aboriginal Deaths in Custody. The second was to look at renewing our commitment to reporting annually on what steps had been taken by the various levels of government to implement those recommendations. The third was for the federal, state and territory governments to honour commitments that had been given in 1997 at a ministerial summit to address the question of deaths in custody. Last was about senators reaffirming our commitment to eliminate indigenous disadvantage with recognition that that will only occur if there is indigenous empowerment, self-determination and reconciliation.

I guess it disturbs me, returning sometime later, that there has been very little commitment, if any at all, to address the question of deaths in custody. It disturbs me that what has occurred is a further alarming increase in the number of Aboriginal deaths in custody and perhaps the most shocking increase in deaths has occurred in Western Australia in recent months. People may not be aware that in that state in the seven weeks spanning May and June this year, no fewer than seven people died in custody. If we think about that, we realise that that is an average of one person a week for nearly two months. Three of the seven who died in custody were Aboriginal people.

Most people would imagine that these statistics would shame the Western Australian government and perhaps trigger a more concerted effort to try to minimise the rates of incarceration for indigenous people and as a result the number of deaths in custody. Unfortunately, I think everyone in this chamber is only too well aware of the renewed vigour the Western Australian government has shown for its laws regarding mandatory sentencing and law and order generally. It is about getting tougher.

What is disturbing is that the WA government appears not to be concerned by its apparent negligence in relation to the eight deaths themselves. On the contrary, it was reported in the Sydney Morning Herald two months ago that the government had described the deaths as a run of bad luck and a statistical variation which would correct itself over the year. It seems to me that we ought to be asking the question: is this adopting a policy of acceptable losses?

In the period since the royal commission back in 1991 and January of this year, there has been a further 131 indigenous deaths in custody in Australia. I believe that is 131 deaths too many that should have been avoided at all costs.

Before the royal commission, about 12 per cent of all prison deaths were of indigenous people. People need to be reminded that over the last decade this figure has risen to nearly 18 per cent of all prison deaths. Sadly, the national picture for 1999 is in keeping with the 20-year trend to date. Indigenous people, who comprise just over two per cent of our national population, made up 22 per cent of all deaths in custody. In reality, the statistics masked the tragedy of 19 indigenous people who died in custody. It is a pretty alarming figure when you consider that 20 per cent of
the national prison population, or one in five prisoners, is in fact indigenous. The latter figure is, however, less surprising when you take into account that nearly one in two juveniles in detention centres is indigenous.

The recently appointed New South Wales Senior Children’s Magistrate, Mr Roger Dive, has publicly spoken out and identified the need to turn around the number of young indigenous people entering the criminal justice system, particularly in New South Wales where more than one-third of juvenile detainees are, in fact, indigenous. He went on to say that it does not matter what everyone is doing already; they are not doing enough, because there are too many Aboriginal children in custody.

It seems to me that incarceration is now so accepted in many Aboriginal communities that it has become a quasi process of initiation into adulthood, a rite of passage and a path to a new form of identity. Understood in this way, being taken into custody is not a deterrent. It is a form of protest; it is an affirmation of the marginalised position of indigenous people, particularly for young indigenous people within the broader community. But being taken into custody and then dying in custody is better understood as a sign of resignation, of utter despair, dejection and hopelessness. So long as jail is not seen as a deterrent, the cycle cannot be broken.

In 1981, when Eddie Murray was found dead in a Wee Waa police cell, a doorway to death was opened to young indigenous people in this country who found themselves in police custody. Too many indigenous people are still walking through that doorway. This stems in part from the national failure to keep people out of jail. We ought to remind ourselves that back in 1991 in a report from a royal commission the primary recommendation made was that prison should be used as a last resort. In reality the opposite has happened. In the last 15 years the number of prisoners in Australia has doubled from 9,500 in 1987 to about 21,000 this year. Consequently, indigenous prisoners account for an increasing proportion of the total prison population and, as I have stated, it is obvious that more prison deaths occur, of which indigenous deaths constitute an increasing number. Yet the criminal justice system does not allow the opportunity for full self-realisation and personal achievement for many in indigenous communities.

After being arrested, an indigenous person’s chance of being employed drops on average about 15 per cent. This is in a country where indigenous people are more than eight times more likely to be arrested than other Australians. For indigenous women the reasonable chance of being employed falls from 29 per cent to 16 per cent after an arrest. More recent research conducted by the ANU shows that many of the arrests are for alcohol related crimes which stem from the alienation and social exclusion experienced by many indigenous people in Australia today.

Socioeconomic disadvantage is just one explanation why indigenous people are disproportionately represented in the criminal justice system. Addressing the disadvantage is only one part of the equation. We also need to tackle the spiritual and psychological causes that are interwoven with the daily realities of being unemployed, of poor school attendance, low household incomes, substance abuse and so on. Policies that are focused on solving discrete social welfare issues are necessary but they have to be in the proper form. They will never succeed but only compound the problems unless they are put in a form that is determined through consultations with indigenous people themselves. What is needed is a restoration of the right of people to choose—to make decisions like everyone else and to be able to expect that those decisions will be respected and upheld by others.

The Yuendumu petrol sniffing problem is another fire waiting to be put out, as my leader spoke about last night in this chamber. The Yuendumu people are still in parliament seeking some action from the government to put out fires burning in their communities.

Centralised welfare is self-defeating because it takes away choices. Welfare can be useful if it is delivered in a form that empowers people to invest in their own ideas. It is simply a matter of delivering a rounded, culturally accepted response to indigenous people that addresses a whole range of needs and
aspirations that are currently being ignored and, in some cases, being dismissed.

We need to break the negative reinforcement that has for so long been part and parcel of welfare programs that are delivered to indigenous communities throughout the country. It is important that a new message reach those people in this country who see themselves as the first nation peoples, and a message that the government believes it can achieve positive change in partnership with them. As senators, we need to demonstrate to indigenous communities that we genuinely believe that they should be exercising their right to make decisions and that the government of the day will respect those decisions and support the communities to achieve the outcomes they want.

I also believe that people kid themselves if they believe that incarceration removes the problems. It just removes the people from their communities, from their cultures, from the one thing that can give them a positive identity and any sense of self-worth. Jail is not the answer. It is more like a plague that ravages indigenous communities across Australia. We should address more closely the relationship between diversionary programs, the recognition of traditional and customary law and the role of Aboriginal elders within their communities. Associate Professor Rick Sarre recently said:

...attempts to divert Indigenous peoples...from the formal criminal justice system...ought to be reconsidered and re-enlivened, giving greater credence to the potential for insight offered by the paradigm of restorative justice.

Restorative justice is a legitimate social justice model that has been put into practice in South Africa through the Truth and Reconciliation Commission, and more recently in New Zealand. Only a matter of weeks ago the New Zealand government announced a $4.857 million funding package to introduce new court referred restorative justice pilot projects that expand existing community managed restorative justice programs. Of course, the operation of those programs will be monitored and evaluated, but it does one clear thing: it seeks to restore and it seeks to invest in the ideas of people who see themselves as the victims.

The overriding objective, of course, in restorative justice is consistent with what indigenous communities in this country have said they want—the justice they said they wanted during the time of the Royal Commission into Aboriginal Deaths in Custody.

It is also useful to understand that it is a concept that accommodates the use of informal mechanisms to solve social justice issues within indigenous communities, including the use of customary law, rather than relying solely on the formal processes of the law itself. In this respect the model accommodates indigenous customary law into the criminal justice system at the community level, but it is consistent with a number of reports that this parliament has already looked at. I refer to the recommendation back in 1986 from the report on the recognition of customary law by the Australian Law Reform Commission, recommendation 104 of the Royal Commission into Aboriginal Deaths in Custody, again the 1997 communique from the ministerial summit that looked at the same issue, and more recently the national strategy of the Council for Aboriginal Reconciliation, which talked about the same thing.

As Australian society examines socially just ways of dealing with its indigenous people and as indigenous people continue to demand the right of more culturally appropriate responses, the importance of customary law cannot be underestimated as giving some solution.

Again I want to call upon the Senate—and I put on notice that I intend to introduce a notice of motion—to reaffirm the full cross-party support for the implementation of the recommendations from the Royal Commission into Aboriginal Deaths in Custody; to renew the commitments made to the 1997 ministerial summit, noting as well that the Northern Territory government was invited to participate on that occasion and is still refusing to be part of the summit’s communique; to establish a national Aboriginal deaths in custody investigation team to vigorously investigate and report on all of the deaths in custody; and to embrace the model of restorative justice so that communities can share responsibility for the criminal justice...
systems in ways that are culturally appropriate and empowering.

The Australian Democrats believe that these commitments constitute the bare minimum of action that is required if Australia is to avert a static or growing race based disproportionality in our criminal justice system. It is a situation today that is untenable, and criticism by the United Nations is a sober warning of our failure to respond adequately. We must look more than ever to community justice initiatives that operate under the broader concept of restorative justice, coupled with greater self-determination and investing in the ideas of people themselves.

I want to finish with the words of an elder from Yirrkala in the far north-east of Arnhem Land, Dr Jininii Gondara, a member of the Council for Reconciliation:

In Aboriginal law there is a principle that a man may not go here, he may not go there. But a man is physically free and is not locked up inside a jail. While a black man is locked up he is worrying about his family, his kids. He may then commit suicide. This is what happens when a man is taken away from family and the touch of the land. The sound of the clap stick and the songs. Westminster system needs to start to understand ... customary law. This is not the rule of man. It is the rule of law, law which has been there for a long, long time.

Workplace Relations

Senator PAYNE (New South Wales) (1.29 p.m.)—I want to make a few comments this afternoon about some changing aspects of the modern workplace. One of the topics of discussion in my electorate office in Parramatta recently was how the office will function during the Olympic period. Given that we are based right in the middle of many of the Olympic facilities, we anticipate the impact of the arrangements for the games to be significant, with major road closures around the area, not to mention the fact that the apparently huge Olympic pin exhibition and market is taking place in the Church Street Mall itself. The challenge facing my staff, constituents and other workers in even accessing our building is a matter to which we have given some considerable thought.

It struck me when we were doing that, that it was probably a very different scenario for businesses that were actually based around the location of the Melbourne Games in 1956. After all, they did not have the possibilities of diverting phone lines or the options presented by use of the Internet or fax machines or even the opportunity to introduce more flexible office arrangements. So it must have been an extremely different picture. It is really quite astounding how different the modern workplace is from one, 50, 20 or even 10 years ago. We have new technologies, we have a demographically diverse work force and we have changing labour practices that make the contemporary office vastly changed from those of our predecessors.

In effect, everything about our modern workplace, whether it is equipment or personnel or legal structures, is different from the environment in which people worked just a generation ago. I want to concentrate on the challenges of those changes today. When I thought about this, I was also struck by the way in which the balance between the various aspects of our day-to-day lives has altered. Whether it is anecdotal evidence or evidence from academia, the indications are that people are working longer hours, that they are changing jobs more rapidly, marrying later, having fewer children, spending more and saving less. So in effect, the new working environment and broader lifestyle decisions are strongly interconnected. Providing a framework which ensures that this is a relationship which is not detrimental is very important. I think it is fair to say that it has long been the view of the coalition that the key to that is ensuring flexibility, both from the perspective of employers and employees. So it is not only flexibility within the workplace but also flexibility within the labour market and obviously the relationship between the workplace and the work force is intrinsic to that.

There are numerous benefits to having a flexible workplace and they favour not only the employee but also the employer and, down the line, eventually government. Flexible workplaces enable an organisation to operate more effectively because they can enable the employees to meet their work and family care responsibilities whilst at the same
time meeting social and other commitments. The employer is benefited because the investments through training that have gone into the firm’s employees are more readily returned. Employers discover that by providing employees with more flexible work practices, both productivity and efficiency increase and conversely you find that employees will show greater affiliation and loyalty towards their employers.

The Minister for Employment, Workplace Relations and Small Business, Peter Reith, recently delivered a speech to the Industrial Relations Society of the ACT and he noted that:

...comments made in a recent speech by the Chairman of the US Federal Reserve Board, Alan Greenspan...that flexible labour market arrangements are one of the crucial determinants of an economy’s capacity to take advantage of the growth opportunities.

By providing a more flexible workplace, employers discover that adverse employee behaviour such as absenteeism, repeated lateness, people having to leave work early, an inability to work particular shifts, an inability to take on additional duties or work overtime can in fact be dramatically reduced. The introduction of positive work practices can assist employees with their performance by providing a responsive environment which takes into account the needs of the employee, in turn encouraging a motivated work force, in turn encouraging greater productivity and efficiency.

On the other hand, more flexible workplaces can improve business outcomes producing savings for employers, especially when you take into account the reduction of recruitment costs, the costs of re-skilling an employee, the reduction of absenteeism and the cost of interruption to other staff members with a turnover of staff who leave for whatever reason. It is fascinating to look at some of the figures that relate to these costs. I have seen figures from the NRMA that estimate that it costs them $48,000 to replace managers and $12,000 to replace other staff. Westpac estimates that it costs them $40,000 to replace a staff member with eight years experience and $60,000 to replace a senior manager. And Esso Australia assessed the training investment in experienced employees as at least $100,000 per person. So with replacement costs at these levels we clearly have employees as highly valuable resources.

Furthermore, it also stands to reason that if an organisation’s work practices are attractive, then that organisation will be able to attract and retain more capable and loyal employees. Greater labour market flexibility can assist in the reduction of unemployment, reducing costs to government and enabling savings in labour market programs and in servicing unemployment benefits. I think the current maintenance of a low and steady inflation rate will also help to provide an environment for the reduction of unemployment.

I have commented recently in the chamber about the enormous opportunities that are presented to this nation and to the world through information technology. It is technology that is rapidly changing the modern working environment in far greater ways than could ever have been imagined. Technology enables us to work from almost any location at virtually any time of the day. In fact it is entirely possible that the telecommute could become the most popular travel method, particularly if you live in Sydney and are stuck with Sydney trains at the moment.

In the July quarterly edition of the Current State of Play recently released by NOIE, the National Office of Information Economy, there were some very interesting indicators set out in this area. Firstly, in relation to the take-up of the Internet in the workplace, large businesses are leading the way with 95 per cent connected to the net. Of medium sized enterprises, 63 per cent are connected and small and micro businesses have ground to make up, with figures of 39 per cent and 34 per cent respectively.

In relation to telecommuting, the report acknowledges the significant impact that the combination of both telecommunications and computing technologies can have on working environments. While it indicates that teleworking is yet to take significant hold in Australia, the report states that it has great potential to change traditional work structures. In fact as at February this year, an estimated six per cent or approximately 500,000 employed adults in Australia re-
ported having a formal agreement with an employer to work from home and this compares with an estimated nine million people across the European Union.

Obviously there are continuing challenges to the capacity of all Australians to make the most of telecommuting. There are challenges of cost, of availability of access, of skills and educational requirements that still prevent many Australians from using this option. The current indications are that it is laptops and mobile phones—no great surprise—which are the most commonly used technologies by Australians to work from home, and there are obviously significant costs involved with this as well. There are other very significant ways workplaces and workforces are constantly changing and I think employers and, where appropriate, governments should endeavour to accommodate and encourage the involvement of all sections of the Australian community in the workforce.

One of the key concerns of the coalition government has been in advancing and assisting Australia’s indigenous people within the workplace. For example, the government has reviewed the Community Development Employment Projects scheme under which about 32,000 Aboriginal and Torres Strait Islanders are participating in local work for the benefit of their communities. This is a scheme initiated by indigenous communities, administered locally by indigenous community organisations and regionally by elected indigenous representatives. CDEP has the cultural knowledge and the flexibility to address aspects of the very sensitive issues of unemployment and education. It is through CDEP that ATSIC has integrated funding and service delivery. The program delivers employment, community development, housing and infrastructure development, training, business development and other essential services to indigenous communities.

In 1997 the ERC ordered an independent review of the CDEP which was carried out by Ian Spicer, formerly chief executive of the Australian Chamber of Commerce and Industry and the Confederation of Australian Industry. Mr Spicer found in his report that CDEP: …has been critical to developing an improved sense of pride in community and culture and has provided the basis for acquiring greater skills, employment and enterprise development resulting in ongoing social and economic growth.

A very telling and important statement from that review.

There are other ways in which the government has also sought to involve more indigenous people in the workforce. In October of last year Minister Reith announced the launch of his indigenous small business fund. It is a joint initiative between ATSIC and the government, aiming to increase economic independence. In launching the fund, the minister said:

By including the indigenous small business fund in our indigenous employment policy, we recognise the untapped potential in the indigenous community to develop their own businesses and create jobs.

These schemes are important. They give people access to business skills and business management skills which ultimately aid in bettering workplace relations, not just for themselves but for those who work in and around their businesses. With the planned expansion of these businesses, these new employers will then be required to pass on suitable workplace relations that will enable their businesses and communities to thrive in the coming years.

I also want to speak briefly about the participation and involvement of women in the workplace, a significant issue for governments across the globe—and Australia is no exception to this. Last November Minister Reith delivered an address to the National Key Centre in Industrial Relations, an address which recognised organisations that engage in affirmative action best practices. As the minister pointed out, there are three myths that some of my colleagues in the Labor Party have been guilty of perpetuating about women in the workplace and the workplace relations legislative framework. I think those are worth addressing today.

That first myth is that the current workplace relations legislative framework encourages casualisation in the workplace, particularly amongst women. What the Workplace Relations Act does is encourage regular part-
time work, not casual work, and the difference is important. The reason for that is simple. Many workers, women in particular, are seeking a regular and reliable form of work which also suits any family or other commitments that they might have. In August 1996 the proportion of part-time employees who were employed on a casual basis was 66.5 per cent, a figure that fell to 65.4 per cent in August 1998. But the more telling statistic is that the private sector has increased its utilisation of regular part-time workers.

Senator Conroy—You don’t really believe this, do you?

Senator PAYNE—I thought you would be interested in the participation of women in the workplace, Senator Conroy, but, if you are not, you might want to talk to some of your colleagues, who could educate you a little more adequately.

The more telling statistic is that the private sector has increased its utilisation of regular part-time workers. In 1997 just four per cent of all firms utilised regular part-time workers but now 86 per cent of all firms provide some form of regular part-time work to members of their work force. When you take into consideration the fact that women make up the bulk of the part-time work force, overwhelmingly by choice, the increased number of firms doing that is highly encouraging.

The second myth is that workplace flexibility exists only on the part of the employer. In fact, flexible work practices benefit both women and the employer. Some more dynamic companies are devising schemes that include job sharing, flexible hours for the employee, telecommuting, to which I have already referred, and family friendly workplaces. For example, 63 per cent of all Ernst & Young staff have access to telecommuting. Tricare, another prominent company, job shares over 20 per cent of its permanent positions. These are important innovations and it is important to comment on them publicly so that other companies which are interested might pursue the same ideas.

Another interesting change is in the old Carlton & United Breweries, a company which, not surprisingly, had a traditionally male dominated work force. It has increased its female participation levels in its work force from three per cent a few years ago to a current level of 17 per cent.

Finally, there is the myth that the workplace relations legislation has a compounded a gender pay gap. Unlike the ALP’s wages accord, which continually failed Australian workers, the Workplace Relations Act has now provided specific remedies for equal remuneration for both men and women. In addition to the work that Minister Reith and his department are doing, the Commonwealth Office of the Status of Women, OSW, has done a great deal of valuable work in furthering the cause of women in the workplace. OSW provides policy advice on developments in workplace relations and their impact on women’s pay and conditions. Obviously it is particularly interested in progress towards equal remuneration for women and how increased flexibility in the workplace can assist women to balance work and family responsibilities.

I want finally in this address today to comment on the involvement of women in small business. Women make up 35 per cent of Australia’s 1.3 million small business operators, meaning that there are now approximately 460,000 female small business operators—and that does not include agricultural business. The growth in numbers of female small business operators from 1995 to 1997 was three times that for men. International experience suggests that that will be a continuing level of growth.

All in all, the point that clearly emerges from any consideration of modern workplace relations is that government, employers and employees each has continuing challenges in adapting to current trends and developments. It is fairly obvious that the days of clocking in at 9 and off at 5, with a fixed lunch break, are a long way to being over. We have new people in the workplace, new technologies and new laws which govern how and when we do our work. I have little doubt that, whether it is employers or employees—but, importantly, both—if willing to provide a good deal of flexibility, they will be the ones who reap the benefits in the long run.
Accounting Standards

Senator CONROY (Victoria) (1.44 p.m.)—I spoke on 17 February this year on a motion to disallow paragraphs 6.3 and 6.4—‘Reconstructions within an Economic Entity’ of Accounting Standard AASB1015. Those paragraphs allowed companies which acquired assets in the context of a reconstruction within an economic entity to have the option to either value the assets acquired at their carrying amounts or to value their assets using the purchase accounting or fair value method. At the time I said:

Accounting standards must promote reliable information so that figures and amounts faithfully represent claims and that these can be independently verified. Standards must encourage neutral information—that is, they should not be biased toward a predetermined result. Standards must engender comparability. Information about similar types of transactions and between similar enterprises should be comparable in a meaningful fashion. Lastly, accounting standards must ensure that enterprises produce consistent information about themselves and their performance, which can be compared in a meaningful fashion from one period to the next.

Labor believed that paragraphs 6.3 and 6.4 were deficient in meeting these tests and moved a motion to disallow these paragraphs. The Democrats supported this motion and paragraphs 6.3 and 6.4 of AASB1010 were disallowed. As stated by Senator Murray during the disallowance debate, this would mean that the position which existed prior to the creation of paragraphs 6.3 and 6.4 of AASB1015 is reinstated; that is, companies are now required to account for assets acquired in the context of a reconstruction within an economic entity by reference to fair values only. Companies would also be required to amortise the intangible assets, or goodwill, so acquired during the useful life of these assets.

The accounting treatment to be adopted following the disallowance was clarified in a media release issued by ASIC on 7 March 2000. ASIC stated, in part:

ASIC is seeking further information on cases where the disallowed treatment was adopted in full year financial statements and the director’s declaration has been signed prior to 17 February 2000.

After considering this information ASIC may issue guidance to the effect that the first full-year financial statements prepared after 16 February 2000 would need to include adjustments to restate the relevant acquisition by reference to fair values. Despite this, however, one company, MYOB Ltd, has decided against including in its most recent half-yearly financial accounts lodged with the ASX on 31 August 2000 adjustments to restate the relevant acquisitions by reference to fair values. By way of background, MYOB had prepared accounts for the financial year ending 31 December 1999 and had them signed by directors on 14 February. The accounts had been prepared relying on paragraphs 6.3 and 6.4 of AASB1015 to permit assets acquired in a reconstruction to be accounted for at book value. This occurred despite accounting standards being classified as disallowable instruments in section 334 of the Corporations Law and my signalling in December 1999, when the Standards Board issued the new standard, that Labor would oppose it. According to an article in the Australian dated 24 February, in the case of MYOB the difference between the book values and market or fair values was $89.36 million.

The other issue which arises is the amortisation of the goodwill bought to accounts by the process of reorganising the assets as fair values. Amortisation, or the process of spreading the costs of an intangible asset over the asset’s expected useful life, is a charge against profit. According to the article in the Australian, the amortisation of the goodwill cut $4.5 million off MYOB’s profits each year. Possibly for these reasons, MYOB has refused to comply with the accounting standard and the obligation under the Corporations Law to comply with accounting standards. In an announcement to the ASX on 28 June 2000, MYOB stated:

ASIC has indicated to MYOB that it is of the view that the Company should reapply the amended standard to its financial statements for the period to 30 June 2000 and subsequent reporting periods. This would require MYOB to restate to their fair value at the time of acquisition, assets that had previously been acquired as part of an internal reconstruction and which had been recognised at their carrying amounts.
MYOB has sought advice on the matter and its current intention is to maintain the accounting treatment previously adopted in its financial statements for the period to 31 December 1999. To facilitate comparability, MYOB is seeking further advice in relation to providing additional disclosure.

This is what MYOB has done. Hidden in note 7 to MYOB’s half-yearly accounts, the directors of MYOB declare what the cost would be to profit if the MYOB reconstruction had been required to be recorded on a fair value basis. The note states:

If the transaction were to be measured at fair value, amortisation expense of the intangible assets would be recognised in the consolidated statement of financial performance, together with the impact on income tax expense. Similarly accumulated amortisation for the years ended 1999 and 2000 would appear in the consolidated statement of financial position.

The note then shows that on this basis MYOB would have recorded an after-tax loss of $10 million for the nine months to 31 December 1999 and the operating profit after tax for the six months to 30 June 2000 would be $10.2 million. This contrasts with the profit of $20.6 million for the six months to 30 June 2000, announced with such excitement by MYOB and greeted enthusiastically by the market. I query whether the market has been properly informed and query what action has been taken against MYOB to ensure that it follows the law.

It is ludicrous for one company to rely on a brief period between notification of a new standard and disallowance of part of that standard to enable its financial accounts to be prepared and presented for all time forward on a basis different from accounts prepared by any other company. It is time that MYOB’s accounts complied with the accounting standard allowed by the Senate.

MYOB’s financial report for this half-year should have included an adjustment to restate the relevant acquisitions by reference to fair values. This is the only way to ensure that the financial accounts of all companies are comparable. The case of MYOB, however, has greater significance. MYOB develops and sells accounting software—software that others rely upon to prepare their own accounts. It is essential that MYOB understands and complies with accounting standards and the law.

Also at a conference I recently attended MYOB was highlighted as a ‘values driven company’. MYOB was applauded at the first annual conference of the Ethical Investment Association as adopting initiatives aimed at reducing negative social and environmental impacts. I do not oppose these initiatives. However, such initiatives should not be at the cost of a less than fully informed market. Accounting information must give a true and fair view—it is the only basis upon which the financial strength of the company can be assessed. Similarly any other information which is disclosed by any company must be complete and accurate. The MYOB accounts do not provide accurate information and information which is comparable with other companies. In the case of MYOB, it is only when the notes to the accounts are scrutinised that the true picture emerges.

Much was said when the Senate disallowed paragraph 6.3 and 6.4 of the AASB1015. It was an unprecedented event and I have said many times since then that I hoped it would not be necessary for the Senate to intervene again. However, the Senate has acted and has settled what the law is to be until the AASB agrees a new standard on this subject. It is now necessary that companies in Australia that are required to lodge accounts prepare those accounts in accordance with the accounting standard allowed by the Senate. Companies must follow these standards and where they do not ASIC must employ whatever powers they have to insist that accounting standards are followed. Such action is required to ensure that the market is kept properly informed.

That is my concern in speaking this afternoon—the markets need to be fully informed. This requires that companies prepare accounts which give a true and fair view of a company’s financial position and which comply with all accounting standards. I have written to ASIC to inquire what it is doing in relation to the compliance with accounting standards by MYOB. ASIC has responsibility for enforcing the provisions of the Corporations Law. The Corporations Law requires that listed companies such as MYOB prepare
a financial report for each half-year which complies with Australian accounting standards and which give a true and fair view of the financial position and performance of the company. Where this is not the case, ASIC has a responsibility to ensure that the situation is rectified so that investors and others in the market are not misinformed.

I am seeking a reply from ASIC as to what is being done to ensure that what the Senate and the parliament has decided is followed by MYOB. I have also written to the Australian Stock Exchange. The Australian Stock Exchange must, under the Corporations Law, to the extent reasonably practicable, do all things that are necessary to ensure that the stock market is an orderly and fair market. I recognise that this does not mean that the ASX has the same responsibilities as ASIC, but I have queried with the ASX what action it can take to ensure that financial accounts that are announced to the market give a true and fair view of a company’s financial accounts and comply with accounting standards. This is a minimum which must be observed in financial accounts to ensure that investors and the markets can compare data across companies and so make informed investment decisions.

I have also read the Independent Review Report prepared by Ernst & Young in relation to MYOB’s half-yearly financial accounts. Auditors are not often given enough credit—they are a critical part of ensuring that the market is well informed and that the information disclosed is accurate and complete; that is, that the accounts of a company give a true and fair view.

I am concerned, however, that the Independent Review Report did not indicate that there was at least some controversy as to the applicability of the AASB1015 to the accounts of the MYOB and a need for an adjustment to be shown in the accounts. The readers of MYOB accounts needed to be warned of this controversy, given its materiality to the accounts and to draw the reader’s attention to note 7 in the accounts. This should have been included in the statement from the auditor.

I have to say at this point that Ernst & Young have not done their profession a service in their conduct. I believe that they have, at worst, misled their client. If I was MYOB, I would stop mucking around with the Corporations Law and start looking at who was giving me advice. Perhaps Ernst & Young’s reluctance to face up to the disallowance in the Senate is on the basis that it is possibly legally liable for giving poor advice to MYOB. I would suggest MYOB contact some lawyers who are independent of Ernst & Young and consider action to recover the moneys they may lose due to complying with the Corporations Law, because the advice they have been given by Ernst & Young is irresponsible and it is a question of Ernst & Young bringing their profession into dispute by refusing to accept the rule of parliament.

To conclude, the integrity of Australia’s financial markets is of utmost importance. It is essential that the financial information which is disclosed to the market gives a true and fair view. This is achieved by requiring all listed companies to comply with Australian accounting standards. This requirement cannot be eroded. It certainly cannot be eroded because a company is financially disadvantaged by the actions of the Senate when it exercises its right to disallow part or all of an accounting standard, a right which is clearly provided for in the statute books. As I said earlier, notice of such a possibility was given by me in December last year. I would urge that strong action is taken to ensure that all companies comply with all accounting standards.

QUESTIONS WITHOUT NOTICE

United Nations Committees: Australian Participation

Senator SCHACHT (2.00 p.m.)—My question is to Senator Hill representing the Minister for Foreign Affairs. Can the minister confirm that the UN Committee on Economic, Social and Cultural Rights, which handed down the latest critical report—

Senator Alston—Madam President, I rise on a point of order. I was going to make the point that Senator Schacht seems to be so desperate to get a run on things these days that this would have been the only opportu-
nity to put forward a proposition that was not immediately contested.

The PRESIDENT—There is no point of order. Senator Schacht, would you repeat your question.

Senator SCHACHT—Out of courtesy to the late Leader of the Government in the Senate, I will start again. I notice, Senator Hill, that Senator Alston was jumping up to take over your position. Can the minister confirm that the UN Committee on Economic, Social and Cultural Rights, which handed down the latest critical report on the social conditions of Australia’s indigenous people, is the same committee which recently praised the social implications of Australia’s peacekeeping performance in East Timor? Why is the Howard government so willing to accept the praise of these UN committees but so petulant about their criticism?

Senator HILL—This is again a misunderstanding on the part of Senator Schacht. What the Australian government wants to do is improve the performance of the UN committee system—

Senator Schacht—So when they praise you, you are quite happy to accept that.

The PRESIDENT—Senator Schacht, you know it is not appropriate to engage in dialogue during an answer.

Senator HILL—It is obviously another free question time today because we had this question three times already this week. As I said, the Howard government is committed to reform of the UN committee system so that the system might operate more effectively to fulfil its mandate. That is what our process is all about, as I have said on about three occasions already this week.

Senator SCHACHT—Madam President, I ask a supplementary question. Minister, with an international and United Nations record as proud as this country has and deserves, just what does the Howard government believe we should be hiding in banning UN experts from visiting this country?

Senator HILL—I am concerned that Senator Schacht may have misrepresented the report of this committee in relation to indigenous issues. It did, in fact, say a number of positive things about the management of indigenous issues in this country. But as I said yesterday and, I think, the day before, it is necessary to apply some leverage in order to bring about the reforms that we think are necessary, reforms which will in due course mean that the UN committee system will operate more effectively. As someone who used to have an interest in foreign affairs, I would have thought that Senator Schacht would want to see these bodies operate more effectively. If he believes that such reform can be brought about without effort, he is kidding himself. We say reform is necessary, and we are prepared to take the steps that are necessary to bring it about.

Information Technology: Skills Shortage

Senator COONAN (2.04 p.m.)—My question is to the Minister for Communications, Information and the Arts, Senator Alston. Under the Howard government, the IT&T industry is booming. What has the coalition government done to streamline migration procedures allowing skilled IT professionals to play a role in this industry’s success story? Is the minister aware of any alternative proposals to address the shortage of skilled IT specialists?

Senator ALSTON—I am indebted to Senator Coonan for that question because it is a very important issue worldwide. There is clearly a growing IT skills shortage, and it is something that all responsible governments should be doing as much as possible about. In the last year or two we have taken some very significant steps forward in this regard. We have freed up the immigration system so that we now have major advantages compared with places like the USA, Germany and Singapore, which limit the number of visas able to be granted each year for IT workers and other skilled migrants. We do not have any such cap. We have flexible and streamlined temporary entry arrangements with fewer preconditions and restrictions. The average visa processing time for temporary entry applications from low risk countries is 15 days, significantly better than in the USA, Canada or the UK. We are the only country that does not require employers sponsoring IT workers to lodge applications with both the relevant government employment agency and the immigration depart-
ment. Unlike other countries, we allow employers to hire overseas students studying IT&T in Australia, once they have finished their degrees. Quite clearly, there are a number of ways in which the education system needs to respond, and we are very much on the case there as well.

On the IT skills shortage, government obviously cannot do it all. That is why we have established the IT&T Skills Exchange, which will have an emphasis on an increased supply of shorter specialised niche courses, improved market intelligence and encouraging more people to enter IT&T occupations. It is a very forward looking agenda and responds to the needs of a very flexible community—in an area where specialised skills are often required at short notice you need to be very quick in responding.

I am asked by Senator Coonan about any alternative approaches. One that really does concern me is from Dr Lawrence, who has recently been given a bit of a lift-up—by default; no-one else wanted this job either apparently, or even wanted to get to the shadow ministry. In terms of the immigration regime applying in this country, following the Roach report into facilitating business migration and looking at obstacles to skilled migration, she said:

There are growing concerns that it is just far too easy to import labour without adequate justification and scrutiny.

In other words, Dr Lawrence is trotting out the good old union protection line. This is the very person who was at the Sydney Institute only a week or so back piously deploring the fact that her own party was too heavily dependent upon union support and patronage, and here she is running their classic protectionist line. That is a matter of considerable concern to the government, so I very much hope that Dr Lawrence will take the opportunity to recant, to make it clear that she now understands the global skills shortage that exists and the need for Australian employers to be able to get people in here at short notice in areas where there are those skills shortages.

I am also concerned about a letter that appeared in the Australian today—and to my knowledge there has been no attempt to refute it—which says that when Dr Lawrence was Premier of WA she announced on the floor of the parliament that she was going to save the taxpayers a very large sum of money by abolishing the Department of Computing and Information Technology. This is a department which had recruited IT specialists from all over WA and Australia and internationally. In other words, she has got form for closing down skilled migration. She is not interested in freeing up the system. She is not interested in IT. Indeed, since she has had 3½ years out to pasture, over the last period since 1996, she has made something like 89 speeches, and nothing in relation to technology—a very poor start. (Time expired)

DISTINGUISHED VISITORS

The PRESIDENT—Order! I draw the attention of honourable senators to the presence in the Senate of a parliamentary delegation from Papua New Guinea led by the Hon. Paul Pora. I have pleasure in welcoming you to the Senate, and I trust that your visit to this country will be informative and enjoyable.

Honourable senators—Hear, hear!

QUESTIONS WITHOUT NOTICE

Goods and Services Tax: Petrol Prices

Senator COOK (2.08 p.m.)—My question is to the Assistant Treasurer, Senator Kemp. Has the minister seen the full-page ads placed in weekend newspapers headed ‘Unchain our petrol, Mr Howard’? Does the government dispute the claims made in the ad, which are:

John Howard said he would reduce fuel excise by an amount equal to the GST so there was no increase in petrol prices when the GST was applied. He didn’t.

And:

You are now paying THREE CENTS MORE per litre in taxes on petrol than you were before the GST.

If the government does dispute these claims, has it written, or will it be writing, to the newspapers concerned to correct the record?

Senator KEMP—The first claim I would make is that under the Labor Party fuel prices would rise. One of the big problems we have is that the Labor Party refuse to indicate how they are going to fund roll-back. I know roll-back is a dirty word in the Labor Party. No-
one ever uses the ‘r’ word. But the trouble is the Labor Party went for all of these weeks and months talking about roll-back and how big this roll-back was going to be, and the truth of the matter is that if you are going to roll back you are going to have to find some money. The Labor Party have said already that the Fuel Sales Grants Scheme, which is an important scheme, is going to be abolished. So, what will happen under Labor is pretty clear: fuel prices will rise. That is the first claim I would make.

The other point I would make is that it is very clear that the rise in the price of petrol—which causes great concern to the government, I might say, and great concern in the wider community—is due to high prices on world markets. I do not think that anyone could effectively dispute that. That is the reason for the high prices of petrol. The Labor Party have tried to pretend and claim that the high price of petrol is due to tax changes. Of course, when we stand up and debate this issue we ask the Labor Party to indicate what their approach is on this; if they believe it is due to the GST, are they going to change the GST arrangements on fuel? The answer to that is no, they are not. If they believe it is due to the excise arrangements we ask the Labor Party if they are going to change the excise arrangements on fuel, and the answer to that is no. Then we ask whether, if they believe it is due to the indexation arrangements in fuel, the Labor Party are going to change that, and the question is no, they will not.

The truth of the matter is that what we are again seeing from the Labor Party is an attempt to cloud the real issues. There is a total fraud at the heart of the Labor Party policy, as there was on the GST. The total fraud at the heart of the Labor Party policy was that in the end they were going to keep the GST. They pretended to the community that they were not. The total fraud at the heart of the Labor Party’s policy on fuel taxes is that they pretend the rise in fuel prices is due to taxes but the Labor Party are refusing to point out which tax changes they will make. But, as I said, in relation to the whole issue of the Labor Party tax policy they have said that there is going to be a roll-back—I repeat that—but the fact of the matter is they have not said how they are going to finance that roll-back. And let me say one of the ways they will finance that roll-back is by raising the taxes on fuel.

Senator COOK—Madam President, I ask a supplementary question. I note that the minister did not attempt at all at any stage to answer the question. A rant against the Labor Party is not an answer to the question I put. So I will give him another chance. Is the RAA correct in claiming in the same advertisement:

Even with the regional Fuel Grants Scheme subsidising prices by one and two cents per litre, regional motorists are paying more GST than those in the city because prices are higher in regional areas.

If not, can the Assistant Treasurer explain—and answer the question, would you, Mr Assistant Treasurer—where the RAA is wrong? Try to answer the question.

Senator KEMP—It is quite astonishing that the Labor Party raise the Fuel Sales Grants Scheme in relation to this question when they have indicated that that scheme is going to be abolished.

Senator Cook—Madam President, I raise a point of order on relevance. This is becoming a farce. There was no attempt made by the minister to answer the question I put to him before, and he is making no attempt now. We have heard his full extent of time expended on a rant against the Labor Party. This is question time. We are entitled to answers to our questions. If he cannot answer them, you should sit him down, but you should require him to answer them now.

The PRESIDENT—Minister, I am sure you are aware of the question.

Senator KEMP—Rant against the Labor Party? What I have done is point out a few unpleasant facts to the Labor Party about their policies. The reason we get Senator Cook hopping up, getting red in the face and starting to shout is that he does not like to have pointed out just where the Labor Party fraud is.

Goods and Services Tax: Car Industry

Senator FERRIS (2.14 p.m.)—My question is to the Minister for Industry, Science
and Resources, Senator Minchin. Will the minister advise the Senate of results showing the positive effect the government’s new tax system and strong economic policies are having on the Australian car industry, and is the minister aware of any alternative policies?

Senator MINCHIN—I thank Senator Ferris for her question. She has a strong interest in the car industry—unlike those opposite who are opposed to this industry. The Australian car industry is clearly benefiting from our strong policies, and today we have seen this boom in car sales continue. I am pleased to announce that new vehicle sales figures released today show that sales reached 75,845 in August 2000. They are the best ever results for August—they are 22 per cent higher than for August last year—and of course they follow the record-breaking figures for July this year.

I also want to congratulate Mitsubishi Australia on recently securing a $100 million contract to export a further 3,000 Magnas to the United States. That is a major boost to this great South Australian company and its suppliers. It demonstrates the competitiveness of that company and of course of the industry as a whole. As we know, this industry has had its best three years ever in our four years in government. In the last financial year Australian automotive exports reached an all-time record of $3.8 billion, an increase of 36 per cent, and we have consumers enjoying much lower car prices. Under us car prices have fallen 14 per cent, compared to Labor where they rose 22 per cent in Labor’s last five years.

We have provided all the ingredients for a very strong industry. Our tax reforms took $1 billion per annum out of the costs of the industry. We have provided $12 billion in tax cuts, we have frozen tariffs and we have a $2 billion assistance package starting next year and running for five years. We have also acted to stem the flow of dumped cheap second-hand imports from Japan. Our new Specialist and Enthusiast Vehicle Scheme will clean up that industry with a generous two-year transition period for the existing low-volume scheme licence holders. So all of our decisions and policies in this industry really do give the industry a very, very bright future.

I was asked about alternative approaches. It is worth contrasting our very strong approach with that of the opposition. Regrettably, under the Beazley leadership, the opposition have nothing good to say about this industry. The former shadow industry minister Mr McMullan constantly talked down the car industry. He was always putting out gloom and doom press releases. We do not know what Dr Lawrence thinks about this industry. She has never had anything to say about it, but we hope that she might be more positive about this world-class Australian car industry.

However, Dr Lawrence was a member of Mr Beazley’s team which voted against cutting the tax on cars by an average of $2,000. Of course she may not recall the fact—but it is a fact—that in the last three years of Labor’s office they increased the tax on cars by almost half: from 15 per cent to 22 per cent. Under Labor one-quarter of the wholesale sales tax came from cars; under us only three per cent of the GST will come from this industry. As I said, Dr Lawrence has shown no interest in the car industry; she has never said anything about it. She probably does not like this industry because it actually wants to make profits, it is innovative and it is interested in innovation—unlike Dr Lawrence. I do hope, despite all that, she will join me in congratulating Australia’s car industry on today’s tremendous results.

Goods and Services Tax: CPI and Petrol Excise

Senator GEORGE CAMPBELL (2.19 p.m.)—My question is to Senator Kemp, the Assistant Treasurer. Is it true that the next indexation of petrol excise due in February next year is widely predicted to add two to three cents per litre to the price of petrol because of an abnormal CPI increase reflecting the inflationary spike caused by the GST? Given the inability of the Leader of the Government in the Senate to address this issue last week, will the Assistant Treasurer advise the Senate of the government’s response to the call by Chris Murphy, the Prime Minister’s preferred modeller, for the government to use a discounted CPI measure for the Feb-
ruary indexation—one that is not distorted by the GST impact on the CPI?

Senator KEMP—Let me make a few observations on the question by Senator George Campbell. As the senator will know, currently the rate of excise paid on alcohol, petrol and tobacco is increased automatically every February and August by the increase in the consumer price index, which reflects the increase in the cost of living.

Senator Abetz interjecting—

Senator KEMP—This indexation policy, as my colleague Senator Abetz said, was brought in by the Labor Party. The government have followed the Labor Party policy which, as I said, was brought in by them when they were in government. I am not aware that the Labor Party are proposing to change that policy. If Senator George Campbell is saying that it is part of Labor Party policy to change the indexation arrangements, I think that is a fairly big and important statement. But I do not think he is saying that. If he is, perhaps he might get up and make that clear with his supplementary question. We will all be listening here, and I am sure your leader will be as well. If you do not clarify that, you and the Labor Party are guilty of gross hypocrisy. So it is important that we clarify your position.

As I said, the indexation of excise rates is a longstanding policy of successive governments. I think it was the Hawke government in fact which brought in this policy in 1983. Since then, governments—and remember there were 13 years of Hawke and Keating governments—have maintained indexation when making policy changes which impact on the CPI. You were not here at that time, Senator. In 1983 I think you were trying to close down the metal industry, if I recall correctly. Senator George Campbell did not entirely succeed in that area, but I think it was Mr Keating who pointed out that there were 100,000 dead men hanging around the neck of Senator George Campbell as a result of the policies he pursued.

As I pointed out to Senator George Campbell, the policy of this government is a continuation of the policy of the previous government in relation to indexation. Perhaps the most obvious example is in the 1993-94 budget when wholesale sales taxes were raised considerably. You can remember that.

Senator Sherry—Isn’t that when taxes were lower under Labor than they are under this government?

Senator KEMP—Quite contrary, Senator Sherry, to what your policy was in the election, this was one of the big promises—

Senator Sherry—Why don’t you change the policy?

The PRESIDENT—Order! Senator Sherry, you are shouting very loudly.

Senator Sherry—He provoked me.

The PRESIDENT—You know better than to be provoked.

Senator KEMP—Certainly I would be sorry if I managed to provoke Senator Sherry.

Senator Sherry interjecting—

Senator KEMP—The indexation arrangements were not changed, Senator. But the point I was making was that, when the Labor Party changed the indirect tax arrangements in the 1993-94 budget, the indexation also reflected those changes.

It is worth noting that from 1983 to 1996—that is, the term of the Hawke and Keating governments—the rate of excise on unleaded petrol increased by around 27c per litre, with around half that increase due to the indexation arrangements introduced by your government. (Time expired)

Senator GEORGE CAMPBELL—Madam President, I ask a supplementary question. It is obvious that the Assistant Treasurer did not understand that my question went very specifically to the next indexation of fuel excise, due in February next year, which will index fuel excise to an abnormally high CPI figure because of the abnormal inflationary impact of the GST. Again I ask the Assistant Treasurer: what is the government’s response to the call by Chris Murphy and others that a discounted CPI measure be used for the February indexation in order to avoid the distortion which will be caused by the GST inflationary spike?

Senator KEMP—This is the problem when you do not listen to the answer. I made it very clear to Senator George Campbell that
the indexation arrangements of this government are a continuation of the indexation arrangements of the previous government. I made it very clear what our position was, and then I suggested it would be of great interest to the public if the Labor Party could indicate what its position is on this issue. That issue was comprehensively ducked. The indexation arrangements, which are well known and have been in place for a long time, will be continued.

**Aviation: Audible Warning Systems**

**Senator GREIG** (2.25 p.m.)—My question is to Senator Ian Macdonald, representing the Minister for Transport and Regional Services. I ask the minister if he is aware that, on 16 January last year, Uzu Air’s Britten Norman Islander aircraft was involved in a fatal accident. Is the minister also aware that CASA suspended Uzu Air’s air operator certificate three days later, despite that being overturned on appeal to the AAT? Is the minister aware that in July 1999, the Australian Transport Safety Bureau recommended that an audible warning system be installed in Beechcraft aircraft to operate in conjunction with the cabin altitude alert system? I ask the minister: why is it that CASA is quick to remove an airline’s AOC, resulting in the closure of that airline, and yet so slow to order an airworthiness directive which might possibly have saved the lives of those in Monday’s tragic crash of a Beech Kingair plane in Queensland?

**Senator IAN MACDONALD**—Senator Greig raises a matter that is related to the very tragic air accident that occurred yesterday. I know Senator Greig would join me and the government in extending our sympathies to the relatives of those involved. Certainly the government was saddened to learn of that crash. The Australian Transport Safety Bureau is investigating the accident; four investigators are currently at the crash site. The bureau’s investigation will, as usual, be thorough, independent and incisive. It is too early in relation to that particular accident to know exactly what caused the accident. Early speculation about the causes of air accidents is quite often wrong.

The Australian Transport Safety Bureau issued recommendations last year to CASA, the US Federal Aviation Administration and Raytheon about the pressurisation of these particular aircraft. Neither the Civil Aviation Safety Authority in Australia nor the American FAA accepted the recommendations about installing an audible warning system in planes. The minister responsible for aviation, Mr Anderson, has told CASA and the ATSB to urgently revisit the audible warning system issue as a way of improving the safety of those particular aircraft.

Senator Greig asked if I was aware of a certain series of incidents. Obviously from the answer I have given so far I am aware of those particular issues. Mr Anderson, in the other place just five minutes ago, tabled a letter from the American FAA which actually said that the audible warning system was not warranted. The world’s leading air safety regulator—that is, the FAA—said:

> Although it is recognised that adding an audible warning is a desirable enhancement of the system, requiring such a warning for the existing fleet is not considered necessary to meet the minimum airworthiness standards.

Mr Anderson has, as I say, tabled that letter in the House of Representatives as it is a matter of public interest. I want to stress to the Senate again that it is too early to know what caused the tragic accident yesterday. Senators who have followed other air safety investigations will know that early speculation about accidents is often wrong. However, in view of the outstanding interim recommendation that had been made, Mr Anderson has told CASA and the ATSB to urgently revisit the audible warning system issue as a way of improving the safety of these particular aircraft. Mr Anderson has also issued a directive to the Commonwealth agencies to keep the FAA and Raytheon informed on the progress of investigations into this week’s accident.

**Senator GREIG**—I thank the minister for his answer, Madam President. I ask a supplementary question. Would the minister agree that there are considerable and apparent contradictions in the way in which CASA responds to different circumstances? Given that, would the minister agree that CASA itself is in need of a considerable review and overhaul?
Since Mr Anderson became the minister for transport in charge of aviation and air safety, he has done a lot of work with CASA in addressing some of the serious problems that there were with CASA and its senior management. These problems have been addressed calmly but decisively. There have always been complaints about CASA, Senator Greig, but I am satisfied and I know Mr Anderson is satisfied that there has been a significant improvement. Of course, we can always do better and we will continue to do better, but we are confident that CASA is appropriate in the way it approaches these particular instances. I do not really see an inconsistency in its approach to these matters, as the senator has suggested.

Sugar Industry: Assistance Package

Senator FORSHAW (2.31 p.m.)—My question is to Senator Alston representing the Minister for Agriculture, Fisheries and Forestry. Is the minister aware that on the 4QN Townsville rural report program yesterday Mr Ian Ballantyne, the General Manager of Canegrowers, said there was no point in sugar growers phoning Centrelink or the Canegrowers organisation to inquire about applying for assistance under the government’s sugar package because the details are still being worked out? Minister, how can this be the case, given that the government has been working on this package now for well over three months?

Senator Chris Evans—It’s under ‘m’ for sugar.

Senator ALSTON—No, I actually think it is under ‘m’ for Mackay. I would be surprised if the situation is quite as described. I am not aware of the interview, and I am certainly not aware of the extent of the caller’s knowledge. The details of the government’s package have already been spelt out in some detail. They involve family income support for 10 months to provide immediate income support assistance to eligible farmers in Queensland, New South Wales and Western Australia. Ex gratia payments equivalent to the maximum rate of Newstart allowance plus rent assistance can be made to cane growers whose primary source of income is derived from the planting and harvesting of sugarcane. Also, interest rate subsidies on new loans up to a maximum loan of $50,000 can be secured by growers for replanting purposes in either or both the 2000 and 2001 planting seasons, and applications close on 1 September 2001. Interest rate subsidies on new or existing loans up to a maximum loan of $100,000 are available for eligible growers subject to an off-farm net assets test, and applications close on 31 December 2000. Finally, rural financial counselling assistance will be available for those growers who do not have ready access to financial counselling services, and growers will be able to access such services via a $1,000 voucher through Centrelink.

Details of the package elements have been provided in quite some detail. It does seem to me that this is very much in line with the way in which government policy announcements are made. There will always be a few people who will grizzle for their own purposes that they would like to know even more about the fine print. Quite clearly, this is very much in line with what the industry expects. As Senator Macdonald said, it has been very well received generally. If you have a few branch members who still think they would like to know a bit more, I am sure they can make contact with our departments and we will be happy to accommodate them as best we can. But do not for a moment pretend that somehow all you have got is a pretty hazy outline of what the government has got in mind; you have here a very detailed and comprehensive outline of a solution to a package which the opposition has never for a moment done anything to put forward. None of this is in line with any suggestions you have made. You simply carp on the sidelines. No doubt, if you have a few mates who want to keep grizzling, I suppose they will, but anyone who is seriously interested in obtaining a bit more information can certainly obtain it through the relevant departments.

Senator FORSHAW—Madam President, I ask a supplementary question. I thank the minister for the answer. I do point out, Minister, that we are all capable of reading ministerial press releases, and I am sure Mr Ian Ballantyne, the General Manager of Canegrowers, will be pleased to know that he is a member of the Labor Party branch or that he
is a mate carping on the sidelines who really does not understand the issues involved. Therefore, Minister, would you undertake to contact 4QN and set them straight? Would you undertake to contact Mr Ian Ballantyne, the General Manager of Canegrowers, and inform him, because he seems to be a little confused, according to your assertions? Or maybe you could contact Mr Warren Truss, the minister in the other place, who happens to live in this area in Queensland, and actually get him to do his job and tell radio station 4QN to put the correct information out?

Senator ALSTON—Let us start with some correct information here. I am not for a moment suggesting that the General Manager of Canegrowers falls into the category of being a mate of yours or a branch member. All I am saying is that you may well have some people out there who do not know and who are simply hand wringing. If Mr Ballantyne has already been in touch with Mr Truss’s office and still does not have sufficient information, I am sure more efforts will be made to provide it to him. All I can do is respond to what you tell me about him having gone on air. I have no knowledge at all of whether Mr Truss has been in contact with him. Knowing Mr Truss’s assiduous cultivation of all rural industry sectors, I would be very surprised indeed if he had not already ensured that all of the relevant stakeholders were acutely aware of the detail that I have outlined today. To the extent that there is anything further that can be communicated, I will ask him to do his best.

Medicare: Abortions

Senator HARRADINE (2.37 p.m.)—My question is to Senator Herron, the Minister representing the Minister for Health and Aged Care. In your response to my question concerning the abortion of a 32-week-old baby for suspected dwarfism, you said on behalf of the minister, in effect, that medical benefits would be paid if doctors acted legally. Can you refer the minister to section 3 of the Health Insurance Act, where the first requirement is that such procedures must be ‘clinically relevant’, and ask him and the HIC whether they consider abortion of children for dwarfism is such? Minister, you also took that question on notice. Do you have any response from the minister?

Senator HERRON—I thank Senator Harradine for the question. Madam President, you will recall that when he asked me about this matter I undertook to ask the Minister for Health and Aged Care whether he had anything further to add. But I had accurately represented the government’s position, and he had nothing further add to the answer that I had given. I thank Senator Harradine for raising the issue again to give me an opportunity to elaborate that position. As I indicated last week, Medicare benefits have always been payable for the termination of pregnancy. In 1979, the House of Representatives passed a motion confirming that Medicare benefits should be paid for terminations performed in accordance with state law, and this is still the case. For the purposes of paying Medicare benefits, the Commonwealth applies the presumption of innocence and assumes that, in the absence of a court decision to the contrary, the termination was performed by a medical practitioner in accordance with relevant state law. Senator Harradine also raised concerns about late-term abortions and the reasons for those terminations. Medicare benefits are only payable for late termination where there is gross foetal abnormality or life threatening maternal disease. It is a matter for the doctor’s clinical judgment as to whether the procedure is required.

Senator HARRADINE—Madam President, I ask a supplementary question. I hope I did not hear the minister correctly. You said ‘gross foetal abnormality’. Is the government going to label an unborn child or a child or an adult with dwarfism forever as grossly abnormal? Where is this going to end? Dr Grundmann, who does late-term abortions, recently said that sex selection is a valid reason for late-term abortion. Do the government and the HIC regard that as the case? Would you kindly take those matters seriously and on notice, Minister, and refer them to the minister and the government?

Senator HERRON—I am happy to refer those matters to the minister. I think it should be made perfectly clear that the federal government’s responsibility is in terms of Medi-
care rebates. The abortions themselves are controlled by state law. Dr Grundmann’s position is absolutely reprehensible, and I do not think anybody in their right mind would condone sex selection as a reason for late-term abortions. As I said previously, that is a matter for state law, and it is a matter for the Beattie Queensland government to address. I think they have a responsibility to do so, because that is where Dr Grundmann practises and that is where it should be controlled.

**Aviation: Audible Warning Systems**

**Senator O’Brien** (2.41 p.m.)—My question is to Senator Macdonald, the Minister representing the Minister for Transport and Regional Services. I note that the minister has acknowledged that he is aware that Mr Anderson has just confirmed that the then Bureau of Air Safety Investigation issued a warning to the Civil Aviation Safety Authority in June last year about ‘incorporating audible warning to operate in conjunction with cabin altitude alert systems on Beech aircraft’. Minister, didn’t the BASI warning also recommend that CASA reassess the appropriateness of the current maintenance procedures for the testing of automatically deployable passenger oxygen systems and cabin altitude alert systems to ensure complete system operation? And just when was the minister for transport, Mr Anderson, first advised of these warnings from the air safety investigator and what action did he order be taken in this serious air safety matter, which appears, according to most serious commentators, to lie at the cause of this tragic accident?

**Senator IAN MACDONALD**—The investigation and the recommendation by the ATSB arose out of a Beech Super King Air pressurisation incident that occurred in June 1999. The ATSB has not issued its final report on that incident. However, it put out several interim recommendations last year. The ATSB recommended that the Civil Aviation Safety Authority, the US Federal Aviation Administration and Raytheon should consider incorporating an audible warning system to operate in conjunction with the cabin altitude system on the Beech aircraft and other similar aircraft. It did not make those recommendations just to CASA, Senator O’Brien; it also made those recommendations to the US Federal Aviation Administration. I think you will agree from your ‘expertise’ in this area, Senator O’Brien, that the FAA is recognised as the world’s leading safety regulator. I have mentioned, Senator O’Brien, in answer to a previous question by Senator Greig that the FAA said that the audible warning systems were not warranted.

You asked me some questions about when Mr Anderson became aware of some recommendations. I think you would appreciate that I will have to refer those to him. I do not know when he was first told about those things, but I will find out and let you know. Suffice to say, generally in relation to aviation safety Australia has one of the finest records. The tragedy that occurred yesterday and the tragedy of any aircraft accident are always regrettable, and at times it is very easy to point the finger. I think even Senator O’Brien would agree that per capita and per kilometre travelled the Australian aviation industry is one of the very safest in the world. It will continue to be so, so far as this government is concerned, and we will continue to enforce safety regulation whenever it is required.

**Senator O’Brien**—I note that the minister has undertaken to provide more information about the period of time in which the minister, Mr Anderson, was first advised of these warnings. I ask a supplementary question, Madam President. It appears that the minister has only today instructed CASA to take urgent action in response to the BASI warning. Given the regrettable incident in the United States last year involving the noted golfer, Payne Stewart, and the obvious consequence of this sort of problem, does the minister believe that it is acceptable for Mr Anderson to wait until today to instruct CASA to do its job in relation to this matter?

**Senator IAN MACDONALD**—The ATSB is continuing its investigation into the incident from which this recommendation first arose. As I understand it, CASA were also involved. Mr Anderson’s action today is to impose some urgency in relation to the recommendation. As I understand the situation, Senator O’Brien, it is being investi-
gated. I would actually have to confirm that, but my understanding of the information given to me is that the investigation has been continuing. In view of this accident, Mr Anderson has asked that urgent action be taken to work out the best way to respond to it not only by CASA but by the USFAA, which is the lead agency and the one that has the reputation as being the best safety regulator in the world.

**Electronic Purchasing: Government Policy**

Senator EGGLESTON (2.46 p.m.)—My question is to the Special Minister of State, Senator Ellison. Australia’s small and medium businesses are major beneficiaries of the government’s move to Internet purchasing.

Senator Cook—That is out of order. That is not a question; it is a statement.

The PRESIDENT—Senator Cook, resume your seat. You are out of order, sitting there and shouting.

Senator Cook—My point of order is that the standing orders on this are quite explicit. Question time is for questions; it is not for making statements. This is a habit that the government side have got into—making statements as an introduction to their questions. Their statements are out of order. My interjection was that it was out of order. The standing orders are quite clear. If he has not got a question, he should be ruled out.

The PRESIDENT—There is no point of order. Senator Eggleston, ask your question.

Senator EGGLESTON—Will the minister inform the Senate of how government electronic purchasing arrangements are making it easier for small and medium businesses to do business with government, while also saving taxpayers’ money? Is the minister aware of any alternative policy approaches?

Senator ELLISON—Thank you, Senator Eggleston, for raising a very good question indeed. It is obvious that the Labor opposition do not want to hear about how small and medium business enterprises are benefiting from this government’s move to online purchasing. In fact, back in 1997 in the Prime Minister’s ‘Investing for growth’ statement, we outlined a strategy whereby technology would provide better services to Australian businesses. Specifically, the government is committed to deliver all appropriate Commonwealth services electronically on the Internet by 2001, complementing—not replacing—existing written, telephone, fax and counter services. This is a great step forward. Senator Ian Campbell, my Western Australian colleague, has done a great deal of good work in this area.

We have, of course, the innovative and accessible government services being offered by the Office of Government Online. One of the key areas of government online service delivery is electronic procurement. Electronic procurement is offering great opportunities for Australian businesses. The Commonwealth itself spends $8 billion on goods and services. It was interesting to see an article in the Bulletin today which touched on this. You would be interested to know, Madam President, being a senator who represents the interests of Canberra, that the head of Andersen Consulting had this to say:

> The federal government sector still accounts for just under 50% of gross domestic product so the potential savings associated with e-procurement systems are enormous.

That is in relation to the second part of the Senator Eggleston’s question, which is very important—the savings to taxpayers. So we are bringing not only benefits to Australian businesses but savings to Australian taxpayers.

The Commonwealth has a policy that at least 10 per cent of small to medium enterprises should receive business from the Commonwealth. And what is the truth? Some 27 per cent of contracts in dollar terms go to small to medium enterprises. In fact, that translates to something like $800 million a year in goods and services provided by small to medium enterprises—something which Senator Cook obviously did not want to hear because this is good news for small to medium enterprises. It is good news resulting from government policy.

We have in our Commonwealth procurement implementation strategy two goals: firstly, the Commonwealth will pay all suppliers electronically by the end of 2000; secondly, all procurement suppliers who wish to deal with the Commonwealth government
electronically will be able to do so by the end of 2001. This makes business a lot easier to do with the government, and it is good news for business across Australia. The benefits are numerous—we have greater access for people in rural and regional Australia; we have 24-hour access seven days a week. It provides a seamless, automated order payment filled system that reduces the cost of delivery of government services—and, again, that saves taxpayers’ money.

It is interesting to note that, again in that Bulletin article today—and I think Senator Lundy would be interested to know about this—Harry Hickling stated about the government’s e-procurement initiatives:

Canberra is now a place where the ‘hot hires’ want to work and be associated with what will be some impressive projects over the next 18 months. This is a chance in a lifetime. Bright people realise they have the unique chance to come into these big projects and stretch people’s thinking about how governments provide services to citizens, to businesses and to other governments. It’s very exciting.

What we have is a very exciting project for small business in relation to procurement.

(Time expired)

Education: Vision College

Senator CARR (2.52 p.m.)—My question is to Senator Ellison, representing the Minister for Education, Training and Youth Affairs. Is the minister aware of a business arrangement between the Wesley Mission in Sydney and an international student college known as Vision College? When was DETYA first aware of serious breaches of the ESOS Act and other Commonwealth legislation, involving visa scamming, money laundering and fraud, misuse of CRICOS registration and misuse of trust funds? When did DETYA officials audit Vision College—or, if they have not, when were they first made aware of audits carried out by the New South Wales education department? What were the findings of these audits, and what action was taken by DETYA to ensure that this college stopped its illegal activities? If no audit was undertaken, what contact was made with Vision College by DETYA?

Senator Abetz—Yes or no!

Senator ELLISON—‘Yes or no!’ says Senator Abetz to all that. What is happening here—and Senator Carr knows this, because I answered this the other day—is that the Department of Education, Training and Youth Affairs is looking into this very issue with Wesley College, and it is holding discussions with the state authorities—

Opposition senators interjecting—

The PRESIDENT—Order! Minister, resume your seat. The level of shouting that is going on is absolutely unacceptable, and senators know that they are behaving contrary to the standing orders.

Senator ELLISON—This situation is of concern to the government and we are looking into it and having discussions. Of course, Senator Carr and the opposition want us to reveal what is being done so that, if there has been any malfeasance, it can be avoided. This is what Senator Carr has done in relation to estimates hearings, where he wants us to reveal the stage of our inquiries and the detail of those inquiries. We are not going to do that whilst there are some investigation inquiries going on. It would be improper to reveal those.

Senator CARR—Madam President, I ask a supplementary question. Given the numerous breaches of the ESOS Act, why is the proprietor of Vision College still trading in the international education industry?

Senator ELLISON—Senator Carr well knows that there is a review of the ESOS Act going on at this moment and that these sorts of situations will be taken into account by the government. The fact is that we as a government are not going to be irresponsible and reveal the stage of any inquiry or discussions which might give people a chance to avoid the operation of the law.

Invest Australia: Local Content Guidelines

Senator BARTLETT (2.55 p.m.)—My question is to the Minister for Industry, Science and Resources. It concerns Invest Australia’s $100 million subsidy to the new Comalco alumina refinery in my home state of Queensland. Is the minister aware of concerns expressed by the Australian Institute of Steel Construction that Comalco, despite a $100 million federal subsidy and a matching
state subsidy, is set to source $1.4 billion of fabricated steel from offshore manufacturers rather than from Australian suppliers? Is the minister aware that research by the National Institute of Economic Research shows that this decision will almost halve the employment gains from the project and will reduce the benefit to the Australian economy by half, and that it concludes that Invest Australia would be better advised to invest in alternative projects competing for subsidies? Why didn’t Invest Australia insist on local content guidelines to maximise the benefits to Australia and to Queensland from $100 million of federal subsidies? Will you be requiring Invest Australia to impose local content requirements on future assisted projects?

Senator MINCHIN—This question does arise from time to time with those who suggest that somehow the Australian government should force companies of this kind to source a certain proportion of their infrastructure or construction from Australian suppliers. It is not a policy this government is attracted to or will ever adopt. We do want to ensure—and I have met with my counterparts at state level to work on the basis of ensuring—full and fair participation of Australian suppliers in major projects. We are doing a lot of work to ensure that Australian suppliers do have a full and fair opportunity to participate in Australian projects; and that is a disposition shared between the Commonwealth and state governments of a Labor or Liberal kind, because we do understand that it is not proper or appropriate to set arbitrary local content rules in relation to major projects; and we are certainly not going down that path.

It is essential that, in attracting investment to this country, we ensure that project proponents have the opportunity to source their inputs from the most competitive and highest quality sources. Australian companies must, like any other companies, compete for that work. What we want to do is make sure that major project proponents undertake to ensure that local suppliers have every opportunity to compete for that work. We will work very hard to ensure that that is the outcome, but we are not going to run a quasi-protectionist racket by insisting on certain local content requirements. Given the Labor Party’s blessed and welcome commitment to free trade, I am sure that they would join the government in that endeavour.

Senator BARTLETT—Madam President, I ask a supplementary question. I remind the minister that we are talking not about providing—

Senator Conroy interjecting—

The PRESIDENT—Order! Senator Conroy, you should not be speaking loudly when I am trying to hear Senator Bartlett ask a question.

Senator BARTLETT—I ask the minister: in such a situation as this, where we are talking not about providing a protectionist racket but about providing up to $250 million of taxpayers’ money from state and federal government, isn’t it the case that under the Invest Australia criteria the project, to receive funding, is required to generate large economic benefits to Australia? Doesn’t the minister acknowledge that local content rules play an important part in ensuring that that large economic benefit is provided, in the case of the provision of such a large amount of taxpayers’ money? Is he aware of predictions that a loss of up to 771 jobs in manufacturing in Queensland can be directly traced to a failure to place local content rules on major projects? Why is the government insisting on providing such large amounts of money to such large corporations without guaranteeing some form of investment rules that will provide economic benefits to the people of Queensland and Australia? (Time expired)

Senator MINCHIN—We have supported this project because, under our strategic investment incentive program, we were convinced that, but for the incentive we are providing to this company, the project would not have been built in Australia. The Queensland Labor government has joined with us in supporting this project because of its huge economic significance to Australia. This is a multi-billion dollar project in which many Australians will be involved and from which they will enjoy huge benefits. It will have some local content. It will employ and lead to the indirect employment of thousands of Australians. It will make a massive contribu-
tion to the economy of Queensland and, therefore, to the economy of Australia. I am delighted and proud that the Australian government has been able to provide the incentive. Without that incentive, all the benefits that will be derived from this major project would be lost to Australia. That is what the Democrats have to understand. I know that the Labor Party understands that, because the Queensland Labor government supports this project. (Time expired)

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

ANSWERS TO QUESTIONS WITHOUT NOTICE

Aged Care: Facilities

Senator HERRON (Queensland—Minister for Aboriginal and Torres Strait Islander Affairs) (3.01 p.m.)—Yesterday, Senators West, Chris Evans, Forshaw, Jacinta Collins and McKiernan asked questions of me in relation to aged care, and I referred those questions to the minister. I have received replies to those questions, which I seek leave to incorporate in Hansard.

Leave granted.

The document read as follows—

SENATOR HERRON - 5 September 2000

AGED CARE: AIRC FUNDING

Senator FORSHAW - My question is directed to Senator Herron representing the Minister for Aged Care. Is the Minister aware that, in handing down the recent decision, the Australian Industrial Relations Commission criticised the government over its funding of nursing homes? Can the Minister confirm that the AIRC noted in its decision: “It is not consistent with equity and good conscience for a society, or for that matter a government, to impose on those who staff [nursing homes] an undue degree of responsibility for the dilemmas of funding and services that appear chronic.” Is the Minister aware that the Commission noted that current funding arrangements are “essentially unjust”? Will the Minister for Aged Care be responding to the Industrial Relations Commission’s invitation in that decision to either ‘justify or redress’ the problems identified?

SENATOR HERRON - The Minister for Aged Care has provided the following answer to the honourable senator’s question in accordance with information supplied to her:

The Commonwealth Government is adequately funding aged care services. Funding is provided on an outcome basis, focusing on achieving an enhanced quality of life for older Australians.

Recurrent funding for residential care has increased from $2.6 billion under Labor to $3.9 billion in 2000-2001. This is a substantial funding increase.

The funding formula for residential aged care subsidies is in line with the Government’s indexation arrangements for Commonwealth Own Purpose Outlays (COPOs) introduced by the previous Labor Government in 1995. These indexation arrangements apply to all programs with substantial wage costs.

The index applied reflects a balance between wage related and non-wage related costs, with the adjustment for wage related costs based on the periodic Safety Net Adjustments determined by the AIRC. The July 2000 indexation rate was 2.9%.

Residential aged care subsidies and supplements are all indexed annually on 1 July each year. In addition these subsidies and supplements are adjusted for increases in the Superannuation Guarantee Charge.

The Minister for Aged Care is aware of the comments made by the Australian Industrial Relations Commission in its decision on nurses wages in the private aged care sector handed down on 2 June 2000.

In response to an invitation from the AIRC, a submission was presented to the Commission by the Commonwealth Department of Health and Aged Care on 3 July 2000, providing information about the current funding system and the policy framework underpinning these arrangements.

SENATOR HERRON - 6 September 2000

AGED CARE: STANDARDS AND ACCREDITATION AGENCY PREDICTIONS

Senator WEST - My question is to Senator Herron representing the Minister for Aged Care. Does the minister recall the Standards and Accreditation Agency in Senate estimates predicting that two-thirds of facilities gaining accreditation in this first round would only receive a one-year accreditation, indicating that many had improvements to make? Does he also recall the agency indicating that this estimate is based on visits to over 600 facilities in the sector? How does the minister explain that more than 95 per cent of
facilities are being accredited for three years—the longest period possible—and that just a handful of facilities have failed accreditation to date? Is the minister aware of concerns that the Agency may be dropping its standards because of the risk to accredit all facilities by the deadline of 31 December this year?

SENATOR HERRON - The Minister for Aged Care has provided the following answer to the honourable senator’s question in accordance with information supplied to her:

Early estimates given in July 1999 were that approximately one third of all facilities would achieve one-year accreditation. These were based on the Aged Care Standards and Accreditation Agency's perception of the industry's level of preparedness in the approximately 600 facilities it had visited at the time. It was also suggested that the figure for three-year accreditation could be higher given the level of education and training the Agency had conducted with the industry in that time.

It is a clear indication of the industry’s acceptance of the accreditation process that the actual numbers achieving three-year accreditation are, at this stage, higher than predicted in the middle of last year. The result is also a tribute to the amount of hard work undertaken in each service to prepare for accreditation and reflects the high quality of care and services which are available in the vast majority of residential aged care services in this country.

SENATOR HERRON - 6 SEPTEMBER 2000
AGED CARE: MELBOURNE HEALTH

Senator EVANS - My question is directed to Senator Herron, representing the Minister for Aged Care. Is the minister aware that a leaked report from the Melbourne health network, comprising the Royal Melbourne Hospital and other health care institutions, has identified a shortage of 700 residential aged care beds in inner Melbourne, which is placing enormous pressure on the public hospital system? Doesn't this confirm data provided by the department which clearly shows that waiting times for a nursing home bed in Melbourne have increased over the last three years? Is the minister aware that in 1999, 80 per cent of people looking for a nursing home bed in the western suburbs of Melbourne could not find a bed within two weeks? Is he aware that one in four people are still waiting for a bed three months after having sought one, many having no choice but to stay in hospital which is putting pressure on the public health system?

Can the Minister confirm that not one new high care bed was allocated to Melbourne in this year's allocation round.

SENATOR HERRON - The Minister for Aged Care has provided the following answer to the honourable senator’s question in accordance with information supplied to her:

I understand that the information on aged care provision in Melbourne comes from internal briefing material prepared by the Melbourne Health Service of the Victorian Department of Human Services. The municipality covered by Melbourne Health only covers a part of the four Melbourne Aged Care Planning Regions (Metropolitan North, Metropolitan East, Metropolitan South and Metropolitan West).

Melbourne Health issued a press release on Tuesday 5 September 2000 stating:

“Whilst the overall provision of residential care beds in Victoria is in line with the Government planning benchmarks, the distribution of beds varies from municipality to municipality. In the municipalities covered by Melbourne Health, there does appear to be a shortfall. Melbourne Health has not formed an explicit view as to the actual number of beds, and is working with the Department of Human Services to investigate the level of beds in the area.”

The four Aged Care Planning Regions that cover Melbourne are well supplied for residential high care places. All four regions have a need for residential low care places and community care packages. Of the 14,000 new aged care places announced in March, 1,520 low care places and 845 community care places were provided for the four metropolitan regions in Victoria.

SENATOR HERRON - 6 September 2000
AGED CARE - UNDERCLIFFE

Senator CHRIS EVANS - My question is directed to Senator Herron, representing the Minister for Health and Aged Care. Can the minister explain how the Undercliffe Nursing Home in Perth, which was granted three-year accreditation in January this year, could so clearly fail those accreditation standards just five months later when inspected in June following a complaint? Doesn’t their failure to meet 23 of 45 care standards raise serious concerns about the thoroughness of the government’s accreditation system? Didn’t the standards agency also give Riverside the all clear in November last year, just two months prior to the kerosene bath incident? How can nursing home residents and their families have confidence in the government’s system when facilities which
are rated satisfactory are then found to be so clearly failing to provide proper care?

Senator CHRIS EVANS- Madam President, I ask a supplementary question. I thank the minister for his answer. I think he has perhaps missed the point and does not realise the concern that exists in the industry over the Undercliffe incident and the concern about what it means for the accreditation system. Can the minister confirm that the only reason that the agency visited Undercliffe on that occasion in June was because of a serious complaint lodged with them? Can he advise the Senate when would the Agency have gone back into that nursing home if it had not been for that complaint, given that it had been given a three-year accreditation approval in January?

SENATOR HERRON - The Minister for Aged Care has provided the following answer to the honourable senator’s question in accordance with information supplied to her.

The Approved Provider of a residential aged care facility has the responsibility to ensure that the legislated standards are met at all times.

The accreditation process does not just provide a facility with accreditation status because it has met the standards at a single point in time. The process is built on the requirements for a facility to agree an improvement plan with the Agency for the accreditation period. The Agency then monitors progress against that plan on a regular basis.

In the case of Undercliffe Nursing Home, the failure by the Approved Provider to maintain the standards was brought to the Agency’s attention through a complaint. This fact highlights the role of consumers in the system and of their ability to influence the accreditation process. Approved providers can no longer be complacent once accreditation has been granted.

SENATOR HERRON - 6 September 2000

AGED CARE: ACCREDITATION DEADLINES / 1,000 BEDS CLOSED

Senator COLLINS - My question is directed to Senator Herron, representing the Minister for Aged Care. To another aspirant to cabinet, is the minister aware that the aged care sector in Victoria is predicting as many as 1,000 residential aged care beds being closed by the accreditation deadline of 31 December this year? Given the existing shortages of beds in Victoria, won’t these closures cause distress to residents, lengthen already long waiting lists and put even more pressure on the public hospital system? What contingency plans has the government put in place to ensure the affected residents will not have the continuity of their aged care disrupted by these closures? How many bed closures is the government planning to provide for after the debacle of Riverside?

SENATOR HERRON - The Minister for Aged Care has provided the following answer to the honourable senator’s question in accordance with information supplied to her:

Under the Aged Care Act 1997, it is the responsibility of the Approved Provider to ensure continuity of care for residents.

The Department of Health and Aged Care has been developing contingency options in each state and territory if a need to relocate residents does occur.

Where services currently have deficiencies, the Department is closely monitoring each service and has contacted residents and their nominated family members or carers to ensure that they are fully informed. In addition, meetings are being held, at the request of the Department, by Approved Providers to ensure that residents and their families are aware of the Provider’s plans to achieve an improvement in the standards of care and accommodation.

The Department has put in place a range of contingency options in both metropolitan and rural areas should any relocations be necessary.

While the accreditation process may involve some re-location of residents, this is being handled in a planned and sympathetic way in consultation with residents and their families.

As always the primary concern is the wellbeing of residents and peace of mind of family members.

SENATOR HERRON - 15 March 2000

AGED CARE-Gareth Goodier

Senator McKIERNAN—Is the Minister aware that the chief executive officer of the Royal Perth Hospital, Mr Gareth Goodier, conducted a review of Nursing home bed numbers in Perth which showed a reduction of 230 beds since last year? Can the Minister confirm figures provided by the Department of Health and Aged Care which showed that over the last 3 years people are waiting longer to get into a nursing home in Perth. Can the Minister explain why despite the reduction in the number of beds and the longer waiting lists, the Government did not allocate one additional nursing home bed to Perth last year and why not one additional nursing home bed will be allocated to Perth this year?

SENATOR HERRON - The Minister for Aged Care has provided the following answer to the honourable senator’s question:

The three Aged Care Planning Regions which cover Perth have a need for residential low care places and community care packages. These needs
are being addressed in the 2000 Aged Care Approvals Round which released 220 low care and 289 community care packages in the Perth regions. The Metropolitan South Region has a need for residential high care places, but in planning for the 2000 Round a rural region, the South West Region, was determined to have a more immediate need. The high care need in Metropolitan South will be considered in future rounds.

**Computer Equipment: Losses**

**Senator HILL** (South Australia—Minister for the Environment and Heritage) (3.01 p.m.)—In reply to a question from Senator Hogg to me as the Minister representing the Prime Minister, I said that I would see whether further information could be provided. I now have further information which I seek leave to have incorporated in Hansard.

Leave granted.

_The document read as follows—_

On Monday, 4 September 2000, Hansard page 15774, Senator Hogg asked me, as Minister representing the Prime Minister:

Is the minister aware that departmental answers to Senate questions on notice indicate that the Howard government has overseen the loss or theft of over $1.1 million in computer equipment in the last 20 months? Can the minister confirm that 235 laptop computers alone have been stolen—not lost, but stolen? Is it true that lost and stolen laptop computers have cost the Commonwealth over $830,000 since just January last year? How does the minister explain such gross mismanagement by the Commonwealth departments?

I undertook to provide the honourable senator with further information and I seek leave to have it incorporated in Hansard.

I am advised that Commonwealth agencies will be analysing their losses of computer equipment and the reasons for them. The Financial Management and Accountability Act and the Commonwealth’s Fraud Control Policy require Chief Executives to implement fraud control plans and undertake fraud control risk assessments. The Financial Management and Accountability Act also provides that if an official has caused or contributed to the loss of public property by misconduct, or by a deliberate or serious disregard of reasonable standards of care, he or she is liable to reimburse the Commonwealth for the loss.

**Senator HILL**—I would also say that I inadvertently misled the Senate in that answer—and I am throwing myself on my sword. I said that I had put in a response on behalf of my department; I had actually put in a response on behalf of the Department of Foreign Affairs and Trade. I have now signed off the answer on behalf of my department, and I ask that it be tabled.

**Senator Faulkner**—Are you apologising for misleading the Senate?

**Senator HILL**—Yes, I am.

**Goods and Services Tax: Petrol Prices**

**Senator COOK** (Western Australia—Deputy Leader of the Opposition in the Senate) (3.02 p.m.)—I move:

That the Senate take note of the answer given by the Assistant Treasurer (Senator Kemp), to questions without notice asked by Senator Cook and Senator George Campbell today, relating to the goods and services tax, petrol excise and petrol prices.

The question I asked Senator Kemp in question time concerned the Royal Automobile Association of South Australia. That association, among a number of other state automobile associations—including, notably, the Tasmanian association—has placed full-page advertisements in local newspapers under the heading ‘Unchain our petrol, Mr Howard’.

The text of the ad reads:

John Howard said he would reduce fuel excise by an amount equal to the GST so there are no increases in petrol prices when the GST was applied. He didn’t.

That is a direct quote from what the automobile associations are saying.

In question time we asked the Assistant Treasurer this question: what is the government’s attitude to the proposal by Mr Chris Murphy of Econtech? Mr Murphy of Econtech is a particularly notable commentator in this respect because he is the government’s preferred economic modeller. He is the economic modeller on whom the government relied to justify its GST. Mr Murphy of Econtech has asked the government whether it will discount the GST when it comes to adjust the excise for petrol in the half-yearly adjustment this February. The government has demonstrated—in what I think is a revealing comment—that it is still unfeeling, still insensitive and still out of touch with public opinion in Australia in that the Assistant Treasurer today said, no, it would not.
Petrol prices in Australia are out of control. They are out of control, of course, because the petrol producing nations of the world have increased the base price. But, when we are talking about taxes on petrol, we must remember that the government levies a tax in the form of excise, adjusted every six months based on movements in the consumer price index, movements in the cost of living—movements in inflation, if you like. We know from the Treasury papers associated with the GST that this year there will be an excess of inflation, a spike for the September quarter of 6½ per cent, because the GST imposes a 10 per cent tax on just about everything. It also imposes a 10 per cent tax on petrol—and the higher the cost of buying petrol, the bigger the rake-off for the government because of the percentage tax. The only question being put to the government by us today was: will you discount your rake-off so that motorists can get some moderation in petrol prices? The answer was no.

For country Australia, this is a particularly damaging answer. At the moment, in the city of Kalgoorlie in my home state of Western Australia, they are paying $1.11 per litre for fuel, which is 10 per cent more than urban consumers of petrol are paying in Perth—that is, about $1 a litre. So for country people, the higher the price goes, the more they pay; and the more the division in price between city and country motorists expands, the greater the gap becomes.

What is the government doing about that? It had a program to provide half a billion dollars in funding to petrol stations in order to decrease the price and bridge the gap. But, as we now know, the ACCC is investigating whether the major petrol companies—Shell in particular was mentioned; Caltex is another—have pocketed the half a billion dollars and not passed it on to the motorists. This government knows that it will take a windfall gain out of taxation by virtue of the GST if it does not adjust petrol prices and if it does not adjust its quarterly adjustment due in February this year. The fact that it refuses to hand that back to motorists is a commentary on the total insensitivity of this government to motorists’ needs in Australia and the cost of living for ordinary Australians. This is an income it never expected to have. This is an income that it will pocket and it will hand back to the electorate in the form of electoral bribes and pretend that it has done something great. But the government has ripped it off Australian motorists unnecessarily. Australian motorists know that—and, come the election, they will pay the government out.

(Time expired)

Senator CRANE (Western Australia) (3.07 p.m.)—Madam Deputy President—

Senator Schacht—Here is the apologist.

Senator CRANE—No apology about that. Don’t you worry about that. I found that a most remarkable contribution. I want to deal with a number of issues arising from it, the first one being this accusation across the table about an inflation spike. In fact, under Labor for 13 years the average inflation rate was 5.2 per cent.

Senator Schacht—What was it under the Fraser government?

Senator CRANE—Under the government it is 1.4 per cent: 5.2 per cent as against 1.4 per cent. So we had a situation where you were in a permanent spike, but what did you do? You raked in every cent of it. You grabbed it and you pulled it in as well.

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

Senator CRANE—Madam Deputy President, I will address the chair, but you bring those people on the other side to order. They have not stopped speaking since the moment I started talking.

The DEPUTY PRESIDENT—Order! Senator Crane, they have come to order and I ask you to ignore interjections and address the chair.

Senator CRANE—I do not mind addressing the chair, and I will, but there has to be consistency in the rules applied in this place.

Senator Schacht—You sold the farmers out, Winston.

The DEPUTY PRESIDENT—I would urge caution. You might be thought to be reflecting upon the chair shortly.
Senator CRANE—If I am, I apologise for that, but I would like to see Senator Schacht brought to order.

Senator Schacht interjecting—

The DEPUTY PRESIDENT—Senator Schacht, order!

Senator CRANE—The point I was making was that for the whole time, their 13-year average was 3½ times the average inflation rate under this government, so they have been putting a pretty flimsy, limited sort of argument. It has no credibility whatsoever. But I want to address a few of the things that we have done since we have been in government. The first point, the one I have just mentioned, is that we have got inflation to a much lower point. In fact, we have got inflation under control. That has had a big impact with regard to an enormous number—

Senator Schacht interjecting—

The DEPUTY PRESIDENT—Order! Senator Schacht, would you please come to order. If you want to speak, you will get an opportunity later.

Senator CRANE—The reality is, in terms of small business and their smaller vehicles, they will collect the full 6.7c. When we look a little further down the line, we see that we have taken 24c a litre in excise off the cost of road transport. We have removed the total excise from diesel used on rail.

Senator Schacht—No-one believes that, Winston. Have you been eating mushrooms and toadstools for lunch?

Senator CRANE—These are facts. It is no wonder they keep interjecting and carrying on—because they do not like the facts; they do not like the truth.

Senator Schacht interjecting—

The DEPUTY PRESIDENT—Order! Senator Schacht, would you please come to order.

Senator Schacht—On the point of order, Madam Deputy President: I want to make a further point of order.

Senator Ferris interjecting—

The DEPUTY PRESIDENT—Order! Senator Ferris.

Senator Mackay—You won’t, will you, Senator Crane?

The DEPUTY PRESIDENT—If you were quoting from a document, you have been asked if you could table it. You do not have to; it is up to you.

Senator CRANE—On the point of order, Madam Deputy President: that is not a point of order.

Senator Mackay—Do you have it or don’t you?

Senator CRANE—The answer to you is no, I am not going to table it.

Senator Schacht—You have been eating mushrooms for lunch again. Hallucinating, that is what you are doing.
The DEPUTY PRESIDENT—Order! Senator Schacht, you are not helping. There is no point of order, but Senator Mackay is able to ask Senator Crane to table, if he wishes, the document he was quoting from at the end of his speech. Senator Crane has the call.

Senator CRANE—Thank you, Madam Deputy President. It is obvious to me—

Senator Schacht—Thirty-nine, 38, 37, 36, 35—

The DEPUTY PRESIDENT—Order! Senator Schacht.

Senator Ferris—Throw him out!

The DEPUTY PRESIDENT—Senator Ferris, your interjection is not helping.

Senator Schacht—Thirty-nine, 38—

The DEPUTY PRESIDENT—Order! Senator Schacht.

Senator Hill—Have you been eating magic mushrooms or something, Schachtie?

Senator Schacht—That is highly offensive.

Senator Mackay—You ought to withdraw that.

The DEPUTY PRESIDENT—Order! Senator Schacht, I will have some silence, please. You know that your conduct is totally disorderly.

Senator CRANE—Madam Deputy President, it is obvious to me from the behaviour we have had from Senator Schacht in the last 3½ minutes that you will need to throw him out, just like the Labor Party did.

The DEPUTY PRESIDENT—Senator Crane, I would urge caution with reflections upon other members in this place.

Senator CRANE—I did not see that as a reflection, but if you say so I will just have to—

Senator Schacht interjecting—

The DEPUTY PRESIDENT—Senator, making provocative statements does not help.

Senator CRANE—I now wish to touch briefly on another important policy proposal we put, and that was with regard to the reform of the sites act, the franchisee act and our bringing in the oil code. And who stopped that proposition? It was those sitting on the other side of the chamber. They have consistently stopped any reform, which is desperately required in all industry in this country. They should hang their heads in shame for what they have done. The proposition that we put forward would have dealt...
with a whole range of things and would have, through a regulation, put the oil code under the province of the Trade Practices Act and the Trade Practices Commissioner. They need to think again about that proposition, because it would put the Trade Practices Commission right next to the oil industry to look at the various things that need to be looked at. I cover here terminal gate pricing. I cover such things as company access to the terminal that will give them the best price. I cover such things as full and proper tendering in firms for the supply of transport. (Time expired)

Senator MURPHY (Tasmania) (3.17 p.m.)—What an intriguing contribution from Senator Crane. I actually thought Senator Crane knew a bit more about the petrol industry, given that he participated with me in an inquiry on a bill dealing with fair prices and better access for all, but apparently not. I noticed a comment by the Assistant Treasurer, one of the people responsible for the GST. He said that our effort in trying to blame the GST for adding to the cost of petrol was a ‘total fraud’. If ever there was a total fraud upon the Australian public, it has been carried out by the government. Even their coalition partners up here on the left-hand corner—those who bought the GST and put it upon the Australian public and the motoring public in particular—are prepared to acknowledge that the GST has had an impact on the cost of petrol. Even they acknowledge that—but not Senator Kemp, not the Treasurer and not the Prime Minister. They are still trying to say, ‘Blame the Arabs for the price of petrol.’ Of course, we all know that world crude oil prices have an impact on the retail price of petrol. But we have to keep reminding the government that prior to the last election they made very clear, specific promises to the Australian public and the motoring public in particular—are prepared to acknowledge that the GST has had an impact on the cost of petrol. Even they acknowledge that—but not Senator Kemp, not the Treasurer and not the Prime Minister. They are still trying to say, ‘Blame the Arabs for the price of petrol.’ Of course, we all know that world crude oil prices have an impact on the retail price of petrol. But we have to keep reminding the government that prior to the last election they made very clear, specific promises to the Australian motoring public—that is, that the GST would not cause the price of petrol to go up. In fact, the finance minister, Mr Hockey, said the price of petrol would go down.

Senator Crane—He is not the finance minister.

Senator Sherry—He thinks he is.

Senator MURPHY—He thinks he is, as Senator Sherry says. He said that the price of petrol would go down. Unfortunately, he was unable to bring that about. But like the government, which made the commitment very clear both prior to the last federal election and subsequent to it, he kept telling the Australian public that the GST would not impact on the price of petrol. Well, it has. Why has it? You have to ask yourself: what are the government doing here and why will the government not address the problem that they have caused with the introduction of the GST? Why won’t the government keep their promise to Australian motorists? It is because, factored into the budget, even in the outyears, they took a calculation based on the excise and revenue from the GST. That is what they did.

Of course, we have been told that the GST revenue goes to the states. But we have a number of state premiers, I would suggest, that have requested that the Commonwealth do something about the price of petrol. That is within their control. Doing that is within the government’s control. They could cap the GST at a certain level or, as was pointed out by Senator Cook, with regard to the GST inflation spike, they could cap the excise. They could do those things. Of course, the Prime Minister says, ‘We can’t do that because of the loss of revenue and the cost impacts of other things such as pensions et cetera.’ If there had not been a world crude oil price increase the circumstances would have been different, but we will continue to hound the government to keep what was a very critical election promise. It was a promise that probably caused people to vote a particular way. The government, this Prime Minister, this Treasurer and of course the Assistant Treasurer have an obligation to deliver on the promise that they made. They can do it, it is within their power to do it and they are not doing it simply because they are greedy and they want to take that money and use it for pork-barrelling come the next election. What Senator Cook said was completely true, and it is a fraud that you are wreaking on the Australian public. (Time expired)

Senator COONAN (New South Wales) (3.22 p.m.)—Senator Cook is nothing if not quick off the mark. The story about spike inflation was in the weekend newspapers, yet he leaves it to Wednesday to raise it as a...
matter in question time and in taking note of answers.

Opposition senators interjecting—

Senator COONAN—I can understand how it upsets you. As Senator Kemp pointed out in his answer to Senator Cook, there is more than a whiff of hypocrisy about Labor’s questioning the government on the indexation of the excise on petrol. That is for two reasons. First of all, it is made in a total policy vacuum, a total policy void about what Labor would do about petrol pricing or anything else to do with taxation. Prior to the implementation of the GST, we heard the magic word ‘roll-back’ and, curiously, there has been a silence about that ever since. There is absolutely no credibility in any criticism by Labor about petrol indexation—or, indeed, anything else to do with taxation—in the absence of one word about what Labor would do about taxation. What are you going to do about indexation? What are you going to do about excise? Are you going to reduce that? Are you going to roll it back? When are you going to announce what you are going to do about roll-back? How are you going to pay for the roll-back? We have not heard one word about any of this. All we hear is criticism based on some anticipated inflation. You cannot come in here and make those sorts of criticisms when you do not have one serious policy alternative.

The second reason why Labor’s criticisms of indexation are more than hypocritical is that Labor’s record on petrol prices is hardly a showcase of economic management. As we have heard this afternoon—and, indeed, I am sure we are going to hear it again over the next few days—Labor introduced petrol indexation in 1983 and maintained it throughout their 13 years in office. Moreover, because petrol indexation is linked to the consumer price index, and because of Labor’s poor management of the economy and galloping inflation—inflation under Labor averaged 5.2 per cent during those 13 years—petrol excise increases were significantly greater under Labor than they have been under the coalition. When Labor in government raised the excise from around 6c a litre to 34c a litre in 1996, did we hear any apology from Labor about this? Did we hear any proposals about how Labor would do how Labor would do something to control this increase in excise? That included a 5c per litre rise in discretionary excise and five per cent hikes in the last three years of the Keating government. So it is not as though it was in the far distant past; it was very recent. The last three years of the Keating government saw a rise of 5c per litre in discretionary excise hikes. The index rate to the CPI for the 13 years when Labor were in office is something that now does not do Labor any credit when they come in to criticise a recent very modest indexation of 0.6 per cent.

The Labor Party offer absolutely no solution. All the Labor Party have said that they will do about petrol pricing is that they will abolish the Fuel Sales Grants Scheme, as announced by Joel Fitzgibbon in the House of Representatives. It is just a ragtag and bobtail of policy prescriptions on the run, without any well thought out approach at all. The federal government is not receiving a windfall revenue gain from higher petrol prices. We all know excise is a volume based tax, not a value based tax, and it does not rise directly with higher petrol prices. And the GST revenue does go to the states. The coalition government promised to reduce excise so that petrol prices need not rise as a result of the GST, and excise was reduced by 6.7c per litre. The petrol refining industry cost savings of 1.5c a litre also resulted from benefits under the new tax system. (Time expired)

Senator GEORGE CAMPBELL (New South Wales) (3.27 p.m.)—It is unfortunate that, when Senator Coonan gets up to make a contribution in this chamber these days, unlike cases in the past, she does not contribute to the debate. She uses the time to make her preselection speeches. We know there is a very significant contest going on for the Liberal position on the ticket, and she is doing everything in her power—including jumping the fence to the other side—in order to try and secure that position.

Senator Hill—Madam Deputy President, I rise on a point of order. The issues are interpreted somewhat liberally in relation to these debates, but I would respectfully suggest to you, Madam Deputy President, that on any interpretation this is irrelevant to the subject
that Labor chose to debate during this particular part of the day’s proceedings.

The DEPUTY PRESIDENT—Senator Campbell might like to get on to petrol pricing.

Senator GEORGE CAMPBELL—That was demonstrated, quite frankly, by the fact that Senator Coonan did not address the issue which is the point of debate here. A very simple question was posed to Senator Kemp during question time, and that was: is the government going to discount the inflation spike on the indexation of petrol in the February round? We know there is going to be an inflation spike. Contrary to what Senator Coonan said, it is contained in the budget. The budget papers indicate what the inflation spike will be as a result of the introduction of the GST. It is there in the budget papers, in black and white, for all to see. In addition to that, modelling has been done on this issue. The most recent report on GST pricing done by Econtech, which is the Prime Minister’s preferred modeller for these issues, states: Econtech estimates from its modelling that the changeover to the new tax system has added about 1.3 per cent (or 1.2 cents per litre) to petrol prices.

In other words, the inflation spike will be discounted against what is collected in excise. The real truth in this issue of why the government is refusing to implement its own policy, refusing to implement what was contained in the ANTS package and refusing to implement what its own modellers are saying will occur in terms of the impact on prices is summed up by statements that have been made by the Prime Minister. The Age of 30 August reported:

Mr Howard said that the budget surplus was a very tight $2.8 billion and any reduction could mean higher interest rates.

In other words, ‘We are going to use the windfall from the additional revenue raised as a result of what is in effect double counting on petrol prices. We are going to use that to bolster our surplus to make it look as though we are better economic managers than we are, to be able to go out there and again portray ourselves as good economic managers and we are going to collect all of that windfall and put it back into the government coffers. We are going to rip off every Australian motorist, whether they live in Sydney, Melbourne, Tibooburra, in the back of Bourke, in Broken Hill, in Tweed or wherever in this country. Country or city alike, you are going to pay to improve our budget surplus.’ (Time expired)

Question resolved in the affirmative.

Civil Aviation Safety Authority: Operations

Senator GREIG (Western Australia) (3.33 p.m.)—I move:

That the Senate take note of the answer given by the Minister for Regional Services, Territories and Local Government (Senator Macdonald) to a question without notice asked by Senator Greig today, relating to air safety.

It may be recalled that my question to the minister was in two parts. Firstly, I asked Senator Macdonald if he felt there was a sense of contradiction or a lack of priorities in terms of how CASA dealt with different aspects of the work it is charged to undertake. Specifically, in this case, there was the scenario where, as I said in my question, in July of 1999, just last year, the Australian Transport Safety Bureau recommended that an audible warning system be installed in
Beechcraft aircraft to operate in conjunction with the cabin altitude alert system. Yet CASA has not moved to ensure this system is implemented through air operator organisations. But, contradicting that, is the fact that CASA moved so quickly in January of 1999, again just last year, on the Uzo Air Britten-Norman aircraft which was involved in a fatal accident, effectively suspending the licence for that until the decision was overturned by the AAT. That was one particular example of what we Democrats consider to be one of the contradictory elements of CASA and why we feel that CASA itself is in need of a review and overhaul.

In answer to my question, the minister said that he did not believe that CASA was in need of review and/or overhaul. He said that, in his view, the Deputy Prime Minister and transport minister was acting calmly and decisively on all issues within the aviation aspect of his portfolio. That is not my experience or the experience of my staff in investigating and reviewing these issues. For example, during the avgas crisis, Minister Anderson put out a press release in part saying that CASA was fast tracking emergency approvals for general aviation operators. That press release was issued on 14 July and said very clearly that that was what the government was doing. However, our investigations found that, for example, when one particular operator made contact with staff in my office he said he was told at the time that his application was in the queue like everybody else’s. When that operator told a CASA official of the press release, the CASA official laughed and retorted: ‘What would politicians know?’ This indicated a lack of coordination between the government, CASA and the people it is charged to oversee.

I have also recently learnt that CASA took some 10 weeks to issue a certificate of airworthiness for an almost brand new aircraft which had previously been registered in the United States. My staff have spoken to a large number of operators who have lost their AOCs, the most notable of those in recent times being Whyalla Airlines. Whyalla made it clear in one of their press releases that it was CASA who had destroyed their airline, and it was Whyalla who voluntarily handed in its AOC after discovering that, in its own words, it could not fight on an equal footing with CASA. I have also learnt that, when the case of CASA and Whyalla was before the Administrative Appeals Tribunal, CASA employed two QCs, Mr Alex Shand and Mr Ian Harvey, to assist with their case. Interestingly, yesterday’s West Australian reported that Mr Shand was a QC who charged considerable fees—some $7,000 a day and, in one case he was involved in, he charged that amount to read a book.

The question begging there is: why is it that CASA need to employ silks who charge thousands of dollars a day to represent them in the AAT when they employ their own lawyers in house as well? There are many other cases that I could touch on, time permitting. Another example which indicates the lack of coordination between CASA and the government was in relation to Ord Air. In that case CASA decided not to issue Ord Air with an air operators certificate on the basis that the owner had an ‘assertive personality.’ It is worth noting that the owner was a woman. I wonder if CASA would have made the same submission if the owner had been a male. Time does not permit me to go on with considerable other evidence and anecdotes in relation to CASA. (Time expired)

Question resolved in the affirmative.

NOTICES

Presentation

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

That the Senate—

(a) notes that:

(i) despite promises by the Government that it would open 70 Rural Transaction Centres by June 2000, only 13 have opened to date,

(ii) services in regional Australia continue to decline and a number of the centres that have opened do not offer banking services,

(iii) the Australian Competition and Consumer Commission has commenced legal action against the National Australia Bank over alleged price fixing of interchange fees on credit cards,
(iv) the acting Chief Executive of the Australian Banking Association has said that banks do not have social obligations,

(v) at the same time as the Commonwealth Bank of Australia announces a full year profit for the 30 June 2000 financial year of $2.7 billion, it continues to close branches and is in dispute with its employees over the introduction of Australian Workplace Agreements, and

(vi) while the banks continue to make record profits, banking services are becoming less affordable and less accessible for average Australians; and

(b) condemns the Federal Government for its failure to take action to ensure that Australians have equal and affordable access to financial services.

Senator Ridgeway to move, on the next day of sitting:
That the Senate—
(a) notes that:
(i) the reconciliation committees in each state and territory were federated into a national body on 22 August 2000, the membership of which consists of the chairpersons from each state and territory reconciliation committee,
(ii) with the cessation of the Council for Aboriginal Reconciliation (CAR) at the end of the year 2000, it is intended that the federation will become the representative body of the people’s movement, providing a national voice to promote the goal of national reconciliation at all levels of government and in all spheres of the community,
(iii) the federation will be the official link to foster an open dialogue between local reconciliation groups, state and territory governments and any national body that may be formed, and its work will be guided by the aspirations and four national strategies of the CAR’s Document for Reconciliation, and
(iv) the New South Wales Government has allocated an annual budget of $110,000 to establish a permanent New South Wales State Reconciliation Committee, to be housed within the New South Wales Department of Aboriginal Affairs;
(b) congratulates the New South Wales Government for its initiative, which is a first among Australia’s states and territories; and
(c) calls on all other state and territory governments to establish and adequately resource their own state or territory reconciliation committees so that the momentum towards the achievement of lasting, national reconciliation is maintained and furthered for the benefit of all Australians.

Senator Crane to move, on the next day of sitting:
That, upon its introduction in the House of Representatives, the provisions of the Wool Services Privatisation Bill 2000 be referred to the Rural and Regional Affairs and Transport Legislation Committee for inquiry and report by 10 October 2000.

Senator Knowles to move, on the next day of sitting:
That the Community Affairs Legislation Committee be authorised to hold a public meeting during the sitting of the Senate on 4 October 2000, from 3.30 pm, to take evidence for the committee’s inquiry into the provisions of the Child Support Legislation Amendment Bill (No. 2) 2000.

Senator Woodley to move, on the next day of sitting:
That the time for the presentation of the report of the Rural and Regional Affairs and Transport References Committee on air safety be extended to the last sitting day in December 2000.

Senator Ian Campbell to move, on the next day of sitting:
That the following bill be introduced: A Bill for an Act to regulate activities involving fuel and fuel additives, and for related purposes. Fuel Quality Standards Bill 2000.

Senator Ridgeway to move, on the next day of sitting:
(a) reaffirms cross-party support for the full implementation of the recommendations of the 1991 Royal Commission into Aboriginal Deaths in Custody;
(b) calls for the establishment of a National Aboriginal Deaths in Custody Investigation Team to vigorously investigate
and report on all indigenous deaths in custody;

(c) embraces the model of restorative justice so that all indigenous communities can share in the responsibility for the criminal justice system in ways that are culturally appropriate and empowering;

(d) reaffirms its commitment to eliminate indigenous disadvantage with the recognition that this will only ever be achieved through empowerment, self-determination and reconciliation; and

(e) calls on the Government to:

(i) renew its commitments made at the 1997 Ministerial Summit on Aboriginal Deaths in Custody, which included the development and implementation of Aboriginal justice plans and multi-lateral agreements between the various levels of government and communities, and

(ii) invite the Northern Territory Government to join all other Australian governments in committing to the objectives contained in the 1997 Ministerial Summit Communiqué.

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

That the time for the presentation of the report of the Legal and Constitutional Legislation Committee on the provisions of the Administrative Review Tribunal Bill 2000 be extended to the first sitting day in 2001.

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

That the Senate—

(a) notes that:

(i) 7 September is National Threatened Species Day,

(ii) National Threatened Species Day is held to coincide with the date that Australia’s last thylacine (Tasmanian Tiger) died in captivity in Hobart Zoo,

(iii) more than 1,400 of Australia’s threatened species are now at risk of extinction and at risk of disappearing along with the Tasmanian Tiger unless urgent action is taken to assist in the protection and recovery of these species and their habitat, and

(iv) more effort is required on the part of the Commonwealth, state, territory and local governments to ensure the preservation of our biodiversity and to assist threatened species; and

(b) expresses support for increased funding for community organisations to undertake project work aimed at reducing the threats to populations of nationally-listed species or remnants of threatened ecological communities through enhanced stewardship and management.

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

That the Senate—

(a) notes that:

(i) the cassowary is a threatened species and has protection under the Commonwealth Environment Protection and Biodiversity Conservation Act 1999,

(ii) the past 12 months has seen an increase in land clearing on freehold land in Queensland, which has included the destruction of cassowary habitat, causing the number of cassowaries to further decline,

(iii) in the past 12 months, 70 hectares of freehold land has been cleared in the Mission Beach area of Queensland, including land that was prime cassowary habitat and breeding ground, and

(iv) a current survey on cassowary numbers in the Mission Beach area suggests that cassowary numbers have halved since 1988 and it is estimated there may now be as few as 40 cassowaries left in the area; and

(b) calls on the Queensland Government to put tighter controls on the clearing of freehold land, particularly where it affects the habitat of threatened species such as the cassowary.

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

That on Thursday, 7 September 2000:

(a) the hours of meeting shall be 9.30 am to 6.30 pm and 7.30 pm to adjournment;

(b) the routine of business from 7.30 pm shall be government business only;

(c) divisions may take place after 6 pm; and

(d) the question for the adjournment of the Senate shall not be proposed till after the completion of consideration of the Defence Legislation Amendment (Aid to
Civilian Authorities) Bill 2000 and any messages from the House of Representatives relating to the bill.

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

That the resolution of the Senate of 20 June 2000, referring matters to the Community Affairs References Committee, be varied as follows:

Omit paragraphs (a) to (i), substitute:
Child migration to Australia under approved schemes during the 20th century, with particular reference to the role and responsibilities of Australian governments and to the issues listed in the following paragraphs:

(a) in relation to government and non-government institutions responsible for the care of child migrants:
(i) whether any unsafe, improper or unlawful care or treatment of children occurred in such institutions, and
(ii) whether any serious breach of any relevant statutory obligation occurred during the course of the care of former child migrants;

(b) the extent and operation of measures undertaken or required to assist former child migrants to reunite with their families and obtain independent advice and counselling services;

(c) the effectiveness of efforts made during the operation of the child migration schemes or since by Australian governments and any other non-government bodies which were then responsible for child migration to:
(i) inform the children of the existence and whereabouts of their parents and/or siblings,
(ii) reunite or assist in the reunification of the child migrants with any of their relatives, and
(iii) provide counselling or any other services that were designed to reduce or limit trauma caused by the removal of these children from their country of birth and deportation to Australia;

(d) the need for a formal acknowledgment and apology by Australian governments for the human suffering arising from the child migration schemes;

(e) measures of reparation including, but not limited to, compensation and rehabilitation by the perpetrators; and

(f) whether statutory or administrative limitations or barriers adversely affect those former child migrants who wish to pursue claims against individual perpetrators of abuse previously involved in their care.

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

That the Senate—

(a) notes the failure of the Minister for Education, Training and Youth Affairs (Mr Kemp) to comply fully with the orders of the Senate of 17 and 29 August 2000; and

(b) resolves that there be laid on the table by the Minister representing the Minister for Education, Training and Youth Affairs (Senator Ellison) by immediately after question time on 3 October 2000, documents containing the following information:

(i) the individual actual SES scores for 2000 for each school, identified by the name of each school,

(ii) enrolment numbers, according to the 2000 census, for each of the schools identified in subparagraph (i), with primary and secondary enrolments identified separately, where applicable,

(iii) the equivalent education resource index (ERI) score for each school with an actual SES score for 2000, and

(iv) the Commonwealth funds that would have flowed to each school, listed and named, in 2001 under the current ERI arrangements, and the funds that will now flow to each school, listed and named, under the new SES funding arrangements in 2001, 2002, 2003 and 2004.

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

That the Senate—

(a) notes that:

(i) 7 September is National Threatened Species Day;

(ii) the new Environment Protection and Biodiversity Conservation Act 1999 provides significantly enhanced powers to the Minister for the Environment and Heritage (Senator Hill) to protect threatened species, and
(iii) six categories of species are now listed in the Act in line with IUCN categories, which include: extinct, extinct in the wild, critically endangered, endangered, vulnerable, and conservation dependent; and

(b) calls on the Minister to use these powers to do all that is necessary to further protect threatened species throughout Australia and its territories.

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

That the Senate supports the right of people to join the S11 protest at the World Economic Forum in Melbourne in the week beginning 10 September 2000.

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

That the time for the presentation of the report of the Employment, Workplace Relations, Small Business and Education Legislation Committee on the provisions of the States Grants (Primary and Secondary Education Assistance) Bill 2000 be extended to 12 October 2000.

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

That the Senate opposes the clearing of native vegetation for plantations.

TELSTRA: CONTRACTS WITH LEIGHTON HOLDINGS

Return to Order

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (3.41 p.m.)—On behalf of the Minister for Communications, Information Technology and the Arts, I seek leave to incorporate in Hansard a short statement relating to a brief delay in responding to a return to order passed by the Senate on 31 August.

Leave granted.

The statement read as follows—

On 31 August the Senate ordered the Minister for Communications, Information Technology and the Arts, no later than immediately after question time 3 sitting days after that day, to table in the Senate all contracts between Telstra Corporation and Leighton Holdings and its subsidiaries which were the subject of question no 29 asked by Senator Bishop at the 1999 - 2000 Additional Estimates supplementary hearings of the Environment, Communications, Information Technology and the Arts Legislation Committee on 3 May 2000. The order provided that any genuinely commercially sensitive material may be deleted. Telstra Corporation advises that the task of reviewing the relevant contracts to delete all genuinely commercially sensitive material is large. As a consequence Telstra has been unable to provide the contracts to the Minister for tabling by the stipulated time. Telstra advises that the contracts should be available for tabling on Thursday 7 September 2000.

The Minister regrets the delay.

COMMITTEES

Selection of Bills Committee

Report

Senator CALVERT (Tasmania) (3.41 p.m.)—I present the 14th report of 2000 of the Selection of Bills Committee.

Ordered that the report be adopted.

Senator CALVERT—I seek leave to have the report incorporated in Hansard.

Leave granted.

The report read as follows—

SELECTION OF BILLS COMMITTEE

REPORT No. 14 OF 2000

1. The committee met on 5 September 2000.

2. The committee resolved to recommend—

(a) That the provisions of the following bills be referred to committees as follows:
<table>
<thead>
<tr>
<th>Bill title</th>
<th>Stage at which referred</th>
<th>Legislation committee</th>
<th>Reporting date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child Support Legislation Amendment Bill (No. 2) 2000 (see Appendix 1 for a statement of reasons for referral)</td>
<td>Immediately</td>
<td>Community Affairs</td>
<td>10 October 2000</td>
</tr>
<tr>
<td>Education Services for Overseas Students Bill 2000 (see Appendix 2 for a statement of reasons for referral)</td>
<td>Immediately</td>
<td>Employment, Workplace Relations, Small Business and Education</td>
<td>6 November 2000</td>
</tr>
<tr>
<td>Education Services for Overseas Students (Assurance Fund Contributions) Bill 2000 (see Appendix 2 for a statement of reasons for referral)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education Services for Overseas Students (Registration Charges) Amendment Bill 2000 (see Appendix 2 for a statement of reasons for referral)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education Services for Overseas Students (Consequential and Transitional) Bill 2000 (see Appendix 2 for a statement of reasons for referral)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Migration Legislation Amendment (Overseas Students) Bill 2000 (see Appendix 2 for a statement of reasons for referral)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

That the following bill be referred to a committee as follows:

<table>
<thead>
<tr>
<th>Bill title</th>
<th>Stage at which referred</th>
<th>Legislation committee</th>
<th>Reporting date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telecommunications Legislation Amendment Bill 2000 (see Appendix 3 for a statement of reasons for referral)</td>
<td>Immediately</td>
<td>Environment, Communications Information Technology and the Arts</td>
<td>3 October 2000</td>
</tr>
</tbody>
</table>

That the following bills not be referred to committees:

- Criminal Code Amendment (Theft, Fraud, Bribery and Related Offences) Bill 1999
- Family and Community Services and Veterans’ Affairs Legislation Amendment (Debt Recovery) Bill 2000
- Criminal Code Amendment (United Nations and Associated Personnel) Bill 2000
- Protection of the Sea (Civil Liability) Amendment Bill 2000
- Health Insurance Amendment (Rural and Remote Area Medical Practitioners) Bill 2000

The Committee recommends accordingly.
3. The committee deferred consideration of the following bills to the next meeting:
(deferred from meeting of 6 June 2000)
Tobacco Advertising Prohibition Amendment Bill 2000
(deferred from meeting of 27 June 2000)
Gene Technology (Consequential Amendments) Bill 2000
Gene Technology (Licence Charges) Bill 2000
(deferred from meeting of 15 August 2000)
Coal Industry Repeal Bill 2000
Indigenous Education (Targeted Assistance) Bill 2000
Trade Practices Amendment Bill (No. 1) 2000
Treasury Legislation Amendment (Application of Criminal Code) Bill 2000
(deferred from meeting of 29 August 2000)
Sex Discrimination Amendment Bill (No. 1) 2000
(deferred from meeting of 5 September 2000)
Crimes Amendment (Forensic Procedures) Bill 2000
Maritime Legislation Amendment Bill 2000
(Paul Calvert)
Chair
6 September 2000
Appendix 1
Proposal to refer a bill to a committee
Name of bill(s):
Child Support Legislation Amendment Bill (No. 2) 2000
Reasons for referral/principal issues for consideration
To examine the provisions of the bill which change the child support payment formula, particularly the lowering of the cap on non-custodial parents taxable income; the impact of the departure prohibition orders; and changes to the review process,
Possible submissions or evidence from:
Peak welfare agencies
Partners of Paying Parents, Canberra
Sole Parent’s Union, Sydney
Committee to which bill is referred:
Community Affairs Legislation Committee
Possible hearing date: As soon as practicable
Possible reporting date(s): 30 October 2000
(signed)
Vicki Bourne
Appendix 2
Proposal to refer a bill to a committee
Name of bill(s):
Education Services for Overseas Students Bill 2000; Education Services for Overseas Students (Registration Charges) Bill 2000; Education Services for Overseas Students (Assurance Fund Contributions) Bill 2000; Education Services for Overseas Students (Consequential and Transitional) Bill 2000; Migration Legislation Amendment (Overseas Students) Bill 2000
Reasons for referral/principal issues for consideration
Reasons: These Bills introduce sweeping and radical revision to the regulatory regime surrounding Australia’s education export industry. Many of the changes proposed will be controversial within the industry.
Issues: Detail of new legislative requirements on providers; extension of role and powers of the Commonwealth; new financial arrangements and requirements; increased role for State/Territory Governments.
Possible submissions or evidence from:
State/Territory Governments; industry bodies; universities; employee organisations
Committee to which bill is referred:
Senate Employment, Workplace Relations, Small Business and Education Legislation Committee
Possible hearing date: 25-26 October 2000
Possible reporting date(s): 8 November 2000
K. Carr
(signed)
Appendix 3
Proposal to refer a bill to a committee
Name of bill(s):
Telecommunications Legislation Amendment Bill 2000
Reasons for referral/principal issues for consideration
Concerns have been expressed by some sectors of the industry with the government’s proposal.
Possible submissions or evidence from:
AIIA, ISPCEL, WAIA, major ISPs and carriage service providers.
Committee to which bill is referred:
Environment, Communications, Information Technology and the Arts Legislation Committee
Possible hearing date: 22 September 2000
Possible reporting date(s): 3 October 2000
Kerry O’Brien
(signed)

NOTICES
Postponement

Items of business were postponed as follows:

Business of the Senate notice of motion no. 1 standing in the name of Senator O’Brien for today, relating to the reference of a matter to the Rural and Regional Affairs and Transport References Committee, postponed till 7 September 2000.

General business notice of motion no. 663 standing in the name of Senator Cook for today, relating to commitments made by the Chair of the Economics Legislation Committee (Senator Gibson) in respect of questions taken on notice, postponed till 7 September 2000.

COMMITTEES

Foreign Affairs, Defence and Trade References Committee

Extension of Time

Motion (by Senator Hogg) agreed to:
That the time for the presentation of the report of the Foreign Affairs, Defence and Trade References Committee on the economic, social and political conditions in East Timor be extended to 2 November 2000.

BUDGET 2000-01

Consideration by Economics Legislation Committee

Answers to Questions on Notice

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

That—

(a) the Senate notes the continued failure of the Chair of the Economics Legislation Committee (Senator Gibson) to ensure that questions taken on notice by the Department of the Treasury were responded to within 30 days as promised by Senator Gibson; and

(b) despite repeated calls by Senator Gibson for cooperation and goodwill amongst committee members, he has failed to ensure timely responses to questions taken on notice which are now some 60 days overdue.

CORPORATE CODE OF CONDUCT BILL 2000

First Reading

Motion (by Senator Bourne) agreed to:
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

Motion (by Senator Bourne) agreed to:
That this bill may proceed without formalities and now be read a first time.

Bill read a first time.

Second Reading

Senator BOURNE (New South Wales) (3.44 p.m.)—I move:
That this bill be now read a second time.

I seek leave to have the second reading speech incorporated in Hansard, and I place on record my thanks to Gabrielle Russell in my office for all of her hard work.

Leave granted

The speech read as follows—

The Australian Democrats’ Corporate Code of Conduct Bill 2000 aims to regulate the activities of Australian companies overseas in the areas of human rights, environment, labour and occupational health and safety.

The necessity of a legislative response to the activities of Australian multinational corporations has been highlighted in recent months. Most people would remember the cyanide spill earlier this year at the Australian owned Esmerelda mine in Romania. Most people would remember the environmental devastation caused by the Ok Tedi mine or at Freeport or Kelian.

Accusations of environmental destruction, improper security use, dislocation of indigenous peoples and other human rights abuses throughout the world have plagued mining and exploration companies.

It is not only mining or Australian companies which attract these accusations. We just have to think of Royal Dutch Shell’s presence in Ogoni in Nigeria, and the Brent Spa issue. Most of us who care about human rights would not consider buying certain brands of sports shoes, due to the labour conditions in their factories. Many of us are disappointed when our favourite chocolate bar or brand of coffee turns out to be owned by a company who have saturated the third world with infant formula.
Increasingly contact between the industrialised world and the developing world is through multi-national firms. In 1999 global foreign investment grew by 25% to USD 827 billion. This represents a massive investment, much of it in the developing world. Figures like these lead many to agree with comments such as those made last year by the CEO of Merrill Lynch & Co: “Global markets do represent a giant leap forward. They allow us to pursue the vision of a truly global economy, one that can create unprecedented wealth for all to share in…. I particularly mean developing nations…. The spread of global capitalism is their best chance to climb the ladder of growth and progress”.

To him and others who believe this, I would say take a long hard look around you for the evidence. Talk to the Indigenous community who live in the shadow of your mine, listen to the family who work in your clothing factory, and play with the children who make your shoes but who remain illiterate and uneducated. Look at their lives and then give us the evidence that shows they are sharing in unprecedented wealth. I think you have to search long and hard to find this evidence. In fact, Globally there are 100 - 200 million children between 4 and 15 years old, labouring in mines, making matches, cooking, washing, weaving, sewing and working in fields, building sites and rubbish tips.

More than 125 million school-age children have never seen the inside of a school classroom; two-thirds of these are girls. Millions more children drop out of school in the early grades, unable to read or write, and the numbers are growing. There is now an incredible 880 million people around the world who are illiterate.

7 Million children die each year as a result of the third world debt crisis. 4,723,486 children have died since the start of the year 2000.

These are just a sample of statistics, there are countless more that show the divide between rich and poor is increasing, here in Australia and globally. The poorest in the world are not sharing in the global wealth. The trickle down effect, if it ever seeped at all, has dried up.

Of course not all multinational activities will result in a so-called race to the bottom. This is particularly true of the newer type of multinationals, ie those who are not mining and exploration companies.

Indeed, the Australian Democrats are not advocating that multinational corporations should not exist, but rather their mode of operation should be challenged. No longer can multinationals take an arm’s-length view or limit their responsibility for proper labour rights within their companies.

Corporations have a responsibility to act as good corporate citizens. Halina Ward, at the UK Royal Institute of International Affairs, describes corporate citizenship as an invitation to companies “to make strategic choices based on an understanding of the total impacts of their business in society”.

This understanding of corporate citizenship calls on the corporation to focus on the impacts that come from voluntary contributions that business makes to communities affected by their operations, the societal impacts that flow from basic business policy and practice, and the impacts up and down the value chain.

It is the last two points that this bill particularly seeks to address.

The St James Ethics Centre recently published results from a global poll co-sponsored by Price Waterhouse Coopers. The results showed that 92% of Australians think that the role of large companies is to go beyond the minimum definition of their role in society, which is to employ people and make profits. They should also contribute to setting higher ethical standards and help build a better society for all.

The same study showed that one in five respondents globally avoid a company’s product if they perceive the company not to be socially responsible and 6 out of 10 consumers form their impression based upon labour practices, business ethics, responsibility to society at large, or environmental impacts.

These results highlight the community demand for corporations to be good corporate citizens. The bill we are tabling today is not just reflective of a small group of people; it is reflective of a desire amongst the great majority of Australians who expect this behaviour of their corporations.

Corporate citizenship and a broadening of responsibilities to include all stakeholders are topics, which I hope will be at the forefront of talks in Melbourne at the World Economic Forum next week. Earlier this year, at Davos, the same group of the world’s economic and political leaders spoke of putting the “human face on globalisation”. I remain unconvinced that the discussion has resulted in anything more than a job for the spin doctors. I would love to hear from business leaders who can show me tangible improvements to the quality of life of the world’s poorest people, through the activities of their corporations.

At the World Economic Forum in Davos, Sir Robert Wilson, the Executive Chairman of Rio Tinto UK, spoke about the positive impact corporations
can have on certain human rights issues such as employment, fair wages, or access to health and education. Unfortunately, he does not believe that companies have a responsibility for issues unrelated to the business.

Industry leaders cannot talk about spreading the benefits of globalisation whilst at the same time seeking to minimise their responsibilities.

The fact that these issues are increasingly framed in terms of “reputational assurance” indicates how distant we are from the real issues of poverty, human rights abuses and environmental devastation. When we can talk about corporations addressing these issues, solely because it is RIGHT, and not because of what the company will get out of it, then I will know we are putting the ‘human face on globalisation’.

Until then we, as a country, need to be more proactive in tackling the impact our corporations are having on people and places around the world. If you want to put it in corporate language, then think of it as reputational assurance for Australia. This bill does not advocate the view that all multinationals are bad and should be broken up. The issue is far more complex than that. This bill seeks to influence the nature of multinational corporations, rather than disrupt them.

Currently the activities of multinational companies are regulated through a combination of voluntary codes, usually instigated by peak bodies or representative councils, as well as international-level efforts such as the OECD guidelines, the recent European Union resolution, and regional initiatives such as the North American Free Trade Agreement’s code.

Generally the international regulatory environment has failed to adequately address the issue of the rapid globalisation of business. The nature of today’s corporations means that traditional national legal structures do not apply to a company whose head office is in one country but operations are in another.

This is not a new issue. Corporations in one form or another have been around for some time. Professor John Braithwaite makes the point that Roman emperors had foreseen the medieval rise of corporate power, which was independent of state power. This resulted in the Emperor Trajan forbidding the creation of a society of firemen to deal with a fire in Nicomedia, because “Corporations, whatever they are called, are sure to become political associations”.

The British however were less fearful and in effect used corporations to further the empire. The British East India Company for instance was able to govern colonies, make laws and wage war.

The point of this brief diversion into history is to illustrate that the tension between states and corporations and the public has always been there. It is not true that corporations have never been involved in “state” issues. The nature of corporations has not always been set in stone. It has evolved. There is therefore room for continued evolution.

Multilateral institutions have also grappled with the issue but the mechanics of the international bureaucracies have been slow to adapt to the fast changes of the last few decades. They are also subject to intense lobbying from powerful industry groups eager to maintain a self-regulatory environment.

International regulation of corporations is severely hampered by the lack of an international legal system and court where cases could be taken. Even where international conventions and resolutions are incorporated into domestic law there is no assurance of compliance. Another issue for legislators is ensuring national law complies with World Trade Organisation regulations. This has yet to be fully tested.

Issues of jurisdiction and extraterritoriality have often been cited as an obstacle to achieving international regulation. This is increasingly being tested. Recently for instance in the UK, the House of Lords allowed a group of plaintiffs, claiming damages for personal injuries against Cape PLC, to bring action in the UK. Cape PLC operated asbestos mines in South Africa, but the appellants made their claim against the parent company, located in the UK, claiming that they should have ensured that proper working practices were employed throughout their group.

Of course the reasons for allowing the case to go ahead in the UK are not solely about the location of the parent company. There are also issues such as access to legal aid, the nature of the South African system and so on. But the notion of foreign nationals not being able to take action is slowly being challenged.

In Australia we already have two precedents which deal with this complex issue of extraterritoriality. These are the Criminal Code Amendment (Bribery of Foreign Public Officials) Bill 1999 and Criminal Code Amendment (Slavery and Sexual Servitude) Bill 1999.

The end result for the 8,000 appellants taking their case to the House of Lords has yet to be established. But already the cost, time and stress have been significant. This issue of extraterritoriality should be clarified to prevent this situation.

The law as it stands currently represents a David and Goliath situation and inhibits action simply
because of the extent of resources required to bring such a case. The people who have suffered most at the hands of a multinational enterprise have generally done so because they are poor, often indigenous and have comparatively little power. Additionally, representative bodies such as Non Government Organisations do not have any standing before the courts and so are limited in their effectiveness.

In formulating this bill we have looked to models already in existence. In particular the 1999 European Union Resolution on EU standards for European Enterprises operating in developing countries: towards a European Code of Conduct, as well as a bill recently introduced by Congresswoman McKinney in the USA.

The EU resolution encompasses key issues such as:
- maintaining the competitiveness of companies;
- identifying the need for an effective monitoring system;
- suggesting that European courts be given legal jurisdiction to deal with cases, rather than setting up an entirely new system; and
- suggesting that it is possible to promote European Standards internationally through domestic law.

This resolution is not yet law, but it does require the European Commission to act, and causes the Commission to respond to every single point raised in the resolution within six months. There is also a requirement to hold an annual hearing to highlight good and bad corporate practice. In November 2000 Rio Tinto will be the focus of this year’s hearing.

I commend the European Member of Parliament, Mr Richard Howitt, and his colleagues for instigating this resolution, because despite it not yet being legally binding, it is nevertheless an important step forward in introducing an international regulatory regime.

Richard Howitt’s report on the resolution challenged several arguments against regulation. Not least of these is that a regulatory regime will diminish a corporation’s competitive advantage where they are competing against companies that are not subjected to mandatory codes of conduct. However forty-two of the top one hundred companies are based in Europe, compared to 35 in the USA. 85% of large companies in the USA do have codes of conduct. In addition NAFTA (The North America Free Trade Agreement) already has a mechanism where trade unions and civil society can bring complaints against companies. It is important to note this point because nobody wants to decrease the competitive edge of particular companies. If we coordinate an international response to the activities of multinational companies, the playing field will be level.

As mentioned previously, we also looked to another model in drafting our bill. In June this year, US Congresswoman Cynthia McKinney introduced a corporate code of conduct bill. Like the Australian Democrats’ bill, Congresswoman McKinney has sought to regulate the operations of corporations overseas. McKinney said in a recent speech:

“The race to the bottom is the quest to find the lowest wages, the lowest environmental, labour and human rights standards. That’s why American corporations are now bypassing emerging democracies and finding the most repressive governments for their investments - well I think it is time to change those rules.

I have to agree with Congresswoman McKinney.

We also studied existing avenues of regulation. For instance the OECD Guidelines are recommendations by Governments to help ensure that multinational corporations act in harmony with the policies of countries in which they operate and with societal expectations.

These guidelines originated in the 1976 OECD Declaration on International Investment and Multinational Enterprises. They are not legally binding but are theoretically promoted by signatory governments to multinationals.

The guidelines have undergone several reviews. Most recently, in November 1998 a major review was launched which culminated in the adoption of a new set of guidelines in Paris in June 2000. Australia was a signatory to the new guidelines.

The latest review was notable not only because of its depth and breadth but also because for the first time the consultation process included civil society.

Despite the positive aspects of the new guidelines and the emphasis on transparency and accountability there is still dissonance about their effectiveness.

The main criticisms are that they are too weak, they are still voluntary, and too much discretionary interpretation is left to the National Contact Point.

As a general principle there is not much evidence that self-regulation or voluntary codes have worked. I am often told that the benefits are hard to categorise and quantify, but when people say this, they usually mean benefits to the company. It is usually fairly easy to see when people are displaced, or can't fish in their polluted rivers any more, or when child labour is being used.
Voluntary regimes do have the effect of raising general awareness so that at least social sustainability issues are on managers' radar screens.

Certainly various industry groups such as the Mineral Council of Australia do provide an effective forum for discussing the issues and I have read some heartening speeches from industry leaders. There are also quality assurance standards, such as ISO14001, which have grown out of voluntary regulation. There is no doubt that a voluntary agreement carries a great degree of weight amongst signatories.

Having said that, it is also true that self-regulation has not delivered enough tangible outcomes to the people who need them.

Countless NGOs and consumer organisations would agree. They say that self-regulation leads to standards that reflect the lowest common denominator, and that enforcement and penalties are unclear and arbitrary. Most groups working in this area would also complain that industry 'coopts' the debate by creating self-regulatory regimes, in the hope that this will stave off regulation.

There is also the problem of companies not signing on to their industry's voluntary code. The owners of the Esmerelda mine for instance were not a signatory of the Australian Mining Industry's Code of Environmental Management, thus undermining the credibility of the whole process.

There are also issues about who sets the targets, whether the targets could have been achieved through normal business improvements, and whether the outcomes have been identified in consultation with all stakeholders, or solely by the industry. Voluntary codes are also often based on reporting after the fact, with a vague understanding that in order to get to the process of reporting, the necessary operational standards must be put in place. This is too haphazard. Disasters must be stopped, not described in an annual report.

The Corporate Code of Conduct Bill 2000 seeks to address some of the issues mentioned above. The bill has been based on International standards such as the minimum standards contained in the International Labour Organisation Conventions and as agreed under Australian law.

These principles include the freedom of association, the right to organise and the right to collective bargaining. They also mean companies cannot use forced labour, or child labour. The Bill also requires that an employer must provide a safe and healthy workplace for its employees, it must provide sanitary working conditions and it must adhere to proper standards of working hours.

We have drawn on the Universal Declaration of Human Rights to ensure that corporations do not discriminate against an individual based on race, colour, sex, gender, religion, political opinion, national extraction or social origin.

We have also required companies to assess, monitor and report on their environmental impact.

We have been careful not to demand that companies be subject to more stringent rules than are in law in this country. These are all conditions that we would expect our companies to adhere to in this country - it is reasonable to expect them to do the same overseas.

I would like to end by commenting on the broad range of support we have had in drafting this bill. This Bill is the result of months of consultations with NGOs, academics, unionists, lawyers, environmentalists, human rights advocates and other interested parties, both here and overseas. This resulting Bill represents the expectations of a wide section of the community - those stakeholders who wish to engage with corporations to ensure that returns to shareholders are not at the expense of human rights, labour conditions, or the environment.

I urge all Senators to support this Bill.

Debate (on motion by Senator Calvert) adjourned.

HUMAN RIGHTS (Mandatory Sentencing for Property Offences) Bill 2000

First Reading

Motion (by Senator Brown) agreed to:

That the following bill be introduced: A bill for an act to implement Australia's human rights obligations to children under various international instruments with respect to the sentencing of people for property offences.

Motion (by Senator Brown) agreed to:

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

Bill read a first time.

Second Reading

Senator BROWN (Tasmania) (3.46 p.m.)—I move:

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

Bill read a first time.

Second Reading

Senator BROWN (Tasmania) (3.46 p.m.)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—
Mandatory sentencing is a blight on Australia. For adults and children it is a disaster. This bill would ban mandatory sentencing for all property crimes for all people in all states of Australia.

Mandatory sentencing was introduced in Western Australia in 1996, where it applies to burglary, and the Northern Territory in 1997, where it applies to a wide range of property crimes but mostly snares Aboriginal people for minor theft where no harm to a person has occurred. A good legal system protects citizens and rehabilitates law-breakers. Mandatory sentencing does neither.

Mandatory sentencing particularly as it relates to property crime has a discriminatory impact on indigenous Australians. Mandatory sentencing in Australia is racist. In the Northern Territory Aboriginal people are 6 to 10 times more likely than other Australians to be caught in the net of mandatory sentencing. In Western Australia the figures are worse. In these jurisdictions, mandatory sentencing does not apply to white-collar crimes which are almost never committed by Aborigines.

This bill seeks to invoke Australia’s international human rights commitments under the International Covenant on Civil and Political Rights and the Convention on the Rights of the Child as the basis for Commonwealth action to ban mandatory sentencing for property crime.

Laws of mandatory sentencing force magistrates and judges to jail offenders rather than consider the alternative of community service or rehabilitation. They take away the time-honoured role of the courts in ensuring the sentence fits the crime, taking into account the offender’s life circumstances.

On Wednesday, March 15, 2000, history was made when the Senate passed its first private senator’s bill in six years. The Greens bill, co-sponsored by the ALP and Democrats, to ban mandatory sentencing for children, passed the Senate and was sent to the House of Representatives. However the Government has continually gagged debate on the bill in the Lower House. The Howard Government reached a deal with the NT Government that purported to limit the effects of mandatory sentencing. In reality it has done almost nothing to alleviate the draconian consequences of mandatory sentencing, especially on young Aboriginal adults.

I submit a section from the report "DOLLARS WITHOUT SENSE" A Review of the Northern Territory's Mandatory Sentencing Laws. This report was prepared for the North Australian Aboriginal Legal Aid Service by John Sheldon and Kirsty Gowans.

SUMMARY OF FINDINGS:

Mandatory Sentencing Does Not Reduce Crime
Western Australia and the Northern Territory have the highest rates of home burglary and attempted home burglary in Australia.

There has been no change in the overall reporting of property crime in the Northern Territory since mandatory sentencing was introduced.

Reports of home burglaries increased between June 1997 and June 1998.

There has been no real change in the number of offenders charged with property offences.

Mandatory Sentencing Does Not Deter Crime
Northern Territory Correctional Services report that the rate of re-offending has not gone down since mandatory sentencing was introduced. NT Police report that the clear up rate for house breaking is about 15%. This means 85% of suburban burglar’s don’t get caught. Darwin’s property offenders are unlikely to be deterred while they know the odds of getting caught are low.

The majority of offenders who are caught are Aboriginal and committed their offence in a remote Aboriginal community. North Australian Aboriginal Legal Aid Service criminal lawyers report that most had not heard of mandatory sentencing and did not understand it. A person cannot be deterred by something they do not know about.

The study of North Australian Aboriginal Legal Aid Service (NAALAS) criminal cases found that 63% of offenders were affected by drugs, alcohol or petrol at the time of offending. A person who is not thinking cannot be deterred by the consequences of his actions.

Mandatory Sentencing is Expensive
It costs $146.94 a day to imprison an adult.

An estimated that almost $5 million dollars has been spent imprisoning property offenders sentenced under mandatory sentencing laws. It costs $331.62 per day to detain a juvenile. Juvenile detention increased by 53% in the 1997/98 financial year. This represents additional spending of nearly $1 million dollars.

Since 1996, the Correctional Services budget has increased by almost $8.5 million dollars. This is an increase of 26%.

Darwin prison has had to undergo major expansion since the introduction of mandatory sentencing laws. This represents a significant capital cost.

The Community May Not Support Mandatory Sentencing
Mandatory sentencing was initially very popular (especially in suburban areas). However, it is not clear that the laws still enjoy that level of support. During the 1998 Neighbourhood Watch Annual Conference, Neighbourhood Watch delegates were asked to come up with a sentence in a number of property offence cases. The cases were based on real examples.

The results of these workshops indicate that most members of the public would not gaol minor property offenders.

**Mandatory Sentencing is Harmful to the Community**

All available evidence clearly shows that imprisoning young people at an early stage in their development is damaging.

Mandatory sentencing sends young first offenders to gaol (17 years) and juvenile second offenders to detention. It results in increased contact between young people and more serious criminal elements.

Northern Territory Correctional Services says: “The evidence is clear that the more access juveniles have to the criminal justice system the more frequently and deeply they will penetrate it …What happens in many cases is that detainees learn from their fellow inmates how to become more effective in committing crime.”

Mandatory sentencing could well lead to increased criminal activity among some young people.

**Mandatory Sentencing is Increasing the Incarceration of Aboriginal People, Women and Juveniles**

The Territory imprisons almost four times as many of its citizens as any other State or Territory of Australia.

Aboriginal people make up 73% of the Northern Territory's prison population.

Between June 1996 and March 1999 adult imprisonment increased by 40%. Aboriginal juveniles make up over 75% of those detained in juvenile detention.

In the 1997/98 financial year, the number of juvenile detainees increased by 53.3%.

The number of women in prison in the NT has increased by 485%.

**Examples of the people affected by mandatory sentencing**

Here I would like to detail some examples of people affected by mandatory sentencing provided by the community group Territorians for Effective Sentencing.

In 1999, an unemployed homeless man was sentenced to 12 months in jail for the theft of a bath towel valued at $15. The court record states that the man took the towel from the backyard of a Darwin suburban house "to use for a blanket" because he was cold. This was his third property offence since the introduction of mandatory sentencing and he was therefore given an automatic term of 12 months imprisonment.

The man had a history of 13 other property offences, mostly for the theft of food and similar items for his personal survival. He saw no alternative to entering a plea of guilty as he realised "there was no choice for him but to do his time".

North Australian Aboriginal Legal Aid policy manager John Sheldon believes that if it were not for mandatory sentencing, the man would have been fined or released on a bond. Mr Sheldon said: "Territorians, in fact all Australians, should be outraged by this sentence and ashamed of mandatory sentencing."

A 17-year-old school student convicted of theft of yo-yos and computer games from a Darwin toy store, and criminal damage, was sentenced to 14 days jail, after pleading guilty. The youth had no previous criminal convictions, had handed himself into police and was fully cooperative with police.

Since mandatory sentencing was introduced in Western Australia, Aborigines have been detained at 60 times the rate of non-Aborigines. In the Northern Territory the crime rate has increased by up to 40 per cent.

Worst hit are remote Aboriginal communities, where an openness not found in the city means people who steal are much more easily detained. Port Keats, in Arnhem Land, is a village of 2,500 people. Before 1996 it provided 2.5 per cent of the Territory's prisoners. Now it provides 18 per cent.

The Senate Legal and Constitutional Committee that looked at the issue of mandatory sentencing heard how youngsters break into supermarkets, bypassing the sweets, to steal spraycans of paint. Their aim is to sniff to contents. The result is a "rush" to the head and instant escape from the despair of their lost culture, broken communities and the deep, demoralising sense of being third-rate and victimised in their own ancient land.

Inhaling spraycan vapours, like petrol sniffing, is a horrifying indicator of the plight of a whole generation of Indigenous Australians. Ending it will require imagination, innovation and considerable resources from the nation, not the application of frontier justice. For a fraction of the $340 a day it costs to keep children in detention, Aboriginal communities could establish and run facilities to
have offenders given a better chance of becoming productive, happy citizens.

The result of mandatory sentencing, as the president of the Law Society of the Northern Territory, John Tippett, put it, is the jailed generation. The expectation among youngsters, particularly boys, that they will go to jail is so high that it is being seen as a rite of passage replacing traditional transition to adulthood. Moreover, white-collar crimes, almost never committed by Aborigines, are not subject to mandatory sentencing. The effect of mandatory sentencing is clearly racist.

No future debate over apologies will redress the collective culpability this time round if we allow this generation of Indigenous Australians, which is seeking an end to past injustices, to instead become the jailed generation.

I commend this bill to the Senate.

Debate (on motion by Senator Calvert) adjourned.

2020 VISION: PLANTATIONS

Motion (by Senator Brown) not agreed to:

That the Senate—

(a) notes that:

(i) the Government claims ownership of the 2020 Vision, which aims to treble the area of plantations by 2020 and which has enthusiastically encouraged private investment in plantations,

(ii) prospectuses issued by plantation companies explicitly recognise the critical role the Government plays in supporting private investment in plantations, and

(iii) Jaako Poyry Consulting, in a recent report commissioned by the Government, notes the background of oversupply and under-utilisation in many regions, and states ‘Many private growers can correctly ask why is the government supporting expansion when they cannot sell what they have now?’; and

(b) calls on the Government to guarantee that the Australian public will not be at financial risk from any claim for damages by plantation investors or prospectus companies.

MATTERS OF URGENCY

World Economic Forum

The DEPUTY PRESIDENT—In the presence of the Senate, I inform the Senate that the President has received the following letter, dated 6 September, from Senator Murray:

Dear Madam President

Pursuant to standing order 75, I give notice that today I propose to move "That, in the opinion of the Senate, the following is a matter of urgency: the need for the World Economic Forum to discuss:

(a) a new international system of economic regulation, including a tax on foreign exchange transactions; and

(b) reform of the International Monetary Fund, the World Bank and the World Trade Organization, so that those institutions are better able to ensure that economic instability, international financial speculation and third world debt is minimised, and balanced, sustainable world economic growth is promoted.

Yours Sincerely

Senator Andrew Murray

Is the proposal supported?

More than the number of senators required by the standing orders having risen in their places—

The DEPUTY PRESIDENT—I understand that informal arrangements have been made to allocate specific times to each of the speakers in today’s debate. With the concurrence of the Senate, I will ask the clerk to set the clocks accordingly.

Senator MURRAY (Western Australia) (3.48 p.m.)—I have to emphasise that the Democrats, in moving this urgency motion, are not opposing the World Economic Forum. We are saying that the forum itself needs to discuss not just the issue of business opportunities in the world but also the need for international governance of global business arrangements. The arrival of the World Economic Forum in Australia is a good opportunity for Australia to say to the international business community that we think we need a global civil society.

Dr Simon Longstaff, director of the St James Ethics Centre, wrote recently that the WEF is potentially very important because ‘it is an opportunity to think outside the box, to discuss the undiscussable and to play with dangerous and exotic ideas that would rarely, if ever, be heard in day-to-day business
dealings’. He gives a long list of ethical considerations that are increasingly affecting business in a global economy. These sorts of issues need to be addressed by the forum in terms of corporate behaviour in a world without borders. But part of what for many transnational corporations would be in the category of the ‘undiscussable’ is the whole issue of global governance and regulation. As the Asian economic crisis showed over the past two years, our global economic institutions are simply not up to the task of dealing with the crises thrown up by globalism.

Following the global crisis many world leaders, led by the British Chancellor of the Exchequer, Gordon Brown, called for major changes to international financial institutions to better deal with financial crises. Such reforms must inevitably include the IMF, the World Bank, the Bank of International Settlements and possibly the creation of new institutions. In addition to that, dozens of world leaders signed up to Jubilee 2000, the community based movement to cancel the crippling debts of Third World countries as a symbolic and meaningful clearing of the decks for the new century. Two years later there is not much to show for all of this. The British proposals were largely lost in intergovernmental meetings, the sense of crisis passed and the powerful lobby of the international financial markets put a brake on any further interventions in their god-given right to make speculative money.

As a country with a very high current account deficit that is reliant on foreign capital flows to subsidise our standard of living, Australia—more than any other OECD country—should be at the forefront of the calls for improved international financial regulation. As the director of the National Institute of Economic Research, Dr Peter Brain, argued in his book Beyond Meltdown, international capital flows have been incredibly destabilising already to our domestic economy and have the potential to contribute to a prolonged period of economic instability ahead. Australia should use the occasion of the World Economic Forum to kick-start debate on these issues. For a start we should follow the lead of the Canadian, Belgian and Finnish parliaments, which have in principle supported the imposition of a small tax on international financial transactions as a means of reducing speculation. This tax was first proposed by Nobel Prize winning economist James Tobin in the 1970s as a means of reducing speculative capital flows. On behalf of the Democrats, I have given notice of a motion for this Senate to pass a resolution similar to the Canadian parliament and thereby add the voice of the Australian parliament to those around the world calling for change.

Australia should also be pushing other reform agendas to reduce the economic instability that has become inherent in global financial markets. Roy Culpepper, President of the North-South Institute, recently outlined some urgently needed reforms to the Canadian parliamentary foreign affairs committee. These included: the need for internationally sanctioned standstills on debt servicing payments for countries experiencing financial crises; the need for increased disclosure by and regulation of highly secretive hedge funds and the banks that lend to them; the need for the financial market policies of every country to be open to scrutiny in the interests of world financial stability policy; the need to reform the IMF to keep it out of development financing roles and the imposition of inappropriate fiscal constraints on client countries; and the need to cancel more Third World debt. These are all sound ideas—ideas that would benefit not just the Third World but First World countries like Australia as well. Our high current account deficit leaves us more and more vulnerable to shifting mood changes by international investors. A long run of solid economic growth and First World living standards would not be enough to protect us. Ask the South Koreans about that.

Australia should be taking a leading role in promoting ideas like these. This Senate should take this opportunity, our last voting opportunity before the World Economic Forum, to say to its participants that business has responsibilities in a global economy and needs to start delivering on them. We need to build new global financial governance rules to improve the situation not just of national economies but of business economic condi-
tions as well. The regulation of national stock markets was a direct result of the failure of laissez faire policies to prevent the 1929 Great Depression. Surely the Asian crisis shows us the need to wake up. *(Time expired)*

**Senator KEMP** *(Victoria—Assistant Treasurer)* *(3.53 p.m.)*—I think it is about time the Senate did have a discussion on this important issue of the World Economic Forum. To that extent, I congratulate Senator Murray for bringing this before the chamber. Senator Murray has called for a wide range of discussions. I am able to inform Senator Murray that is precisely what is going to happen. Firstly, I think it should be noted that the agenda of the forum provides an opportunity for participants to discuss a broad range of issues. Moreover, Senator Murray, there is a significant diversity of participants, including non-government organisations, community organisations and even—Senator Cook will be delighted to hear—union leaders: the ACTU will have a place at the table.

**Senator Cook**—A very important institution.

**Senator KEMP**—As Senator Cook reminds us, a very important institution in the international trade union movement. As I said, there will be a wide variety of non-government organisations, including key aid and environmental organisations. There will be representatives from academic institutions, and I think it is true to say that all significant political parties in Australia will be at the forum.

Senator Murray’s motion calls on the World Economic Forum to discuss a range of issues, many of which, I might say, are on the agenda for the meeting. On Tuesday afternoon, a session will be conducted on how well national cultures survive globalisation and the Internet. This will be addressed by a range of speakers, including, I am delighted to say, the Minister for Communications, Information Technology and the Arts, Senator Richard Alston, who I think all of us would agree is doing an outstanding job in that complex and technical portfolio. I see Senator Stott Despoja is nodding her head.

**Senator Stott Despoja**—A fine woman.

**Senator KEMP**—I am sure she is a fine warm woman, Senator. I just wondered about her particular abilities as a political thinker and theorist—that is what I was addressing my remarks to.

I think this is a very important forum. It is a forum to, among other things, showcase Australia’s economic and social successes, and I think the Australian representatives will come into contact with a wide range of influential global leaders. This is the first time that Australia has hosted a WEF. It is a huge boost for Australia and our international standing. Our political opponents often try to deride the international standing of this country in the world. In fact, I suspect it has never ridden higher than under the Howard government. This forum is a manifestation of the success of this government—and, I concede, state governments—in bringing an important organisation to my home town of Melbourne.

This brings me to one issue which I think is a bit of a pity—the threats by the so-called S11 groups to close down the forum. I think most Australians rightly deplore that. One of the great features of our society is the free-flowing nature of debate—that people do have their say. One would suspect that the

**Senator KEMP**—We certainly appreciate that, and I will bring that to Richard Alston’s attention. On Wednesday, a session will be held on the future of the WTO and the multilateral trading system. This is another issue which Senator Murray spoke on in his remarks. On Wednesday morning there will be a session on ‘A blueprint for sustainability’, addressed by the New South Wales Premier, Mr Bob Carr. Also on Wednesday there will be a session on ‘What model for the 21st century: capitalism’, addressed by Julian Disney, who is a former President of ACOSS. So there will be, Senator Murray, I am very pleased to say, a diverse range of speakers at the forum. There will undoubtedly be a range of views. Sharan Burrow, the President of the ACTU, will be speaking and making her voice heard. I do not know whether it will add much to the sum of human knowledge, but the truth of the matter is that she will make her views known.

**Senator Stott Despoja**—A fine woman.
S11, frankly, are not interested in free-flowing debate; they are interested in stopping debate and closing the forum. It is a pity, I think, that the unions seem to be giving some comfort to these protesters. I think that Sharan Burrow should show some leadership.

Senator Brown—You don’t allow for protests in your view of things.

Senator KEMP—Senator, you did not bother to come in when I started my remarks. I do not propose to go over what I said just because you happen to wander into the chamber late.

Senator Brown—I’ve been here since you started.

The DEPUTY PRESIDENT—Order! Senator Kemp, would you please address the chair and ignore interjections.

Senator KEMP—Well, as you would understand, Madam Deputy President, I have been provoked. I think there is a bit of a problem here that sections of the union movement—not all of it—are clearly trying to arrange protests. This union movement is part of the Labor Party. Many of their leaders are active in Labor Party forums. That is why we look to Mr Beazley to show some leadership on this issue, to indicate precisely where he stands and to call off Doug Cameron and other trade union leaders from attempting to disrupt this very important forum. It is a problem. The Labor Party is the political arm of the trade union movement, or the union movement is the industrial arm of the Labor Party. They are interlinked, and I think that is a pity. One of the tragedies of politics in Australia is that the trade union movement is so linked with the Labor Party, which I think has been ultimately to the detriment of its members. Tony Blair has at least been able to recognise that in the UK. Mr Beazley could show some leadership here. We want to be very clear where Mr Beazley stands on these issues, and we want to make it clear that the sort of behaviour that some of the trade union leaders may be threatening is just not acceptable. To the extent that the protests have any semblance of success in closing down discussions, it will not only damage the standing of Australia but damage the international reputation of Australia.

Senator Cook—The unions are saying peaceful protests.

Senator KEMP—We have seen what peaceful protests were like up here. How much money did the peaceful protests up here at the start of the Howard government cost the taxpayer? I may be wrong, and if I am wrong I will correct myself, but I do not think Senator Cook ever attacked that union behaviour out here. I do not think you did.

Senator Cook—You’re wrong.

Senator KEMP—If I am wrong, in that case I correct myself. If you attacked it, your comments were so muted as to have no impact whatsoever. Let me say to Senator Murray on the Tobin tax that the government rejects the proposal for a tax on international financial transactions.

Senator Murray—Wait until your dollar goes down some more. You’ll change your mind.

Senator KEMP—Senator Murray, I shall reflect hard on your comments, as I always do, but I am not sure this has added to our enlightenment. The tax would be extremely difficult to implement and very easy to avoid. Unless all jurisdictions in the world agree to implement the tax, foreign exchange transactions would simply occur in those jurisdictions which did not impose it; nor would such a tax deter speculative activity if international financial markets believed a significant change in an exchange rate was imminent.

So we do not accept that proposal that is put forward by the Democrats. I think our views on the so-called Tobin tax are well known. We look forward to a successful forum. We look forward to a wide-ranging debate. We look forward to the chance to showcase our great nation, and let me say that Melbourne, my home town—and I would argue it is the greatest city in this country—will show itself off to great credit.

Senator COOK (Western Australia—Deputy Leader of the Opposition in the Senate) (4.03 p.m.)—I do not wish to detain the chamber long by commenting on the speech that we have just heard, except to make these fairly obvious remarks. Unions in Australia are an important part of Australian society, and the trauma they create in the government is surprising. But the victim-
is surprising. But the victimisation of unions that the government undertakes just indicates for ordinary Australians that the government has absolutely no interest in proper social dialogue and no interest in workers obtaining, through the negotiations of their elected representatives, a proper reward for their labours and a safe and satisfactory workplace. The attacks that consistently come are obviously to whip up hysteria for political purposes but, for a government that is supposed to rule for all Australians, it is a disgusting way of conducting public debate.

Labor will not be supporting the motion that has been put forward by the Australian Democrats, and there are several grounds upon which we base that refusal. The first is that the World Economic Forum is nothing more than a non-government organisation talkfest. The fact that it has attracted the elites of business around the world is an important distinctive feature, but it is a talkfest nonetheless. It is private, it is non-government, it is not a deliberative body, it does not have the power to make decisions and it does not seek to make decisions which bind anyone. Therefore, it is an important forum for views to be expressed and it makes an important contribution to debate, but we do not think it is appropriate for the parliament to dictate to that forum what exactly its program should be, although I will come back to a point on that in a moment. What I do think is laudable though is that the forum is being held, and I would commend other elements of civil society to seek to hold forums of this sort in their areas of interest as well. Global debate about how we manage the global economy is quite important. Here is one section of an economy—the business elites—holding a debate about the world from their perspective. The emphasis here is that other sections should do the same as well.

Secondly, this motion recommends that we commend a number of items to the WEF. As Senator Kemp said—and it is about the only thing in his speech I agree with—many of the issues that are canvassed in this motion are being covered explicitly on the program of the World Economic Forum and will be aired. I think that is important. I also note that Senator Ridgeway from the Australian Democrats is listed as a participant in the forum, and doubtless he will be able to participate to the extent that debate from the floor is possible and intrude the views that the Australian Democrats want, and I think that is a healthy thing. I will seek the same opportunity because I will be attending the World Economic Forum as well. I am sure that Labor premiers in the various states that are leading discussions will contribute to the debate, too. So my opposition here is that the issues being canvassed in this motion are in fact on the agenda. They are not explicitly given the titles they are given here, but nonetheless the fields of discussion are open and it is important that they should be engaged in.

Thirdly, I think this motion is close to being simply a stunt. It plays to the globaphobic sentiment that we have seen in recent months being transported into Australia and supports in many respects the simplistic nostrums that are being espoused from that quarter. I do not think I want to be associated with that, nor does my party, and it is important to make that distinction, too. Fourthly, the motion itself is disingenuous and bankrupt. It simply calls for a discussion. It is not as if the motion invites anything to be done but just for people to talk about it, and I have said already that those matters are going to be discussed. It does not advance any policy solutions, and this is the particularly bankrupt nature of this motion.

If this motion, for example, were to examine the Heavily Indebted Poor Countries Initiative, the HIPCI, an initiative presided over by the IMF as a way of retiring the debt burden from developing countries, and analyse how effective that initiative is—what steps should be taken to accelerate it, what the level of debt is, what the origin of debt is—and entreated those poor countries to ensure that the savings that they make to their economy in accordance with the relief they receive are not divested into armaments and war but are divested into education, health and welfare and play to the economic development of those nations, then this would be a useful motion and one that we would support a discussion on, as there would be something practical before us. If this motion, for exam-
people, were to attack the United States and Europe for rejecting the entreaty at the UNTAD conference this February in Bangkok from the 43 poorest countries in the world—an entreaty that asked the richest nations and economic zones in the world to open their markets in order that the poorest countries can export their agricultural goods and textiles into those markets and trade their way out of their poverty rather than have those markets closed to them and be recipients of foreign aid being shovelled into their economies with strings attached from the wealthy nations—then this would be a worthwhile motion. I think it is an absolute outrage that Australia lent its name to the refusal by the US and Europe to allow a market opening for textiles and agriculture from the 43 poorest countries in the world and, in what is a grotesque example of economics gone wrong, to maintain a foreign aid program while refusing to allow those countries to grow by resorting to exports that they can make from their own base.

If this motion were not only to examine what are the laudable objectives, and objectives that Labor supports, of the Tobin tax but also to look at strategies as to how a tax with such an objective could be put in place and obtain global support, then this would be a worthwhile motion. I think it is an absolute outrage that Australia lent its name to the refusal by the US and Europe to allow a market opening for textiles and agriculture from the 43 poorest countries in the world and, in what is a grotesque example of economics gone wrong, to maintain a foreign aid program while refusing to allow those countries to grow by resorting to exports that they can make from their own base.

No-one pretends that liberalising trade is not without its consequences. Of course it has consequences. But the approach the Labor Party supports is that best espoused by Tony Blair’s development aid minister, Clare Short, who put it this way: free trade is a necessary but not sufficient condition for economic growth in the world and for people to move from poverty to affluence. She put it on the basis that it is necessary but of itself it is not sufficient. If the markets are opened and the macroeconomic growth of a country is enlarged, then the issue arises about the equitable distribution of that growth, the equitable distribution of opportunity, and the ability of people to share in that growth. They are the other conditions that should be ad-
addressed. They are fundamental conditions, many of which are issues for those particular nations and cannot be imposed on those nations against their will by an international or a super national force. Countries have to move to that position.

The World Bank, led by, notably, an Australian, Jim Wolfensohn, has—if any international institution has—played a significant role in addressing the issues that many of us have criticised the World Bank for over many years, that is, its commitment to economic growth but without looking at the social consequences of that growth and without looking at the disequilibriums created within internal economies because of that growth.

The issue is not about getting growth; the issue is about making sure that it is inclusive. For example, when Labor was in government, we actually wound back tariffs and underpinned the current strength of the Australian economy. The restructuring we engaged in then is the true source of the economic strength of this economy now. We also ran programs in retraining and reskilling to help workers who had been made redundant because of the movement of market forces, ensuring they had a future. We do not believe in trickle-down economics, where it is the devil take the hindmost; we believe in giving opportunity to people. We do not believe in an untrammelled exercise of market forces because we do not think that always delivers a fair outcome. People in society that deserve and need some assistance in order to be equal need a guarantee that they have equality of opportunity, and equality of educational opportunity in particular, to obtain the knowledge and skills necessary to participate in the globalised world of the 21st century. We believe that government has a role to intervene to make sure those things are done and to make sure that people achieve those outcomes.

It is for those reasons that we condemned the Howard government when it brought in its 1996-97 budget and slashed all of those programs and left people to the mercy of unfettered market forces without any protection and without any access to proper retraining, reskilling, redeployment and redevelopment opportunities. This is a debate that we have had in this chamber, and it is a debate mostly directed by hysterical slogans without any intellectual content. Essentially, the fundamental point is that the inner strength of this Australian economy is because we made those changes and because we did inclusively. Now there is widespread complaint in the Australian community—in my view, justifiably—because workers, as we saw at National Textiles, can be thrown out of work simply because the company got its sums wrong and did not manage its affairs properly and the chances of looking after their interests are minimal. That is because this government is presiding over an economy that we created, which justifies its economic strength, but it is an economy in which the equality of opportunity and the protection of individuals are less now than ever before and in which there is a requirement to bring some humanity into the workplace and into the exercise of the economy. We believe that the economy serves the community, not the other way around.

I do not have sufficient time to go through the whole of this debate because it presages a wider discussion than this motion allows us to engage in, but they are some of the reasons why Labor takes the view it does. Fundamentally, the issues being sought are being covered by this conference. I hope that other international interest groups take a leaf from the WEF’s book and hold conferences in Australia and elsewhere in the world that look at the global environment, global labour standards and other issues of good governance.

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (4.18 p.m.)—I rise to support the motion moved by my colleague Senator Murray. First of all, I would like to acknowledge the comments made by Senator Cook. If he feels strongly about broadening the motion in the way that he describes, perhaps he should put forward some ideas for amendment. I think it is a bit rich to argue that the motion today is simplistic or bankrupt, which is the terminology the honourable senator used, when he throws into the debate issues like HIPCI—and, of course, the Democrats are strong supporters of HIPCI and such ini-
tiatives—without examining some of the criticisms of HIPCI. It reminds me of some comments made by the Prime Minister of Ethiopia, who, when talking about HIPICI, pointed out:

Practice has shown that the steps envisaged by the initiative are half hearted and far from adequate.

He went on to say:

I believe this is now recognised even by the authors of the initiative.

And he also said:

What I find most objectionable about this initiative and most of the other debt reduction initiatives is that they are being used as the whip to enforce unquestioning acceptance of the economic orthodoxy—the so-called Washington consensus that has been promoted by some international financial institutions.

So we get back to some of the notions that Senator Murray has canvassed in the motion before us today.

I believe that our role as a developed trading nation places on us an onus to trade ethically and fairly. If governments around the world are to have any hope of securing popular support for trade liberalisation, they are going to have to start being more open and inclusive. Organisations such as the WTO, the IMF and the World Bank need to be more open and accountable to the communities their decisions affect. When you shut people out of trade meetings, they just bang harder on the doors. We have seen evidence of this recently in Seattle and Washington, and we might see it next week in Melbourne.

Reform of the WTO and of the trade liberalisation agenda should be included in Australia’s national trade policy goals. Strong export performance and market access are understandable priorities, but other concerns should not be ignored or glossed over. The Democrats have maintained the need for a review of the effect of the Uruguay Round reforms on international trade, the developing world and the implementation and enforcement of international standards pertaining to human rights, workers’ social rights and, of course, the environment.

We remain to be convinced that unrestricted market access will encourage sustainable development and environmentally responsible trade. It is our experience, and certainly the all too sorry experience of too many developing nations, that the opposite is actually the case. There is a world of difference between the removal of tariffs and the protection of domestic standards protecting health care, the environment and children’s rights. The subjugation of these standards to trade concerns must not be the future of international trade liberalisation. WTO reform must include greater transparency—that is if the faith of civil society is ever to be won—and democracy, so that communities can have a stake in the process of globalisation. For example, the power of the WTO to invalidate laws passed, pursuant to international agreements, must of course be revoked.

The growing tendency to view globalisation as an inevitability actually undermines our capacity to influence both its pace and direction. A transparent, participatory, accountable and fair international trade regime may seem a Utopian vision, especially when such values are hard to maintain even at a domestic level. But the Seattle protests and, indeed, next week’s S11 protests demonstrate that a growing proportion of the international community expects that we should aim for nothing less. It is all very well for Senator Cook to say, ‘Well, this is all about the globophobics.’ We have to recognise that people have concerns about these issues. Wouldn’t it be better to address some of those concerns, as opposed to simply shutting those people out or denouncing some of the people—as we have seen individuals denounced in the chamber today?

Senator Murray—Including many of their own—

Senator STOTT DESPOJA—Indeed, Senator Murray. Horror statistics, such as the fact that the assets of the top three billionaires are more than the combined GNP of the least developed nations and their 600 million people, must never be taken as an inevitable consequence of globalisation. They are the consequence of apathy on the part of national governments—

Senator Schacht—But you voted for the GST.
Senator STOTT DESPOJA—I will leave Senator Schacht to correct the record on that accusation. At the very minimum, the liberalisation of trade must be matched by a commitment to strengthening worker, social security and environment protections at national and international levels. International trade negotiations must take place on the understanding that conventions outlawing such practices as child labour and environmental degradation will be adhered to. Businesses which violate these standards must be brought to account, both through legal avenues and at the consumption level, through social and ecological labelling of products. We must also increase our commitment to investment in education and training, and research and development. We know that access to information must be secured. (Time expired)

Senator PATTERSON (Victoria—Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs and Parliamentary Secretary to the Minister for Foreign Affairs) (4.23 p.m.)—I rise to speak today on Senator Murray’s urgency motion. I guess it would be inappropriate for the Australian government to seek to impose an agenda on the World Economic Forum, and it would be equally inappropriate for the Senate to seek to change the agenda at such a late stage, when speakers and timeslots are all finalised. I am not going to be quite as unkind as Senator Cook was to indicate why the Democrats might be doing this at this stage, but he did intimate one motive for that.

It is worth mentioning the very large range of topics scheduled to be discussed in Melbourne next week, and many of those topics already scheduled for discussion will almost certainly examine many of the issues raised by Senator Murray in his motion. Those include the plenary session, ‘Globalisation: what does it mean for the Asia Pacific?’ and the session in parallel, ‘Asia’s banking sector: redefining core strengths’, and the plenary session in parallel, ‘Financial markets: change and the Internet effect’, and another session, ‘What model for 21st century capitalism?’

I would like to take time to address each of the issues in Senator Murray’s motion and the reasons why the government is taking a different view. The first point of Senator Murray’s motion calls for:

The need for the World Economic Forum to discuss:
a new international system of economic regulation, including a tax on foreign exchange transactions;
The World Economic Forum is essentially a discussion forum for business on broad economic issues and is not, I do not think, the appropriate forum for discussion of a technical nature that a currency transactions tax would require. The issue of a tax on foreign exchange transactions is a controversial and divisive one, and there is a lack of consensus within the international economic community on the merits of such a tax. It is the position of the Australian government that a currency transaction tax would be unworkable and ineffective. Depending on which foreign exchange transaction it covers, a currency transaction tax could inhibit trade and investment flows and constrain economic growth, particularly in open and developing economies.

Market instability could be exacerbated by a reduction in trading volumes and liquidity in financial markets. Adjustments to exchange rates, which may well be desirable in assisting countries to make structural reforms to their economies, could be prevented or delayed. The trade of goods and services between countries could be discouraged. Currency transaction taxes would also be very difficult to implement effectively, unless all tax jurisdictions agreed to cooperate—I think that Senator Kemp mentioned that and that Senator Cook actually referred to it—and the tax could easily be avoided. Foreign exchange transactions would simply take place in other jurisdictions that did not impose the tax. I think that what Senator Murray might be doing is providing a bonanza for tax havens and other non-complying jurisdictions. The second part of Senator Murray’s motion states:

(b) reform of the International Monetary Fund, the World Bank and the World Trade Organization, so that those institutions are better able to ensure that economic instability, international financial speculation and third world debt is minimised, and
balanced, sustainable world economic growth is promoted.

The World Economic Forum is already focusing on the financial reform issues, and I do not see the need of this Senate to lecture the World Economic Forum on the need to address them. The government’s commitment to, and contribution towards, reform of the international financial infrastructure is well known. The Prime Minister’s task force on international financial reform, set up in 1988, resulted in a range of recommendations on how Australia could contribute to international financial reform. We are an active member of international fora examining international and regional financial reform issues, including among others the G20, the financial stability forum, the Manila framework and the IMF. These are the most appropriate and effective fora for addressing international financial reform issues.

Finally, I will refer to the reform of the WTO. It is the government’s view that a drawn-out discussion of WTO specific policy issues is inappropriate for WEF. Australia is working actively with other like-minded countries to rebuild and sustain broad international support for launching a new round of multilateral trade negotiations, including through strategic contributions to the WTO, the United Nations Conference on Trade and Development, the OECD, and APEC processes. Australia supports a round that can deliver results within a relatively short period—say, over three years—and focused on further agriculture, services and industrial product liberalisation.

The debate over the need for institutional reform of the WTO is well under way. However, most members, including Australia, do not consider that major changes are required—although, as I have said, there is a recognition of the need to improve the WTO’s internal processes to ensure that they are sufficiently inclusive and transparent for all members. The Australian government is fully committed to the success of the WEF Melbourne summit, and considers that the agenda will provide for very fruitful discussions.

I would add a word of caution here. All of us have, in our time, been very passionate about issues, but I would caution those who are being encouraged by S11 to protest that they may go with every intention of protesting peacefully, but they may get caught up in something that they did not expect. I am sure that some of the people who protested outside Parliament House when we were elected got caught up in something that they had not expected. All I am saying, especially to young people who are being encouraged to participate—and if the Democrats are encouraging people, I do not know—is to sound a warning that some of these young people may be in deeper than they think, because S11’s goal is to prevent people from discussing these issues at WEF.

People coming to the WEF forum have every right to join together to discuss issues, and they should have the right to come and go freely, just as the people who want to protest have the right to protest peacefully. But it could get out of hand. My great fear is that Australia’s international reputation can be sullied by the fact that some people may go beyond what is reasonable and fair in our society. Again, this is just a warning to everyone who is involved: they have a responsibility, if they disagree with WEF, to do so in a way that is acceptable and fair and enables people who wish to participate in the conference to do so in a way that is fair. I think that will demonstrate that Australia has the capacity to actually allow people their free say. But I hope, and it is my fervent wish, that people will do so in a way that is Australian, that is not destructive, that does not bring discredit to all of us as Australians.

Senator SCHACHT (South Australia) (4.31 p.m.)—I rise to speak on this urgency motion that has been moved by Senator Murray. I believe that there is a contradiction in the structure of this urgency motion in that it asks the World Economic Forum to discuss issues that it can discuss anyway. By and large, a number of the issues mentioned separately in the subsequent two paragraphs or dot points of Senator Murray’s motion are being debated all over the place and in any number of forums, including forums of this parliament—and I believe that those debates should take place.
For example, the second dot point of Senator Murray’s motion reads:

(b) reform of the International Monetary Fund, the World Bank and the World Trade Organization, so that those institutions are better able to ensure that economic instability, international financial speculation and third world debt is minimised, and balanced, sustainable world economic growth is promoted.

I am a strong advocate of reform of the IMF, the World Bank, the Asian Development Bank, the African Development Bank and the European Bank for Reconstruction. I think all of those bodies need to be substantially reformed.

I believe that, in the case of the World Bank, there has been a substantial change for the better over the last decade. I think that, under the present Chief Executive of the World Bank, Mr Wolfensohn—he is an Australian who now has American citizenship—there have been worthwhile changes in that bank’s operations. The World Bank is not a bank; it is a development agency. In 1989 or 1990, when Barber Conable, a former Chief Executive of the World Bank—a Republican appointed by Ronald Reagan—came to this country, he spoke to the Joint Foreign Affairs, Defence and Trade Legislation Committee. When I put the specific question to him, he did not hesitate. He said, ‘We are a development agency; we are not a bank in the classic way that some people might like to think of us as.’ I think the change in the World Bank is in the right direction, but it still has a long way to go.

I have to say that I do not think the changes in the Asian Development Bank have been anywhere near as good. I think the Asian Development Bank has a history of semi-corruption and of lack of transparency in delivering development programs to the Asian region. I know that Australian representatives there—Peter McCawley, for example, a former director on behalf of Australia—have argued strongly for reform of that body. The African Development Bank, which we are not a member of, needs reform, from what I hear. The European Bank for Reconstruction certainly needs some changes. I do not think it was appropriate, by the way, that a political appointment was made by this government: former Senator Short was appointed as our director. I do not think, in this particular case, that that was an appropriate appointment. I think you should be appointing specialists to those positions who can meet the proper criteria and who understand development issues.

I am a very strong critic, and have been when we have been in government, of the fact that we only seem to appoint Treasury people—other than the odd exception—to represent Australia at these agencies. Certainly, the joint foreign affairs committee—a committee I was on—recommended that these positions not be given automatically to Treasury officials. There ought to be open competition for positions, based on merit. For 20-odd years, these positions have been used by Treasury: if you missed out on getting the deputy secretary’s job in Treasury, you were given the consolation prize of two years in the World Bank, $US150,000 tax free and two years in Washington or wherever. People who do not have a development background have gained those appointments.

Of all of these agencies, I have to say that my main criticism is of the IMF. The IMF has a long history of actually, I think, exacerbating problems. What really annoys me about the IMF is that it makes financial loans available to developing countries and then it does not ensure that the money will actually be spent in those Third World countries, those developing countries, on the people who need it. The one area where you want it to intervene is in the area of fiduciary responsibility. But what often happens is that the IMF lets the money go in and the elite get hold of it and usually ship the money straight back out into Swiss bank accounts. These countries never get the full benefit of the money that the IMF loans them.

When, finally, a crisis takes place, like the Asian crisis, and the system collapses because of the corruption and the lack of transparency, the IMF sends in its inspectors and the first thing they say is: ‘You have to cut back the government subsidies on education, health, food subsidies, et cetera.’ These are the subsidies that are supposed to help the poor people, who are not responsible for the mess the country is in. The IMF has to lift its
game, and I would not be opposed to the IMF monitoring and directing those loans to ensure that, in Third World countries that unfortunately do not have a democratic history, the elite do not use the IMF money to fill their own pockets. The IMF needs to make sure that the money goes to the development of the country in an equitable way. Those are reform issues that we should be strong about. There is no reason why they are not going to be raised at the economic forum. But even if they were not, that is not a criticism of the World Economic Forum that will be meeting in Melbourne next week. The criticism should be of these agencies. This parliament should be taking these issues up and insisting, under the powers we have, as the government is responsible to this parliament, that they actually ensure the reform agenda of these agencies.

The other aspect I wish to mention in the few minutes I have available is the issue of trade itself. Whether you call it fair trade, free trade or trade, I am in favour of increasing trade between countries. When you have a mercantilist approach or a nationalist approach to trade, you end up with war because, when people do not trade and try to keep it to themselves, nations develop envy and selfishness. That is what happened in the first part of this century when nationalism was rampant. The policy of mercantilism goes back to the 16th century. If you do not trade you will end up increasing envy between countries, and that will lead to war and increased misery. The more countries can trade properly and fairly between each other, the more likely they are not to go to war, because they have got too much to lose.

The next issue I want to hit on the head is the idea that poor countries with their cheap labour are the ones that are exploiting Australia. When you look down the trade list to see to whom we export and from whom we import, there is a very interesting statistic. By and large, we have a trade surplus with the countries with the lowest labour costs in the world—the poorest economies. It is not Indonesia that we have a trade problem with; our trade problem is with the United States of America and with France, Germany, Great Britain and Western Europe. This is because we buy their high value added commodities but only sell them cheap bulk products. That is why we have a current account balance problem in this country. But we do sell goods and services to poorer countries. By and large, we sell more to them than we buy from them. So to blame some poor peasant in some poor country and say that they are taking jobs from Australians is not correct. We are losing jobs to the higher wage paying countries of Germany, England, America and Japan. I think this has to be clearly understood.

Finally, I come from the state of South Australia, where closing down trade would create unparalleled misery. Proportionally, South Australians have a high proportion of our state domestic product exported, whether it is wine, cars, cereals, meat or services. We are an exporter to the world. Twenty years ago we could not export one car to the world: no-one would buy them because of the quality and the cost. Now, if we did not export cars from South Australia, the car industry could not survive. If you happened to say to someone overseas, ‘We’re going to cut off trade by not buying something from you,’ and they responded by saying, ‘Well, we are not going to buy your cars,’ several thousand South Australians would lose their jobs. If you happened to say to the wine industry overseas, ‘Well, we are not going to let some of your wine come into Australia’—that is, their cheap wine when we are actually selling them high value added wine with a good value added profit—South Australians would lose their jobs. You have to get the balance right.

I am a very strong advocate for industry policy that sees the government in a tripartite arrangement with workers and employers to develop Australian industry that is high value added, that creates good wages and that creates good product that we can sell to the world. But we must also buy from the world so that trade can be developed and so that, through trade, there is a better distribution of the world’s assets and the world’s wealth so that it is not all held by the 21 countries of the First World. We must give the Third World an opportunity to trade and sell to us
so they can raise their living standards. There is no other way to do it. (Time expired)

Senator GIBSON (Tasmania) (4.41 p.m.)—I rise to support my colleagues Senators Kemp and Patterson in opposing this matter of urgency moved by Senator Murray—and I must apologise to Senator Murray for not being here to hear his words. I had to go to a Senate Economics References Committee briefing on ASIC matters. But I am pleased to be here now.

Today I thought I would take the opportunity to make some comments, following on from Senator Schacht’s comments, about the benefits of globalisation and free trade to the world and cite some examples of the great benefits that we have seen here in Australia. I will start with a quote from an article in The Economist comparing what is happening in a really poor country in Africa with the USA:

... incomes per head in Mozambique fell from roughly $1,000 a year in 1950 to roughly $850 in 1990—

That was over a 40-year period, and these figures are in US dollars. It says that, over the same period of time, the US economy saw a rise in income from $10,000 per head to $24,000 per head. Those numbers are all in 1990 US dollars. So incomes in Mozambique in 1990 were lower in real terms than incomes anywhere in Europe, including Russia, in 1870. That is an illustration of what has happened to a lot of developing countries relative to the rest of the world. We have enjoyed strong economic growth in this country, and in fact most OECD countries have enjoyed strong economic growth since World War II. During that period of time not only have our countries and economies grown and the net incomes of virtually everybody in our economies lifted very substantially but also we have seen the Asian miracle take place. We have seen Singapore, Hong Kong, Malaysia, Thailand, Taiwan and South Korea lift their per capita incomes by enormous amounts, largely due to having free trade and open economies and exporting to the rest of the world. There is no doubt that that prosperity over the last 50 years has lifted. Prosperity, largely due to free trade and productivity changes which have been driven by free trade, has lifted billions of people from poverty over the last 50 years.

We must recognise that immediately after World War II it was the USA which actually pushed the rest of the world into having a free trade regime for many years. Of course, we all do understand that the appeal to protectionism—that emotional, instinctive appeal to protectionism—is easy to sell on a short-term basis. We have seen it in our own regions and our own country. It is very easy to blame foreigners who may be hurting a particular industry or company in our region. It is very easy to take a short-term view to support local firms, even though they are not able to compete with overseas firms, but all of us benefit right around the globe if we pursue economic free trade.

The general economist’s case is that there is no question that we have to pursue free trade. In fact, their argument is—and it is basically true—that that should be done unilaterally by countries: we should not be looking for bilateral agreements but leading the way and making unilateral agreements with regard to trade. In fact, when one looks back over the last 40 years or so, Australia has led the way in that our Tariff Board—led by Alf Rattigan, Carmichael and others, and certainly helped by that modest member Bert Kelly—has pushed for unilateral reductions in tariffs and pushed for freer trade for Australia without wanting any reciprocal arrangements with anyone else. As a result, we became wealthier. It is a fact that in recent years tariffs have come down around the world.

I have some figures from a trade liberalisation bulletin that the government put out last year which show trade weighted applied tariffs for all products between 1988 and 1996. Thailand reduced its tariffs from 35 per cent to about 15 per cent; Korea, from about 50 per cent to currently about eight per cent; New Zealand, from about 50 per cent to currently about eight per cent; Singapore, from about 12 per cent to virtually zero. Over the same period of time, we in Australia went from 22 per cent down to an average of about six per cent. We have all benefited from it. Tariffs have come down here in Australia, particularly with regard to manufacturing products,
from a 22 per cent average in 1983-84 to an average of about nine per cent in 1994-95. As those rates have come down, our exports of elaborately transformed manufactures have risen enormously—by over four times during that same period.

Senator Schacht mentioned the car industry. We have seen our car industry move on from something that was not internationally competitive. As the minister mentioned today in question time, we had $3.8 billion of exports last year from the Australian car industry, because we have a world-class car industry producing high quality manufactures being exported to various places around the world. We see, of course, the new alliance in the rich countries. (Time expired)

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

The Senate divided. [4.52 p.m.]
(The President—Senator the Hon. Margaret Reid)

Ayes…………. 10
Noes…………. 48
Majority……. 38

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

NOES
Abetz, E. Bishop, T.M.
Boswell, R.L.D. Brandis, G.H.
Calvert, P.H. Campbell, G.
Carr, K.J. Collins, J.M.A.
Cooman, H.L. Cooney, B.C.
Crane, A.W. Crossin, P.M.
Crowley, R.A. Denman, K.J.
Eggleston, A. Ellison, J.P.
Evans, C.V. Forshaw, M.G.
Ferris, J.M. Gibson, B.F.
Gibson, B.F. Hogg, J.J.
Hutchins, S.P. Lightfoot, P.R.
Ludwig, J.W. Lundy, K.A.
Macdonald, J.A.L. Mackay, S.M.
Mason, B.J. McGauran, J.J.
McKernan, J.P. McLucas, J.E.
Minchin, N.H. Murphy, S.M.
O’Brien, K.W.K * Patterson, K.C.
Payne, M.A. Ray, R.F.
Reid, M.E. Schacht, C.C.
Sherry, N.J. Tambling, G.E.
Tchen, T. Tierney, J.W.
Troeth, J.M. Vanstone, A.E.
Watson, J.O.W. West, S.M.
* denotes teller

Question so resolved in the negative.

COMMITTEES

Native Title and the Aboriginal and Torres Strait Islander Land Fund Committee
Report

Senator FERRIS (South Australia) (4.56 p.m.)—I present the report of the parliamentary Joint Committee on Native Title and the Aboriginal and Torres Strait Islander Land Fund on its examination of annual reports for 1998-99 in fulfilment of the committee’s duties pursuant to section 206(c) of the Native Title Act 1993, together with the Hansard record of the committee’s proceedings.

Ordered that the report be printed.

Senator FERRIS—I move:
That the Senate take note of the report.

I am tabling today the 17th report of the Joint Committee on Native Title and the Aboriginal and Torres Strait Islander Land Fund titled Examination of annual reports for 1998-99 in fulfilment of the committee’s duties pursuant to s.206(c) of the Native Title Act. The report examines the 1998-99 annual reports of the National Native Title Tribunal, the land fund and the Indigenous Land Corporation. One of the most important issues addressed in the Native Title Tribunal’s report was the impact that the application of the registration test was having on the tribunal’s workload. While acknowledging that as much as 85 per cent of the tribunal’s officer resources were being devoted to applying the registration test, the tribunal’s president, Mr Graeme Neate, did anticipate a substantial drop in the volume of work created by the test.

The committee acknowledges that there has been an increase in the number of consultants employed due to the decline in the number of tribunal members during the reporting period; however, the committee does welcome the government’s recent appointment of six additional tribunal members. It is hoped that this will greatly decrease the further need for the use of consultants by the tribunal. The tribunal also advised that, dur-
ing the reporting period, 90 native title claims had been combined into just 21 and that, in the Western Australian goldfields, 33 existing applications had been combined into only five amended applications. It is interesting to note that the tribunal’s president, Mr Neate, did not believe there were any areas of the Native Title Amendment Act that were in need of fundamental reform at this point.

The committee itself firmly believes in the value of indigenous land use agreements and is currently examining the ILUA process and the tribunal’s involvement in assisting parties with both negotiation and registration. This committee will release a separate report on ILUAs within the next couple of months. The tribunal is to be congratulated on the quality and professionalism of its annual report. While the land fund’s statements and financial reporting complied with requirements, the committee regards the size of the fund’s capital base as a matter of real concern. As was foreshadowed in its last two annual reports, the land fund suggests that the return on its investments may not be sufficient to ensure that the target balance set for the year 2004 is actually reached. Our committee will continue to monitor very closely this vital indicator of the land fund’s performance.

The committee’s major concerns in relation to the consideration of annual reports, however, relate principally to matters regarding the Indigenous Land Corporation. The committee is particularly concerned with matters surrounding the purchase of Roebuck Plains station in Western Australia, just outside Broome. Following a number of questions by committee members, an independent inquiry has now been established by the Minister for Aboriginal and Torres Strait Islander Affairs, Senator Herron. The committee has also pursued the circumstances surrounding the unauthorised disclosure of an Audit Office report into the Indigenous Land Corporation.

One further matter of concern is the establishment of Land Enterprises Australia as a wholly owned subsidiary of the ILC. The LEA was created to oversee or control commercial land management operations and the management of land based businesses purchased by the ILC. The committee has written to the corporation to seek clarification of the reasons for the LEA’s establishment and the advantages of separate control like that might bring. The committee has sought quite detailed information on this matter and will be pursuing it further. Committee members, including me, are also concerned at the environmental management plans used to assist indigenous owners of the rural properties purchased by the ILC. We are also concerned that skills be imparted to the people in the community who take over the newly purchased properties to ensure that people in these indigenous communities are well apprised of their fiduciary duties in relation to the properties.

The committee has taken action since the tabling of its 14th annual report to clarify its reporting obligations and powers in relation to the annual reports of the ILC. This has been the subject of ongoing correspondence between the committee, various government departments and the office of the Minister for Aboriginal and Torres Strait Islander Affairs. Senator Herron has advised the committee that he had directed ATSIC to prepare an amendment to section 206(c) of the Native Title Act 1993 to ensure that the committee had the explicit obligation to report on the annual reports of the ILC. This amendment will be included in a proposed bill that is expected to be introduced into parliament later this year. In closing, the committee appreciates very much the sound working relationship with the National Native Title Tribunal and the efforts by the tribunal and the ILC in relation to their annual reports. The annual reports tabled by both organisations over the past few years have improved considerably, not least as a consequence of the committee’s scrutiny. I commend the report to the Senate.

Senator CROSSIN (Northern Territory) (5.02 p.m.)—I also rise to provide some comments on the 17th report of the Joint Committee on Native Title and the Aboriginal and Torres Strait Islander Land Fund. As we know, this report is in accordance with section 206(c) of the Native Title Act 1993, which outlines the duty of this parliamentary joint committee to report to both houses on matters relating to annual reports. This report examines the 1998-99 annual reports of the
National Native Title Tribunal, the land fund and the Indigenous Land Corporation. This afternoon I want to talk specifically about two matters only, both of which relate to the Indigenous Land Corporation report. Firstly, it is important to note that at paragraph 1.10 of this report the committee records concern that, as a result of section 193K of the ATSIC Act and the operation of the Commonwealth and Authorities and Companies Act 1997, the committee may not have the same statutory duty to examine and report on ILC reports from 1998-99. Since the tabling of the 14th report, the committee has taken action to clarify its reporting obligations and powers in relation to the annual report of the ILC. This, as Senator Ferris, the chair of the committee, has just pointed out to the Senate, has been the subject of ongoing correspondence between the committee, the Minister for Aboriginal and Torres Strait Islander Affairs and various government departments.

Appendix 2 of the 17th report reproduces two letters that were exchanged on this matter. On 18 April this year, the minister wrote to this committee to advise that he had directed ATSIC to prepare an amendment to section 206(c) of the Native Title Act 1993 to ensure that the committee has the explicit obligation to report on the annual reports of the ILC. It is important to note, in tabling this report, that the change to the acts which the minister highlighted will be brought before the two houses of parliament for our examination. Secondly, I want to make mention of the committee’s concern about the Indigenous Land Corporation’s response—or, rather, a very inadequate response and lack of detail and concern—on what happened earlier this year in relation to the leaking of the draft audit report.

The Australian National Audit Office conducted a performance audit of the Indigenous Land Corporation. In June it issued audit report No. 49 of 1999-2000, entitled The Indigenous Land Corporation: operations and performance. The Audit Office made nine recommendations as a result of their audit of the ILC, and the ILC have accepted all nine recommendations. It is not my intention to comment on each of those recommendations, but I want to comment as seriously and with as much concern as I can about the evidence we took at a public hearing on 15 February on the fact that a draft report from the Audit Office had been leaked to the media. Articles written by Gerard Ryle in the Sydney Morning Herald on 29 January and 14 February were to do with a draft preliminary report that the Australian National Audit Office had written following a performance review of the ILC.

But what is more concerning to me is that no-one has really dealt with how this report was leaked to the media. No-one has really satisfied the questions of the Joint Committee on the Native Title and Aboriginal and Torres Strait Islander Land Fund on who was responsible for the media getting their hands on this draft report. In a public hearing that we had on 15 February the ILC were questioned at length about this report being leaked to the media. Labor members on that committee raised the fact that there were serious concerns in terms of process. In fact, my colleague Warren Snowdon mentioned that there was concern that it was a possible breach of section 70 of the Crimes Act. Questions were asked of the ILC about whether or not advice had been sought from the Federal Police and whether the ILC board had referred—or intended to refer—the matter to the Federal Police. At that stage Ms Firebrace, the chairperson of the ILC, intended to raise the matter with the Audit Office and with the board.

But it is the events subsequent to that that I think this parliament should be most concerned about. There is a report about those events on page 35 of this 17th report. A number of questions about this matter were also asked in writing of the ILC following that public hearing. We do make comment in the 17th report that we are far from convinced that there has been a sufficient response to our investigations and questions on this matter. The ILC in fact responded in writing on 2 August to the committee’s questions and to subsequent correspondence from the committee about the leaking of the audit report. This is included in this 17th report at appendix 3. The chair advised in her response that the ILC board had ultimately decided that this was a matter appropriately dealt with through the ILC internal review mecha-
nisms—which were recommended to be reviewed by the Auditor—and that the matter would not be referred to the Federal Police. She goes on to say in her letter that she had:

... discussed this case with Mr Bill Miller, Director Evaluation and Audit who felt it was preferable to review the adequacy of the ILC’s internal control systems to ensure the safeguarding of current and future sensitive and confidential material.

It seems to me that the matter was first raised with the auditors, who have denied any leakage. It seems to me that the matter was then raised with Bill Miller, Director Evaluation and Audit at ATSIC, who has also suggested that the audit report was not leaked from his office. It seems as though the ILC have not even looked at whether or not the leak came from within the ILC and have simply hand-balled this to a response that says: ‘When we look at our internal control systems we may find if there was a problem then, but if not we will probably guarantee it will not happen in the future.’

Either way, the whole scenario about the leakage of this report—if it is possibly a breach of the criminal code—does raise serious concerns. We have not got to the bottom of this matter, about how a draft report can be leaked to the media. That has a serious impact on the operations of the ILC, which are already under question and scrutiny by our committee and this government. Yet we have not had a sufficient or a serious or an in-depth response. I want the Senate to note the recommendation in this report that the joint native title committee is not convinced that the ILC has yet given us a sufficient response and that we will be pursuing the matter further with the ILC.

Senator McLUCAS (Queensland) (5.12 p.m.)—In taking note of the report of the parliamentary Joint Committee on the Native Title and Aboriginal and Torres Strait Islander Land Fund I wish to direct my comments to the change in focus that the National Native Title Tribunal has had to make in the year 1998-99 in order to undertake the implementation of the 1998 amendments to the Native Title Act. In the past 12 months our committee has taken evidence in a number of states and from all groups of participants in the process of dealing with native title. We have received evidence from indigenous peoples and from those involved in the mining industry and in the pastoral industry. The recurring theme in evidence given to our committee has been that all participants have had a year of frustration in the delays that have been encountered due to the process of re-registration of native title applications and the re-recognition of native title representative bodies.

In South Australia the Aboriginal Land Rights Movement, the representative body in that state, reported that they have had to spend the whole of last year dealing with re-registration of native title applications and thus spent no time at all on mediation or negotiation processes. Frustration at the lack of progress has also been expressed by pastoralists and the mining industry. This has been reflected in the report from the National Native Title Tribunal, which is part of the process of reporting from our committee. The National Native Title Tribunal reports that the application of the registration test has impacted negatively on their operations. Their report states on page 47:

There has been widespread confusion among applicants, and even their representatives, about the relationship between the registration test and the determination process, with the demands of the registration test often generating bad feelings that has spilled over into the mediation. The registration test has also meant that parties other than the applicants have been to a large extent neglected, also created difficulties for the resumption of mediation.

It is noted that the reassessment of applications has led to a reduction in overlapping claims and more detailed applications submitted. And many native title applicants have taken the opportunity during the process of re-registration to amalgamate applications. This has been a positive result in what has been a very difficult process.

The National Native Title Tribunal annual report noted that the process of re-recognition of representative bodies, a second matter, was still in progress at the end of their reporting period. This is still the case in some regions, notably in Far North Queensland where the Cape York Land Council and the North Queensland Land Council are still attempting to gain recognition as representative bodies.
for their respective regions. With respect to re-recognition of representative bodies, page 47 of the Native Title Tribunal annual report states:

The demand on the resources and attention of the representative bodies has, along with the registration test, significantly diminished their capacity to be involved in mediation. Again the impact of this has often been on parties other than the applicants. They have been left neglected and frustrated with a process that has, to date, offered them little resolution to matters that often affect their daily lives, and are understandably reluctant to engage in further mediation. This situation may not change in some areas even after the Minister’s decision about re-recognition, especially if the decisions leave some regions without a representative body.

This process has been expensive and time-consuming. One wonders about the cost and suspect benefit of undertaking this process in the manner that has had to be adopted by the tribunal. I also hope that the government is not simply creating obstacles and difficulties for those who are involved in the native title process by making the Native Title Tribunal, the representative bodies and the native title applicants undertake onerous and time-consuming tasks.

The government has said that the process of the application of the re-registration test had to be rigorous. It has been. Some would say that the process has been too burdensome. But, however it has been applied, it should have been undertaken in good faith. It is disappointing to note that the Western Australian government has routinely appealed against every re-recognition of native title applicants, thus extending the already lengthy process even further. It is disappointing that the Western Australian government is not showing good faith as is demonstrated by it using this obstructionist approach to the re-registration test.

It should be remembered that, in 1997-98, Labor opposed the government’s model of re-registration of native title applicants and suggested a more streamlined mechanism. Further, while not opposed per se to the undertaking of re-recognition of representative bodies, Labor put forward a more efficient and fairer model that would have provided outcomes in a much more timely manner.

The tribunal have had a difficult year, which was not of their making. It was a year of transition, and it is expected and hoped that the annual report for this current year will be able to report more progress in dealing with native title applications.

Senator HARRIS (Queensland) (5.17 p.m.)—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Scrutiny of Bills Committee Report


Ordered that the report be printed.

National Crime Authority Committee Report

Senator O’BRIEN (Tasmania) (5.18 p.m.)—On behalf of the Parliamentary Joint Committee on the National Crime Authority, I present a report entitled Witnesses for the Prosecution: Protected Witnesses in the National Crime Authority, together with the Hansard record of the committee’s proceedings and submissions received by the committee. I move:

That the Senate take note of the report.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

MINISTERIAL STATEMENTS

Natural Heritage Ministerial Board

Senator ABETZ (Tasmania—Parliamentary Secretary to the Minister for Defence) (5.19 p.m.)—I seek leave to make a statement relating to the mid-term review of the Natural Heritage Trust and to move a motion in relation to the statement.

Leave granted.

Senator ABETZ—I table the statement, together with a response by the Natural Heritage Ministerial Board to the review. I move:

That the Senate take note of the documents.
Senator FORSHA (New South Wales) (5.19 p.m.)—It is unfortunate, I think, that Minister Hill is not present in the chamber to table this statement. I would like to have heard him read it out.

Senator Abetz—All right.

Senator FORSHA—You have missed your chance. Anyone who has had the opportunity to read this statement would see that this is a classic case of trying to defend the indefensible. To tell the parliament, as this statement does, that the Natural Heritage Trust has been effective and that it can be improved with a bit of finetuning is just a monumental gross exaggeration of this scheme. The truth is that the Natural Heritage Trust has been a sham. It has been used as a political tool—constructed originally to blackmail the community into the partial sale of Telstra. It is completely inappropriate as a delivery mechanism for addressing systemic environmental issues.

Salinity and natural resources management issues require long-term commitments and a national strategic approach. They cannot be addressed, let alone fixed, with a fund that has a limited life and grants allocated on an ad hoc project-by-project basis. The Natural Heritage Trust has been a hoax, as I said, of monumental proportions. The Howard government has not only wasted $1.5 billion but also failed the communities that are working so hard to restore and protect the environment. The mid-term reviews of the Natural Heritage Trust were damning of the government’s failure to deliver on environmental outcomes. Although the reviews indicated some success in building awareness in the community, they were resoundingly critical of the lack of strategic focus and coordination between the numerous program areas and the lack of supporting government policy.

The life of the Natural Heritage Trust has been characterised by criticism of its administration and its outcomes. Blatant pork-barrelling was the focus of earlier years, and that has been coupled with an ongoing lack of coordination, strategic focus and direction. For instance, recent media reviews include the following. I refer to the Sydney Morning Herald of 20 May 2000, where it is stated:

... attempts at pork barrelling, like the $1 billion Natural Heritage Trust, are widely seen as wastes of money. Even a recent review of the NHT found it badly wanting, particularly in the area of tree planting, where essentially no progress has been made in spite of the expense.

Similarly, in the Adelaide Advertiser of 24 July, the trust was described as having:

... allowed the Government to brag about how much it has spent on the environment but the results are pitiful because there has been no government backing or strategy.

Interestingly, in the ministerial statement this afternoon—which is the government’s official response to the mid-term reviews—the minister, Senator Hill, once again bragged of inputs into the trust, but he failed to mention one single actual outcome of what has been achieved. Read this statement and you will not find one single outcome mentioned. Perhaps the most insidious concern is that there is no funding commitment by the Howard government to natural resource management when the trust runs out on 30 June 2002. As I said earlier, environmental issues such as salinity and land degradation require long-term solutions that are adequately funded. Clearly, environmental funding should not be linked to the short-term sale of assets. Not only do the funds in the Natural Heritage Trust run out in 2002 but also money that used to be available for environmental spending has been slashed. The trust has camouflaged cuts of some 30 per cent to core funding for Environment Australia. When these mid-term reviews were first published, Senator Hill, the Minister for the Environment and Heritage, was busy trying to play down the failure of the trust, claiming that the Natural Heritage Trust:

... was never designed to be a solution in itself ... and that it:

... is not meant to be a prescriptive cure all for Australia’s environmental problems.

This is a far cry from the position the government took originally when, trying to blackmail the community into the sale of Telstra on the promise of a $1 billion environmental rescue package, they pronounced that this would be the cure-all—the great solution to solving significant environmental problems. Senator Hill, for instance, in August
1996, stated that the Natural Heritage Trust is:

... the most comprehensive environmental rescue package ever planned by an Australian government ...

And further:
The Natural Heritage Trust will provide the necessary resources over an extended time frame to focus on the big challenges of our time—ecologically sustainable development, land and water degradation, coast and ocean management, and biodiversity conservation.

Even the Prime Minister tried to sell the trust on the basis of it supposedly having a strategic focus, when he stated:

... the fact of the matter is that the only real prospect of these sorts of projects being effectively addressed is the establishment of that Natural Heritage Trust.

Yet, if these were the great objectives, you would think that, in this ministerial statement today by the minister, there would be some examples given—there would be some indication of how those outcomes may have been achieved. As I said, the lack of any reference to any single outcome demonstrates that these were pious but empty promises.

The government have responded to the mid-term reviews by highlighting some of the positive feedback, but their response fails to adequately address the significant concerns that were raised in the reviews. The government have claimed that there were no fundamental failings found in the administration of the trust in the area of financial accountability. But this is in stark contrast to the 53 recommendations in the administrative review, including that Commonwealth department expenses be reduced from five per cent to two per cent of funds from 1 July 2000, which would save around $20 million over the last two years of the trust. Another of those recommendations was for annual strategic plans to be prepared by program managers with milestones within the framework of an overall Natural Heritage Trust strategic plan. A significant criticism raised in a number of the reviews was the issue of cost shifting. This was most notable in the Landcare review, which states:

... a major unintended consequence of the National Landcare Program includes cost shifting by non-Commonwealth participants.

These are fundamental issues which have been completely ignored in the minister’s statement in the government’s response. Indeed, the government’s official response to the selective key issues they address is completely inadequate. Many of the responses consisted of an excuse that the issue is under consideration or that there is insufficient time remaining for effective reform of the trust. There are few, if any, firm commitments to action to address the 600-odd recommendations raised in the, 3,000 pages of review that were presented to the government last year. The government has had some 10 months to consider the issues raised in those reviews, and today’s response presented to the parliament is not only completely inadequate but also pathetic. I would like to quote some comments from some of those reviews to stress how inadequate this government’s response and approach to addressing systemic environmental issues is. I quote from the North-West Region New South Wales review:

A huge effort is wasted, or inefficiently used, in the management of NHT through the multitude of programs and the lack of appropriate delegation of responsibility.

Senator HILL (South Australia—Minister for the Environment and Heritage) (5.30 p.m.)—The Parliamentary Secretary to the Minister for Defence has tabled the government’s response to the mid-term review of the Natural Heritage Trust, and he moved a motion to take note of that statement and I want to make a few comments on that motion. The government designed the Natural Heritage Trust to promote the conservation, sustainable use and repair of Australia’s natural environment in the national interest. The government established the trust in 1997 with a budget of $1.25 billion, most of it to be spent over five years. It later extended the life of the trust by a year with additional funding of $250 million. The main source of funds was $1.35 billion from the proceeds of the partial sale of Telstra.

The trust has turned the nation’s investment in infrastructure to investment in its...
natural capital. At 30 June this year, the Natural Heritage Trust’s Ministerial Board had approved investment of $870 million from trust and related programs in about 9,000 projects. In 1999 the board commissioned an independent review of the trust’s performance and administration. I am pleased to report that the review commended the achievements of the trust—it said, ‘A great deal has been achieved in a very short time’—particularly in implementing the strategies needed to achieve the trust’s objectives. The review found that the trust was successful not only in stimulating the level of investment in the natural environment but also in enhancing the contribution of community and state government stakeholders.

Some 300,000 people have been involved in trust projects. Voluntary community activities are the driving force in most trust funded projects, and benefits flow into day-to-day resource management. The trust established innovative models for natural resource management. A joint ministerial board was formed to integrate programs of the Environment and Heritage portfolio and the Agriculture, Fisheries and Forestry portfolio. And the Commonwealth and the states signed partnership agreements, which have been very effective in defining Commonwealth and state objectives and in implementing administration and financial arrangements. Also, the introduction of a ‘one-stop-shop’ process allowed faster, seamless access to the trust’s programs and was well received by the community. Regional and state assessment panels strengthened the model by ensuring local input to decision making.

Some important lessons emerged from the review. The review found, for instance, that although the trust has been successful, the magnitude of the problems being addressed required long-term government commitment and greater security of funding. The review recommended more emphasis on strategic targeting of investment and more emphasis on regional delivery. It noted that the trust should be used strategically as a part of a wider spectrum of interventions, such as capacity building, regional planning, research, institutional reform, regulation and market based mechanisms. Significantly, the review did not identify any fundamental failings in the administration of the trust, including financial accountability. The board will make changes to the trust following the review. Increased funding will be devoted to integrated regional projects. Administrative procedures already have been simplified to lessen the load for small projects, and more emphasis is being put on monitoring and reporting the trust’s achievements. This will require the assistance of the states, and the Commonwealth looks forward to their cooperation.

Importantly, and perhaps most valuably, the review’s advice on natural resource management will inform the Commonwealth’s policy development. The Prime Minister has formed a high level ministerial group to consider the government’s long-term response to natural resource management. The ministerial group is using the findings of the mid-term review. In this way it will assist the government to build on the achievements of the Natural Heritage Trust, the largest and most successful environmental initiative by a government in this nation’s history. I commend the report to the Senate.

Senator FORSHA W (New South Wales) (5.34 p.m.)—by leave—Madam President, I rise on a point of order: I understood when I commenced my remarks that I had 20 minutes to speak, but the time may have been shortened to 10 minutes.

Senator Abetz—The clock was in error.

Senator FORSHA W—No, I believe that the clock was not in error. I believe I was entitled to 20 minutes.

The PRESIDENT—I am told that your time should have been 10 minutes.

Senator FORSHA W—I was under the understanding, based upon some advice, that I had 20 minutes. In view of that, I seek leave to incorporate the rest of my remarks.

Leave granted.

The speech read as follows—

“Very few participants believed that the NHT has had much success in lifting the plane of operation from local or single issue problems to integrated multi-objective, priority-driven projects at a regional scale” (Integrated Regional Summary Review)
The Dryland Salinity review states “less certain is whether the contributions are cost effective and thus in the national interest”. “Some of the on-ground works may not be cost effective as they lack the scale needed to have an effect.”

The Bushcare review, in fact, gave the program’s environmental achievements a ‘C-minus’ score and sustainable production achievements a ‘D’ and condemned the program as too small a scale to have much impact on the environment.

The Cape York review was particularly scathing. As of July this year, only 15% of the funds for the program have been used, no progress has been made to establish a Voluntary Land Fund and not a single trial property has completed a Property Management Plan. The Government promised to support the protection of Cape York in the context of the Cape York Heads of Agreement in 1996 and that promise has not been delivered on.

To address these environmental and regional development issues effectively a sustained national effort is required from all sectors of the community and industry, with national leadership from the Commonwealth, and coordinated action amongst the States. This is not a task for the short term, and governments and dollars alone are not the solutions.

The NHT has failed the communities who are working so hard to restore and protect the environment. It has been an expensive wasted opportunity—at a time when real action was desperately needed.

If all it has achieved is a raising of community awareness, then it has been an expensive communications campaign!

The protection and maintenance of our natural resources and heritage is a central responsibility of government and should not be treated as an add-on to be funded through asset sales.

I would like to finish by pointing out that the two fundamental issues raised by these reviews were not denied by the Government.

1. The Government did not deny that it has no strategy.
2. The Government did not deny that the NHT is a diffuse and politically driven response.

Senator BROWN (Tasmania) (5.35 p.m.)—Madam President, you will note that in his presentation to the Senate the Minister for the Environment and Heritage failed to mention any particular environmental achievement at all. It was all about administration of a trust fund which has got serious shortcomings, if one is to see that as the flagship of this government’s performance on the environment.

Senator Abetz—Has it done any good?

Senator BROWN—Senator Abetz asked if the Natural Heritage Trust Fund has done any good. Listening to the minister’s presentation, one would be left with that question hanging in the air, because the minister was unable to enumerate the benefits of it. One thing that Senator Abetz might ask the minister about Tasmania is: what has happened to the purchase of rare and endangered forest areas that were supposed to follow up on the Regional Forest Agreement to ensure that they were kept safe? Why is that program way behind schedule and way short of its stated aims? On the one hand, we have the failure to protect those areas and have them secured; on the other hand, under this government, we have record levels of woodchipping of our native forests in Tasmania. Destruction of the forests is now at the highest level in history under this government. There are more woodchips being shipped out of the ports to Japan than ever before in history, and going with that are vast areas of Tasmania’s tall forests and rainforests—such as areas like the Styx Valley, which is two hours north-west of Hobart and where the tallest forests in the Southern Hemisphere are to be found. All of these areas, with the exception of some unofficial, postage-stamp size reserves, are marked for destruction under the imprimatur of the Prime Minister and Premier Bacon in Tasmania. That is a reprehensible situation in this country.

Add to that situation the appalling loss of native vegetation in Queensland, which is also now at record levels, with the failure of the Beattie government in Queensland and the complete capitulation of Robert Hill, the Minister for the Environment and Heritage, who has just spoken. No wonder he made no reference to native vegetation cover. The loss of native vegetation has now increased to 400,000 hectares this year, with some estimates putting it as high as 600,000 hectares—the most disgraceful destruction of native vegetation on this continent since the arrival of the Europeans, and it happened under our very noses with this minister’s acquiescence. When you do not use the powers
that you have you endorse the action. So this minister is endorsing the destruction of native woodlands in Queensland and the great forests in the southern states and, with them, the wildlife.

He then comes in here and says, ‘The Natural Heritage Trust Fund is the biggest environmental breakthrough in history.’ No, it is not. If it were, we would see an improvement in the environmental indices under this government. I challenge members opposite to point to one improvement. Let’s look at global warming, which would be a very clear indication of performance if the Natural Heritage Trust Fund were working, but it is not. The Howard government went to Kyoto and said that we are going to restrict the release of global warming gases in this country to 108 per cent—that is an eight per cent increase on 1990 levels—by the year 2010, 20 years later. Already the increase is over 18 per cent and estimates are that the increase will end up at between 20 per cent and 40 per cent. The promise by the Howard government, by Minister Hill, who has left the chamber, was an eight per cent increase maximum. Already it is more than double that and it is heading towards three or four times that under this minister, this failed minister for the environment.

The environmental situation in Australia has gone from bad to worse. Turning to the salinisation of farm lands across this country, we hear about the action that is going to be taken, and no doubt the lever that will be used by the current government when it goes to the next election will be the further sale of Telstra. The hopes of the environment movement, and that means most Australians, will be ransomed on the sale of Telstra—something the majority of Australians do not want to happen. We know that Telstra is bringing into the coffers $4 billion per annum, and that can only increase in the future. If we were to put a fraction of that into the environment, well and good. But the government wants to put a once-off component of the sale of Telstra into the environment, with the inherent threat that if the electorate does not accept that then the environment will go begging.

The proof of the pudding is in the eating. The Natural Heritage Trust Fund came from the first component of the sale of Telstra. That was going to send this country into new green fields as far as the environment was concerned. But I repeat: every environmental index in this country has got worse. Not only that, but the government has also deliberated on the fate of forests and native woodlands in this country and has decided to give them the thumbs down. When it comes to urban areas, where are the improved pollution indices? Where is the improved public transport? Where is the federal commitment to pedestrian paths and bike ways, as in equivalent major cities in the Northern Hemisphere? Those improvements are not there because it is not the view of this government that such environmental innovation is worth while. It simply does not have a mental framework which thinks of the environment as a real issue; it thinks about what is going to service the resource extraction industries, the transport industries, the big industries in general who are not advocates for the environment.

There is a very real obligation on the government to be the custodian of the natural environment. But there has never been a government that has failed more in that obligation than this one. No wonder the minister has scuttled from the chamber because he cannot defend his failure to perform on this issue. He cannot defend the failure of the Natural Heritage Trust Fund to fulfil its promise. I do not doubt that he will leave a second-rater to try to defend his patch after this speech. But this talk of the expenditure of money being a measure of environmental excellence is now wearing very thin with the electorate. It may have impressed the electorate at the outset, but it has failed to produce the goods as far as the environment is concerned, and it will not continue to work.

What is required in this place is environmental legislation which has teeth—which would stop the polluters, which would stop those who destroy native woodlands, which would stop those who destroy our grand forests, which would stop those who aid and abet the erosion of our coastlines, which would stop those who pollute the air that Australians breathe in their cities or the water
that they drink, which would stop those who contaminate the land on which Australians may build their houses in the future, and which would put Australia back at the forefront of contributing to the world debate about environmental excellence. The World Economic Forum is next week. The strong indication from the government is that there should not be protests at that meeting. I suggest that this government set up a world environment forum to discuss how the world might come together to improve the environmental amenity and make a contribution to future generations, instead of just following the 'me now' philosophy which fails the environment but which imbues the thinking of this government.

Senator HARRIS (Queensland) (5.45 p.m.)—I would like to speak to the Natural Heritage Trust Fund report. My main purpose for doing so is not to speak about its content but to put on the record some of the misinformation that is brought before this chamber in relation to the clearing of native forests, particularly in Queensland, where I live. The magical figure that we hear of 600,000 hectares being cleared annually is just that: it is a myth, because it does not happen.

Senator Calvert—Senator Brown said that it did.

Senator HARRIS—Senator Brown may have said that, but Senator Brown is incorrect. The correct figure is substantially less than that. The reason I state that is this: the figure of 600,000 hectares actually represents applications for clearing of land over five-year periods. I stress that; over five-year periods. The second thing that the stats do not show is the percentage of applications for areas to be kept cleared that have been previously cleared. So we have two situations here: first, the stats are used as if they cover a one-year period when, in actuality, they cover a five-year period; and, two, the claim that the applications are for the clearing of new native forests is also false because some of those applications are for maintaining areas that have already been cleared. I believe it is reprehensible that people in this chamber continue to use those figures to represent the clearing of native forests, particularly those directed at Queensland.

In the 12 months that I have been representing Queensland in this chamber, I have driven the state three times. In actuality, I travelled in one five-week period 13,000 kilometres throughout Queensland. I am still looking for the football fields per period that they claim are being cleared. They are not there. On two subsequent occasions, I travelled the state again. These areas that are being claimed to be cleared are not there. In speaking to the report, I just want it clearly put on the record that these people who stand up and use these figures should do their homework and actually get out there and find out if they are reality.

Senator ABETZ (Tasmania—Parliamentary Secretary to the Minister for Defence) (5.49 p.m.)—I note that Senator Brown has scuttled from the chamber and is not willing to listen to this debate, even though he has made an allegation against the minister. The Natural Heritage Trust has been a great success, and for a Green senator from Tasmania to try to deny the benefits that have come to his home state, be it at King Island or Geeveston, is a bit rich. Sewage used to be disgorged into rivers and the sea, but with proper Coastcare and a Clean Rivers program it is now being put back onto the land, be it at Orielton, Brighton or Oatlands. These are all wonderful environmental outcomes that Senator Green, because of his blinkered vision on this, refuses to acknowledge. Senator Brown—

Senator Hogg—You got the right colour that time!

Senator ABETZ—Yes. I will take that interjection—very droll, Senator Hogg. Can I simply say that Senator Brown’s denigration of the Natural Heritage Trust will come as a great shock to the numerous volunteers in Tasmania who have done a wonderful job in fixing the environment. They are actually getting their hands dirty and doing something of benefit.

The PRESIDENT—Order! The time for this debate has expired.

SENATORS’ INTERESTS

The PRESIDENT (5.50 p.m.)—I wish to make a statement about the registration of senators’ interests. Recently there have been
press reports relating to circular letters from
the secretary to the Standing Committee of
Senators’ Interests purporting to give unsolici
ted advice to all senators about the accept-
ance of hospitality associated with the
Olympics. I have been asked to present rele-
vant documents to the Senate and to indicate
my view of this matter. I table a letter which I
wrote to the Chair of the Standing Committee
of Senators’ Interests and an advice which I
have received from the Clerk of the Senate.

As my letter and the advice indicate, the
rules of the Senate require only that senators
register any gifts or hospitality in the register
of senators’ interests. The rules do not cover
acceptance of invitations by senators—that is
a matter for the judgment of individual sena-
tors. There is no basis for the registrar of
senators’ interests and the secretary to the
committee to be circularising senators on the
invitations they should accept or on any other
matter without the approval of the commit-
tee. Any advice to senators about the registra-
tion of interests should come from the commit-
tee, should be properly approved by the commit-
tee and should be signed by the chair of the
committee. I understand that senators have
some concerns about invitations associated
with the Olympics, but I would hope that all
senators would be agreed on the need for
proper observance of the rules of the Senate
and due committee processes. I table the let-
ters referred to.

Senator FAULKNER (New South
Wales—Leader of the Opposition in the Sen-
ate) (5.52 p.m.)—Madam President, I seek
leave to move a motion in relation to the
statement.

Leave granted.

Senator FAULKNER—I move:

That the Senate take note of the statement.

I will make a brief contribution on this par-
ticular issue. The statement and the letters
that you have tabled this afternoon, Madam
President, relate to various advices from the
Clerk Assistant (Corporate Management) on
the issue of the propriety of senators accept-
ing invitations to the Sydney Olympic Games. Serious issues of process have
emerged. It is the contention of the opposi-
tion that such advice should have been pre-
sented to the Senators’ Interests Committee
for ratification before being circulated to all
senators.

The Senate has adopted a regime for the
declaration of pecuniary interests and gifts,
and the Senators’ Interests Committee has
regularly reported and updated the interpre-
tation of those rules. There is little doubt that
the Senators’ Interests Committee would
have wanted to examine the Clerk Assistant’s
guidance before it was issued to all senators.
It is also the strong view of the Clerk of the
Senate, Mr Evans, that a more appropriate
process would have been to have the com-
mittee examine these issues.

I understand that it is the intention of the
committee to examine these matters but that
scheduling difficulties mean that that will not
occur until tomorrow afternoon. It is obvious
that hospitality associated with the Olympics
is quantitatively different from the usual cor-
porate and official hospitality extended to
senators, nearly all of which does not reach
the $200 threshold for declaration. Nearly all
Olympic hospitality exceeds the threshold.

The opposition has reservations about the
advice offered by the Clerk Assistant (Corpo-
rate Management). The tone verges on im-
pertinent. The content is predicated on the
assumption that senators are gullible. We
reiterate that it is the task of the Senators’
Interests Committee to provide broad guid-
ance to all senators about their behaviour in
regard to matters of pecuniary interest. It is
not the role of the Registrar of Senators’ In-
terests. The registrar has an important role,
and that is to provide guidance to individual
senators when it is requested.

For the record, I also state what the oppo-
sition’s view is on members and senators at-
tending the Olympics. Shadow ministers will
not be accepting corporate hospitality at the
Olympics. Backbenchers may do so at their
own discretion but must, of course, fully
comply with the declaration processes of the
parliament. We would encourage all parlia-
mentarians to respond positively to official
invitations from such bodies as the Com-
monwealth government or the New South
Wales government, the Australian Olympic
Committee, SOCOG and other official bod-
ies. We note that federal ministers will be
attending the games in two government super boxes, one at the Olympic Stadium and one at the Superdome, and we note the commitment that was given at Senate estimates committees that full lists of attendees will be furnished.

Madam President, most of the controversy about Olympic attendance could have been avoided if the Special Minister of State, Senator Ellison, had responded with clear and unequivocal guidelines on these matters in a timely manner. Requests for such guidance that were made earlier this year I do not think were dealt with expeditiously. The first such guidance to senators from Senator Ellison was dated 15 August and it is circular 2000/020. This guidance was vague. It lacked positive direction and was in parts, frankly, gobbledygook. Following adverse media coverage, a second circular, 2000/Min 25, appeared. I assume the minister had been counselled by the Prime Minister, but this missive endorsed the right of office holders to accept corporate hospitality but not associated travel and accommodation expenses.

Had the minister provided explicit guidance, much of the controversy and much of the confusion on these matters would have been avoided. I must say to the minister who is in the chamber—through you, Madam Chair—that we expected better of the minister on this issue, particularly given that he has one of the smallest workloads of any minister in the government. But regrettably, on this occasion, indecisiveness, timidity and muddle-headedness have become yet again clearly the hallmark of the minister.

Senator ELLISON (Western Australia—Special Minister of State) (5.59 p.m.)—Firstly, in relation to the Clerk Assistant and the comments made with respect to matters touching on the Olympics and senators, I say that I have made my position quite clear. The Clerk Assistant has responded by saying that I did have it wrong; he was free to send out that note. I do believe that, in fact, the matter does rest with the committee. I agree with what the opposition says. The committee is going to meet in the near future and deal with the matter accordingly, and that is an appropriate course of action.

Can I refer to the other matters raised by Senator Faulkner. The circular that Senator Faulkner refers to is dated 15 August. One was sent out to ministers and parliamentary secretaries; one was sent to all senators and members—and that one was just over two pages long; one was sent to opposition office holders and shadow ministers; another was sent to the Leader of the Australian Democrats and Deputy Leader of the Australian Democrats; and one was sent to the Presiding Officers. They were different in their content, and for good reason. Obviously ministers and parliamentary secretaries have different roles to play than backbenchers. Other office holders—shadow ministers, et cetera—would have similarly different roles to play. Then, of course, there is the more general application of the Olympics and Paralympics to all senators and members.

That circular outlined what the entitlement was in relation to travel, and the guideline or determination was reprinted for the benefit of members and senators. It then dealt with travel for parliamentary and electorate business. It referred to the Remuneration Tribunal, which in the past has decided not to define the concept of ‘parliamentary and electorate business’ for obvious reasons—and it is not the role of the government to take that to any extent which would be in conflict with what the Remuneration Tribunal has said. The next part of the circular dealt with travel for official business; it stated the rules. For instance, it reads:

In relation to travel by a spouse or nominee, the rule is that provided the person is accompanying or joining the Senator or Member, and provided the travel is within the cap of three interstate visits per annum, then the travel may be undertaken at Government expense.

That was, with reference to spouse travel, there was a travelling allowance, and it set out the circumstances in which travelling allowance could be claimed.

The final paragraph said, ‘Look, if you’ve got any aspect of this circular that you want to query or take up, then you’re free to telephone your account manager or the special adviser, John Gavin’—a man of long standing in the Ministerial and Parliamentary Services Section of the Department of Fi-
nance and Administration. That invitation was made to all members and senators.

The government does not accept that that was confusing or gobbledygook, as stated by Senator Faulkner. This is an area which has been the subject of much discussion, both whilst this government has been in power and during the course of the previous term under the previous government. It has been the subject of many discussions at estimates committees that I have been involved in. The problem is that, the more precise you get in the exhaustive definition or list of definitions, the more you discover that you exclude quite legitimate activity. This has always been the problem, because the tasks and duties of senators and members are diverse. In a modern society, they keep on evolving; they become more diverse as time goes by. I would venture that today’s senator or member of parliament has quite a different role to that of 20 years ago. So, to give a set definition of what is in and what is out is very difficult indeed. At the end of the day, it does really come to the judgment of the individual member or senator. But in exercising that judgment we have available assistance from the department, which I would say is experienced—very experienced—and only too willing to help.

The question of the second circular was raised in relation to the circumstance dealing with ministers and parliamentary secretaries. That was a subsequent circular, and that came about as a result of obvious publicity that there has been. The government made a decision, quite a clear decision, that ministers and parliamentary secretaries would be free to accept some hospitality. However, there were limitations placed on that. I think the government quite rightly responded to a situation that had arisen. There was no afterthought in that; it was dealing with a situation that had arisen and it was quite properly dealt with.

As to the question of timing, I can say that it is true that Senator Faulkner had raised this matter with me previously—some time previously. It is I think in these circumstances always an issue of whether you issue a notice earlier or later. But I can just say this: several months ago, members and senators were not focusing their minds on the Olympics—far from it. It was only in recent weeks that the Olympics began to feature in this regard—and I mean insofar as the entitlements of members and senators are concerned. I can say that by the amount of inquiries that my office was receiving. I think that, if you put out a circular too early, you run the risk of it being overlooked. In fact, I can tell that many times we have put out circulars people do overlook them. There would not be a senator or member around that I can think of who has not overlooked a circular at some stage or another—and I have done it myself—because there are so many of them. So I would say that the issuing of this circular a month before the Olympics is appropriate.

What we have offered in relation to advice to the various backbenchers and members, and to the various office holders, has been appropriate—and we have offered different advice because, obviously, when you are looking at someone who is a shadow minister, he or she is very much in a different position to a normal backbencher. The Presiding Officers, too, are in a different position, because they have different duties to fulfil.

I received a letter from the Clerk of the Senate which sets that out, and I think it sets out the position very clearly, saying that the registration of senators’ interests, which is made pursuant to those resolutions which were passed by the Senate, is in fact a different sort of question, if you like, to the entitlements or whether one accepts an invitation to attend the Olympic Games or Paralympic Games. In so far as Senator Faulkner has mentioned the Committee of Senators’ Interests, the government does not take issue with that. I notice Senator Abetz is in the chamber and he might have a comment to make because he is actually a member of that committee.

Senator SCHACHT (South Australia) 6.07 p.m.—Mr Acting Deputy President, I rise to speak on the motion to take note of the statement by the President. I have to say, after reading the President’s statement and the attached correspondence from the clerk on this matter, I think it is a very good response indeed and one that I would support.

The main reason I am rising to speak—normally I would not have because I certainly
believe that Senator Faulkner, on behalf of the opposition, has succinctly summed up the position of the opposition, which I fully support—is that back in the early nineties, in this chamber, I and particularly the then Senator Coates raised a number of issues about public comments made by Senate staff that could be easily seen as being comments about political activity. Senator Coates felt very strongly about that and he made a speech in the Senate. He pointed out the difficulty was that he could speak about it, but the clerks of the Senate could not have speaking rights et cetera. He was roundly criticised by members of the then coalition that he was actually attacking the clerks in the Senate. He tried to point out that he was raising what he thought was a substantial issue at the time. I supported him in that and I had raised similar issues.

At the time, we tried to stress that this should be the issue of the performance, and the public comment and material that Senate senior staff may make in the public domain should be treated very seriously because, you never know, it might be all right if you take the partisan view that if some of those comments appear to favour one side or the other you might cheer, but sooner or later it might come back to haunt you and the comment could be actually seen as a difficulty. I accept the fact that it is the function, particularly in this chamber, that often the Senate senior staff provide information that is more useful to the opposition because the opposition, whoever they may be, do not have all the resources of government—and I think that is a natural activity which I support. Now that I am in opposition, unfortunately, I can see that relying on the clerks for a lot of advice is absolutely necessary. However, that is formal advice in the function of the operation of the members of this place.

At that time I felt that—and I said it privately to a number of members of the coalition—you might think it is all right now but if you are in government you might have a different view. And of course this latest episode of the advice provided by the Clerk Assistant (Corporate Management), in circulars to all senators, which then became public and was published, could be seen as criticism of the performance of the government and the minister, Senator Ellison, by providing advice about the acceptance or non-acceptance in whatever form of corporate hospitality at the Olympics. To me, in a sense, it proved the point that Senator Coates and I made way back in the early nineties, that the Senate staff have to be extremely cautious about making any public comment that is outside the absolute direct requirements of resolutions of the Senate or the standing orders of the Senate because as soon as they do someone may object and say that is directly or even indirectly an adverse comment about a particular senator or a group of senators. I do not think that Senate senior staff should in any way put themselves in that position. I took that position in 1991-92. I think it was; I take the same position today even though I am in opposition and, as I say, the letters circulated may actually be more comforting to the opposition as they could be interpreted as embarrassing the minister.

I have been consistent on this—in the estimates hearings of 1996 or 1997; I raised issues with the President about articles the present Clerk Assistant (Corporate Management) was then writing in the Adelaide Review. They were articles about politics which could have been interpreted as having a particular view about how he saw politics operating. Again, I had to point out, I did not think that what was appropriate in view of the senior position the Assistant Clerk held, and he could have been interpreted as having a particular view.

I had the same comment back in the early nineties about articles that the present Clerk of the Senate wrote about preselection systems and the operation of the Senate, and again I make the final comment: if you want to be in the political game you have to get elected to make comment like that; you are either outside this place in the general public or you actually stand for election in the Senate and come here and put your point of view. I cannot see how, for the sensible running and absolutely stable running of the Senate, you can have the position where senior staff, even if they have strongly held views, use the opportunity of being identified as a senior staff member of the Senate to make comment,
which we saw in the case of the present Clerk Assistant (Corporate Management). The press were delighted to run the circulars he sent out and made a political point about them, as they were seen as criticising a minister of the Crown. I think that is the difficulty you run into.

I agree with the remarks made by Senator Faulkner about the way the government has handled the issue of hospitality. There have been a couple of revisions. The Prime Minister has made remarks in the House of Representatives changing the position and re-clarifying the position, which has created confusion. Nevertheless, I make the point that senators themselves have to make a judgment about what they can accept and what they cannot accept. They have to declare it and, if they get it wrong, there will be public criticism. I do not believe it is appropriate for advice to be given beforehand in a way that could be considered, as Senator Faulkner said, to be cheeky, almost implying that senators themselves do not know the difference between what is ethical and what is not ethical. I think that was unfortunate in those circulars.

The point I conclude on is that, for the record, I will be going to the Olympic Games for two weeks. I am President of the Australian Volleyball Federation and, because I hold that position, not because I am a senator, the Australian Olympic Committee will provide me with accredited passes to attend every volleyball session, both beach and indoor, for two weeks. It means that I will be well and truly volleyballed out by the end of the period. The AOC believes it is appropriate that the presidents of all national sporting federations in Australia, as part of the Olympic team, be present at all events wherever possible to help host international guests, et cetera. We will not be in corporate boxes—I will not be, personally—but just available. I understand that is what everybody else who is the president of an appropriate national federation will be receiving. I think I will also be offered a pass to what is called the Olympic Club, where athletes and parts of the Australian team will celebrate, we hope, the many victories and gold medals. I will be making the appropriate declaration on that, but I do not believe any of the things I will be provided with fall within the definition of corporate hospitality as such. All the other costs of my going to the Olympic Games will be borne by me and my wife at considerable expense to our budget.

Senator ABETZ (Tasmania—Parliamentary Secretary to the Minister for Defence) (6.17 p.m.)—The Committee of Senators’ Interests was set up to deal with the issues of gifts to senators and declarations by honourable senators. The committee has a secretary. The secretary also has the role of being registrar of the register of senators’ interests. The role of secretary is akin to that of executive officer to the committee and the Senate. It is appropriate for the secretary to give advice and personal views to the committee for its consideration and ultimate refusal, acceptance or indeed amended acceptance. The officer at the centre of this issue is an officer whose advice I, as a committee member, value. I am sure I speak for the whole committee when I say that, but ultimately it is for the committee to determine whether that advice is accepted. It is ultimately for the elected members of this Senate to determine whether advice is accepted or rejected. It is, with respect, not appropriate for officers of this place to usurp the role of the committee or this place. The day officials face the electorate is the day that they can take on our role. I want to stress that this is not an issue of whether the advice in this circumstance is right or wrong—and, with respect, I believe it to be wrong, bordering on patronising and prepared without the professional detachment which I had come to expect from this officer. Can I simply say that this is not an issue of whether the advice is right or wrong but simply whether or not it is appropriate for that sort of advice to be circulated without having been given the imprimatur of the committee.
I conclude by saying that I have read Senator Ellison’s circulars and they were very clear to me. I do not think there was any gobbledegook in them or anything of that nature, as described by Senator Faulkner. They are clear. Whilst I accept that the opposition wanted to take a swipe at the government on the way through, the actual principle that we are discussing is one on which the opposition and the government are in agreement.

Senator ROBERT RAY (Victoria) (6.20 p.m.)—I think we should make it quite clear today that, in discussing this issue, we are not being at all critical of the behaviour of members or of the chairman of the Committee of Senators’ Interests. What we are trying to do—and I think there is broad agreement across the chamber so far—is say that it is for the Committee of Senators’ Interests to assist senators to make judgments about what sort of hospitality, be it corporate or official hospitality, they are entitled to take and the way they respond in terms of declaring it. That should always be the situation. I was grateful to Senator Schacht for reminding us today that it is always difficult to be critical of the behaviour of any of the Senate employees where they do not have the right of response, so we always try to constrain it and make the criticism as constructive as possible. But here we faced advice that seemed to flood in on my email on a variety of occasions. I did not get the advice of 31 August until it was re-emailed. The moment I read it, I sensed that this was trespassing on the normal comity between senators and Senate officials. That sense of unease has continued as more and more missives have come out indicating how I should behave.

It is up to us to determine how we should behave. We are judged by the electorate. If we are put in a compromising position or fail to have the proper ethical standards, we lose our seats, we lose our preselection or—even worse than those two things—we are subjected to ridicule, and our own ego driven political approach suffers a major setback. We have made it clear today that we expect the sort of advice that has come out to go to the committee first and then to come to us. Whatever has been produced by various clerk assistants may emerge unamended as advice to senators. I would also like to reinforce Senator Faulkner’s point of view: there is a role for the Registrar of Senators’ Interests to play in responding to individual requests by senators for guidance, which is private. I could have sought guidance on any aspect of this from the registrar, and I would have appreciated it, but that is of a different nature from circulating a very general view.

Senator Ellison and Senator Abetz took some umbrage at our criticism of the circulars. Senator Ellison said, ‘At the bottom of that letter you will see that you could have rung X or Y and got guidance.’ I appreciate that he put that at the bottom of the letter. I certainly availed myself of that—not just for personal reasons but also for various colleagues. I sought advice from senior officials in the department, and their advice was very good. Their advice seemed a lot clearer than the circular, especially in terms of business—not so much official business as what constitutes parliamentary business. I did not seek that in a written form. Nevertheless, I availed myself of the part of Senator Ellison’s letter that said that you could ring up and further explore these issues. I believe the department discharged its duties in terms of my queries very well, and I was then satisfied. But, as much as Senator Ellison and Senator Abetz may wish to deny it, I found that letter immensely confusing, and I thought it lacked inspiration. It did cover what was in the Remuneration Tribunal—I acknowledge that—but the guidance could have been a lot more precise. Senator Ellison says, ‘If you get too detailed, you have to cover every option.’ I understand what he is saying: you cannot be prescriptive for everything. But, in this case, an earlier advice—I do not think senators always lose circulars—and one that was just a little more detailed would have been of major assistance.

I turn to the serious issue of corporate sponsorship. Every senator who accepts any form of corporate sponsorship, be it entry to a sporting event or a cultural event—or, indeed, every senator who accepts airline subsidies from various lobby groups to go and pursue their interests—must make the judgment themselves as to whether they are compromised. I have very little doubt that people
do take that duty seriously and that, if they think they will be at all compromised or inhibited in doing their parliamentary duty, they will not accept such an offer of hospitality. But it is very much up to the individual ethics of a senator or a member of the House of Representatives as to what they may or may not accept.

In these circumstances, the Labor Party have a slightly different position on corporate hospitality at these Olympics from that of the government. But we are not saying that the government is wrong. We are just saying that, with shadow ministers and their specific role, we would deny them corporate hospitality at the Olympics. In at least one case, one of our shadow ministers accepted corporate hospitality at the Olympics, not knowing—having missed that particular shadow ministry meeting—that was the guidance. The moment his attention was drawn to that being the guidance, he handed the hospitality back. That is to his credit. But there are different roles for shadow ministers and ministers in responding to corporate hospitality at the Olympic Games. We recognise that. We recognise that the government has said, ‘There is a quantitative difference’—as Senator Faulkner indicated—‘between Olympic hospitality and going to the Boxing Day test match or whatever else.’

The government has sought to limit that by saying, ‘You can accept a ticket and whatever meals are provided but not accommodation and not travel.’ That has brought it down from what people were assuming would be a package of over $5,000. Whilst it has not drawn it into line with other forms of corporate hospitality, it has minimised the risks involved. It is also obvious that this falls harder on a government than an opposition. A lot of ministers will be expected to be at the Olympics hosting overseas visitors associated with their portfolios. That is one of the reasons they have organised tickets—especially in the trade area and also to the boxes of the two key stadiums. But, even then, the potential for their misbehaviour—that is, making a meal of it and not actually working—is massively reduced by their commitment to say that they will release the lists of who was in the boxes on any particular day. They do not have to say what their purpose was, but you will be able to draw conclusions when you see the Minister for Trade there with the minister for trade from another country. It is quite obvious that that is the ideal environment in which to establish a rapport and relationships that will be valuable to Australia in the future. Partly, the controversy here is due to the Australians’ love of knocking politicians—and I do not knock it: ‘Don’t accept any hospitality or anything else, because you are politicians and you are venal,’ and all the rest. I do not believe that is the case.

The record of probity of the Australian federal parliament compared with any state parliament in this country or any country overseas is beyond doubt the best. We do not always agree on this, but we need to keep the scrutiny up. When errors are found, this parliament has been willing to expose them and has not hesitated, when any parliamentarian has strayed, to expose and prosecute. But when you look back, how often can you remember a frontbencher in this parliament behaving corruptly in the sense of being on the take? Virtually never. Yet when you compare that with a lot of other parliamentary performers around the globe, they do not measure up as well. That is not to say that any of the ministers that may have accepted corporate hospitality are going to be in some way corrupted by it. I do not believe that that will occur.

In summary, we believe that this matter is best dealt with by the Committee of Senator’s Interests—and I hope they can tackle that in the next few days—and that, in future, we take note of the views of Mr Harry Evans, the Clerk of the Senate, who is encouraging committee secretaries to slop this stuff through committees and not leave themselves, however well intentioned, open to criticism in this chamber or outside.

Senator BROWN (Tasmania) (6.31 p.m.)—I have listened carefully to the contributions, in particular to Senator Ray’s, which was, as ever, very thoughtful and incisive. But I do not agree. I do not believe that cor-
porate donations, which come thick and fast these days, do not affect the thinking of politicians any more than I believe that gifts do not affect the thinking of other people in the community. I believe that they are subtly, but very significantly, influential and, moreover, that that is what they are aimed to be.

I am one senator who is very grateful for the advice that the Clerk Assistant has offered to senators. The Olympics present a very unusual situation in which many senators are being offered various opportunities. It is important that, in that circumstance, senators be given careful, balanced and conservative advice. It is for want of advice from other sources that we have to thank the Clerk Assistant. I want to read the confirmation of his advice, which came out yesterday. Mr O’Keeffe said:

It may avoid confusion if I correct an erroneous impression about the nature of the guidance I have given senators about the Olympic hospitality issue.

On 4 September 2000, the Special Minister of State, the Hon. Chris Ellison, referred in the Senate to my comments of 1 September on the government circular of 29 August approving ministerial acceptance of free gifts and hospitality at the Sydney Olympics.

Senator Ellison said, ‘the advice from the Clerk Assistant concerned was not approved by the Committee of Senators’ Interests and was subject to approval’. With due respect, this is incorrect.

I have provided senators with three papers referring to possible conflicts of interest that may arise from acceptance of expensive Olympic gifts and hospitality from corporate sponsors. Each has been prepared in my capacity as Registrar of Senators’ Interests. For almost five years, I have, in that capacity, provided senators with similar guidance on a range of matters. This guidance has also been provided to the Committee of Senators’ Interests, and usually included in the Committee’s annual reports.

The guidance has ranged from information about the Senate resolution to written advice about the meaning of conflicts of interest. None of this guidance has been expressly ‘approved by the committee’.

The modus operandi of the Committee and my role as Registrar of Senators’ Interests did not require it. That might, of course, be otherwise were the committee to alter its modus operandi, reject the guidance I have given or otherwise change its approach. That has not happened in almost five years, to date.

In that context, therefore, I have a duty to offer senators guidance, to the best of my ability, and without fear or favour—the response senators expect from advisers, as the Australian community in turn expects it from them.

I therefore repeat my advice, which is no more than that senators, who must ultimately make their own decisions, run the risk of harming the standing and reputation of themselves and the institution of the Senate in accepting certain expensive corporate free gifts and hospitality at the Sydney Olympics.

It may adversely affect the public’s belief that elected representatives are above venality and blandishment, that they hold office without fear or favour in the public interest, and that they are neither to be trifled with nor compromised by expensive corporate indulgence that ultimately insults their standing as public officials under the Constitution.

That is the gravamen of my advice. Until relieved of my duty to give it, I will continue to give it, on the basis that that is what senators expect. Please let me know if I can assist you further with this.

I am one senator who expects it. I understand that the Clerk Assistant is effectively being silenced from further participation in this matter, and I understand the arguments that have been put by both sides of the Senate. But sometimes the courage of public officers does us all a favour. Mr O’Keeffe has not directed his advice to any particular senator; he has given it to all of us. It is darned good advice. As part of his advice, under the heading, ‘Application of these considerations to the Sydney Olympics’, which is the ethics of accepting gifts, he says:

The Sydney Olympics are an event of major significance in contemporary Australia. They will concentrate the nation’s attention and enthusiasm intensely. They will be an occasion of spectacle and drama at which most Australians would wish to participate—if they could afford to, or if the opportunity to do so was carefully facilitated and provided for free.

As an event of international significance, the Sydney Olympics will also be a forum for business, diplomatic and political exchanges. The Commonwealth Government has made arrangements to use this forum, at Commonwealth expense,
through the purchase of corporate boxes at various avenues.

The expenditure of public money for the sole purpose of the personal entertainment of ministers would not be in the public interest. It would almost certainly be unconstitutional under section 48 and 51 (xxxvi) of the Constitution, and the Parliamentary Entitlements Act 1990. The intent behind, and the planned use, of the Commonwealth's corporate boxes must be, primarily, Commonwealth business.

Further down, Mr O’Keeffe goes on to say:

Senators ... will be offered free sponsorship, hospitality and gifts at the Sydney Olympics by various non-government organisations, principally corporations. Packages of such benefits have been prepared, and some parliamentarians have been carefully chosen to receive them.

Identical principles to those set out above can be applied to analyse the nature and purpose of some offers of sponsorship, hospitality and gifts to senators ...

The offer of sponsorship, hospitality or gifts from corporations may be said to have the purpose, mutually understood, of advancing the private interests of the corporation through those senators ... whose political or parliamentary roles may, in the judgment of the corporation, contribute materially to those private interests.

A corporation’s disavowal of such a purpose, and a parliamentarian’s insistence on being untouchable, may not totally remove negative perceptions of these kinds of benefits.

Surely Mr O’Keeffe is right. I have heard the contrary argument just put, but I do not accept it—that is, that corporate gifts can come the way of ministers or parliamentarians in general without influence. I simply do not accept that. We are human beings, and when corporate largesse comes our way we are favourably influenced by it. To not be so takes a very strong intellectual override, and I ask why we should put ourselves in the position of having to make that override.

This is an extraordinarily complex issue, and nobody is above reproach—that is, not just parliamentarians but everybody in the community. But we are in a special situation here, and the Clerk Assistant is giving us timely advice. What a brave man. What a good man. What a timely piece of advice to be giving us. I thank him for it. In summary, Mr O’Keeffe says this:

The Senate resolutions require only written and oral declaration of interests such as sponsorship, hospitality and gifts. They are silent on the question of whether a senator should accept such personal benefits. The answer is a matter of personal judgment about ethical behaviour. Because personal benefits are not given unconditionally, the wrong answer may cause political controversy and undermine public confidence in the office of senator.

A prudent course for an office-holder to follow may be to decline any gift or other personal benefit offered because the person holds the office of Australian Senator ... If such acceptance could reasonably be seen to undermine their integrity or compromise their objectivity in taking decisions in the national interest.

I will tell you what has happened here: the registrar has given all of us advice which is making some members who will be accepting Commonwealth or corporate sponsorship very uncomfortable. But none can say they have not heard the advice. None can say that in taking gifts they will not be influenced. That is my comment. When you take a gift you are influenced. If a member of parliament gets up and says that is not the case, then I think she or he has lost a sense of their own vulnerability. A previous speaker said that Mr O’Keeffe’s advice was patronising. I think that belies the advice itself. If somebody can fault the advice of Mr O’Keeffe, then let us hear it. I think his advice is spot-on.

Moreover, I would take this opportunity to say that the committee which looks after the register of senators’ interests is made up of members of this chamber. It is time we had an independent look at what comes to parliamentarians. We have an independent Remuneration Tribunal. I believe we should have a more independent say on the gifts and largesse that come to MPs. I think we should put it at arms-length—I do not think we would be in this difficulty now.

I do not want to see Mr O’Keeffe made a scapegoat for the discomfort that some members may feel from the advice that he has given. If it makes all of us more cautious in our approach to the largesse that is flowing in all directions in the run-up to the Olympics, then we have to thank him for it. I will watch this matter carefully. I understand the argu-
ment that the clerks and the staff that we have—who give us such terrific service—have to be cautious, but I thank them when they are courageous. I do not think they should be cowed by the sorts of bipartisan criticism that can come down on their heads when they give advice, in good faith and in the wider interests of the Senate—which is that none of us should be found wanting in the way we perform our duties on behalf of the public.

Question resolved in the affirmative.

DOCUMENTS
Auditor-General’s Reports
Report No. 9 of 2000-01

The ACTING DEPUTY PRESIDENT (Senator Calvert)—In accordance with the provisions of the Auditor-General Act 1997, I present the following report of the Auditor-General: Report No. 9 of 2000-2001—Performance Audit—Implementation of whole-of-government information technology infrastructure consolidation and outsourcing initiative.

Senator LUNDY (Australian Capital Territory) (6.44 p.m.)—by leave—I move:

That the Senate take note of the document.

We are at a point in time where a most serious indictment of the conduct of Minister Fahey has been exposed with the tabling of this document. It is, as you have just heard, an ANAO report into the whole-of-government information technology infrastructure. Given the constraints of time, I would like to apply what I think is a report card on the coalition government’s efforts on IT outsourcing. In doing so, I will provide just a fractured background in that this IT outsourcing program began back in 1996 but, as yet, this report relates to only three of the major contracts having been released.

There are five measures in my report card by which I would like to test the results of this ANAO report and the coalition on this evening. Those five areas include the management of the IT outsourcing program, the alleged savings by Minister Fahey, the industry development promises that were made, the relative ability of vendors to achieve contracted service levels and a privacy test as to whether privacy has been achieved. In providing this report card—and I will go through these areas in detail—it is very clear that many of the criticisms I have made in the past have been absolutely vindicated by this document this evening.

Firstly, on the management of the IT outsourcing program: originally estimated at $13 million, those costs have now blown out to $33 million. According to this report $25.78 million of that has gone to one particular strategic adviser—an incredible cost blow-out in the management of an initiative that taxpayers have funded. Interestingly those adviser’s costs were paid in US dollars and are the equivalent, in terms of actual cost and the time spent, to a salary of about $1.7 million per year. So on the first test on the management of the IT outsourcing program the government fail, and they have cost taxpayers $25.78 million.

Secondly, on savings: the claimed savings presented by Minister Fahey relate to budget cuts. In the 1997 budget Minister Fahey stood up and said they anticipated saving $1 billion over seven years. What has happened to that claim? Not only has that claim diminished to about $268 million but in fact this report demonstrates those agencies and departments were not able to achieve the savings up to that point. They did not break even with respect to the budget cuts applied by Minister Fahey. In fact the shortfall and the net cost to the three grouped contracts let—group 5, cluster 3 and the tax office—was in fact $24.6 million. With respect to those savings, the CSE contract for cluster 3 achieved only 80 per cent of the budget cuts, so it is still 20 per cent in the red. With respect to the tax office, only 51 per cent of the claimed measures were actually achieved, resulting in a shortfall of some $50 million. Finally, with respect to group 5, a mere three per cent of those alleged savings were actually pursued in the end by that department, resulting in massive shortfalls for those agencies across that period of time. When you look at the total spend of the public purse on these contracts of $330 million that have been outsourced, this is a grave indictment, and the lack of accountability by Minister Fahey needs to be drawn to the attention of the public.
The government also failed on the industry development front with the group 5 contract, with only six per cent of that work going to SMEs and not the promised 10 per cent. They also failed to achieve contracted service levels, with the ATO suffering financial penalties of $1.1 million, cluster 3 suffering penalties of $2.4 million and group 5 suffering penalties of $960,000, representing a massive 18 per cent in terms of failure to achieve contracted service levels. Finally, on privacy: full security certification is not yet obtained in line with contractual requirements for cluster 3. We do not know whether this means there is a breach of the 1998 privacy act; we do not know if that contract complies with the required legislation on privacy that applies to Commonwealth government agencies. This was a concern raised right at the start, and they have failed to satisfy on these five points.

I seek leave to continue my remarks later. Leave granted, debate adjourned.

Department of Employment, Workplace Relations and Small Business

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (6.50 p.m.)—I move:

That the Senate take note of the document.

In speaking to the report of the Department of Employment, Workplace Relations and Small Business into the operation of the Workplace Relations Act over the years 1998 and 1999, I would like to focus on the impact of this legislation on young workers. Earlier this year the Democrats were successful in preventing the spread of youth wages to Australian workplace agreements. Our reasons for doing this were twofold: first, our principled opposition to discrimination on the basis of age and, second, our recognition that AWAs are not the most appropriate workplace instrument for young workers.

This report confirms the Democrats’ concerns in relation to the latter issue. It reveals that young workers have less access to workplace rights and protection under Australian workplace agreements than under collective agreements. Young workers under collective agreements enjoy far greater access to provisions relating to occupational health and safety, termination change and redundancy, equity and employee representation than young workers on individual agreements. The government has made it clear that it is not interested in protecting the rights of young workers, first, by denying them pay equity—and this is of course with the support and complicity of the Labor Party—and, second, by trying to push them into agreements which undermine their workplace rights and conditions. Access to occupational health and safety protection must be provided.

Young workers under collective agreements have greater access to occupational health and safety measures, such as safety training, protective clothing, top-up workers’ compensation or even general commitments to OH&S principles. They also have greater access to redundancy and termination provisions, such as consultation in the event of termination; better conditions upon redundancy or termination, such as pay-out of long service leave or unused sick leave; and access to income protection schemes. They have greater access to carers’ or personal leave than young workers on individual agreements. Young workers on individual agreements have less access to equity provisions, which include mechanisms for resolving staff complaints about workplace issues, affirmative action, commitments to pay equity, cultural or ceremonial leave, access and equity measures for disabled employees or equal employment opportunity mechanisms.

It is clear from this report that the overwhelming majority of young workers who remain under collective bargains have made the right decision. The greatest disparity in protection revealed by this report relates to employee representation. While 94 per cent of collective agreements contain provisions allowing for employee representation, such as the right of entry for a union or provision for union dues deduction from wages, only 10 per cent of individual agreements contain similar provisions. Young people are often the least able to represent their concerns effectively in workplace agreement negotiations, and this report demonstrates that they have the most to gain from having some form
of collective representation. This is not to say that young workers under collective agreements are faring exceptionally. The report finds that, in the years 1998-99, young workers achieved lower wage outcomes than adult workers. This low rate of pay increase was reflected among casual workers, who also reported lower wage outcomes than full-time workers.

I would like to conclude my remarks by briefly looking at the issue of pay equity raised in this report. While the report demonstrates that the wage relativity between men and women seems to be closing slowly, this appears to be more the consequence of changes to the composition of the work force rather than wage outcomes, with women workers still achieving lower wage outcomes than men.

Briefly, in reference to the report just tabled—the Auditor-General’s report titled Implementation of whole-of-government information technology infrastructure consolidation and outsourcing initiative—which the Senate did not have enough time to address, the Democrats simply say that the idea of that initiative was to cut costs, and that report clearly shows that it has not; it was to support regional job growth, and it has not; and it was to promote the IT industry, and the report clearly shows that none of those things have happened. It is appropriate that the relevant minister is in the chamber tonight. He might want to address some of those issues at some stage.

Senator LUDWIG (Queensland) (6.54 p.m.)—I seek leave to continue my remarks.

Leave granted; debate adjourned.

Consideration

The following government document was considered:


ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Murphy)—Order! There being no further consideration of government documents, I propose the question:

That the Senate do now adjourn.

Western Australia: Mortgage Broking

Senator LIGHTFOOT (Western Australia) (6.55 p.m.)—I want to speak tonight in the time available to me on the so-called mortgage broking scandal in Western Australia. It was pushed by New Labor. The tragedy is that so many people lost so much money—amounting to several hundred million dollars. The people were mostly self-funded retirees. But the Labor led criticism was not for the benefit of those who lost their money; the Labor led criticism was for the scalps of the Court government ministers and the Court government itself. The deception and the mendacious and malicious cant, particularly of the state member for Fremantle, Jim McGinty, the Leader of the Opposition, Dr Geoff Gallop and others, has to be listened to to be believed. The ulterior motive for political hits has not even gone past the press this time. I admit that the Hon. Doug Shave, in particular, is a good friend of mine—and it does me no damage to say that. He is a great MP. He is the best MP that I have ever been on the hustings with. He is respected by both sides of the house, in spite of this cant in the last year or so from the opposition. He is not without hardship or tragedy in his life either. New Labor is, strangely, led in the most part by the Old Labor stalwarts—the old cabal, the evil old phalanx. They failed in their attempts in the aversive eighties, and they will fail in their attempts to bring down the Court government. In fact, the retired Supreme Court judge, Judge Ivan Gunning, who was charged with bringing a report to parliament, delivered it on the weekend, I understand. It was tabled in the Western Australian parliament at 2 p.m. yesterday, and it exonerates the Hon. Doug Shave. After a year of criticism by the opposition, the Hon. Doug Shave is exonerated. The editorial in this morning’s the West Australian says, inter alia:

It has also—as expected—cleared Fair Trading Minister Doug Shave of the allegation that he intervened in his former father-in-law’s attempt to recover a $100,000 loan.

It goes on to say:

It piles the bulk of the blame on the Finance Brokers’ Supervisory Board, which it finds to
have a narrow view of its responsibilities and to have been ineffectual. A picture emerges from the report of a significant section of the finance-broking industry steeped in questionable practices and showing little concern for investors' interests.

It must be remembered that the Finance Brokers Supervisory Board is, by statute, an independent board—one in which the minister cannot interfere. And there is this:

The report also points to inadequate legislative provisions for consumer protection. This, of course, reflects the failure of governments over the years to establish an effective system of regulation of the finance-broking industry.

Who are the dramatis personae—the Fascisti of Old Labor, if I could so refer to them. I will tell you, but first I will go on with the eighties. Let me refresh your memory on what happened in the eighties. You may or you may not recall the scandal involving Teachers Credit. I had something to do with bringing it down and exposing it to the public in the latter part of the eighties. Hundreds of millions of dollars were lost by Teachers Credit as a result of corruption by not only by the Burke government of the time but also the Dowding-Lawrence governments of the time. Western Women, another child of the Labor government, was established to give women in Western Australia under the socialist view a refuge for their funds. What happened to that was predictable: the ‘Western Women’s Bank’ collapsed with the loss of tens of millions of dollars, which the Western Australian taxpayers had to pick up in part.

What happened in the mid-1980s, at the peak of the avariciousness of that particular era? Petrochemical Industries was bought by the then Western Australian government—that is, the Burke government and the Dowding Labor government—with $400 million or thereabouts of taxpayers’ funds when it was only a concept, and that money was lost. What about Rothwells? The money from the sale of Petrochemical Industries went to prop up Rothwells; that was under Mr Peter Dowding, who was as slippery as a greased pig and should have paid dearly for his part in those scandals but escaped unscathed. He put that money into Rothwells, and it lost hundreds of millions of dollars. Once again, the taxpayer was called upon to prop it up, but not before the Dowding government had said that two of the that two of the government insurance companies were to be used. He rorted in a most evil, despicable and frightening way by milking them of all their assets and all their cash in order to prop up Rothwells. What of the government owned land in the CBD and the government owned Crown land which was also used in a fraudulent manner to prop up these failed businesses? And what about the most awful part of that era—that is, the forced death of Penny Easton, the so-called Penny Easton affair? I find that despicable. This is from ‘New Labor’, which is largely made up of old Labor in Western Australia and their people in the avaricious eighties.

What happened to those actors in that period? What about Dr Carmen Lawrence? What was her reward for leading her party and leading the state in that period? Remember, she was there in 1986, and I joined the state parliament the same time as she did. What was her reward? Her reward was that she became the first female Premier in Australia; she was not elected, but appointed by the caucus of Western Australia. She was further rewarded when, to escape the scandal, she came here and was made Minister for Health under the Keating government. She was further rewarded yesterday when she was again made a shadow minister, this time for industry, innovation and technology. What of other players in that field at the time? What about Mr Jim McGinty, who went from the trade union movement and into parliament in 1990 and has worked very closely with Dr Carmen Lawrence? What was his reward for keeping his mouth zipped up and not exposing the biggest frauds in Australian state history? Mr Jim McGinty for a while was given the leadership; now he has the shadow ministry for the Attorney-General and shadow ministry for justice and fair trade. What a laugh! What about their present enigmatic leader today, Dr Geoff Gallop? What was his reward when he was in parliament in February 1986 at the height of the scandals? What was his reward for keeping his mouth zipped up and not saying anything at the time?

Senator McKiernan—Mr Acting Deputy President, on a point of order: the senator may not know, but standing orders prevent
him from reflecting on a member of another parliament. It is all very fine for him to come in and try to cover up the shonky deals that have been going on that have been a result of the Gunning inquiry in Western Australia, but there will be no cover-up. He will not cover up by reflecting on members of another parliament.

The ACTING DEPUTY PRESIDENT (Senator Murphy)—I would remind Senator Lightfoot that it is correct that the standing orders state that you may not reflect on another member of another parliament.

Senator LIGHTFOOT—I beg clarification on that; I understood it was another member of this parliament.

The ACTING DEPUTY PRESIDENT—No, it is another member of any parliament.

Senator LIGHTFOOT—With respect, and further to the point of order so I do not intend to waste my own time, these issues are well known. They are well publicised.

The ACTING DEPUTY PRESIDENT—Senator Lightfoot, I have ruled on the point of order. The ruling is that the standing orders do say that you may not reflect on another member of any parliament in Australia.

Senator LIGHTFOOT—I accept your ruling of course, Mr Acting Deputy President. What about other leaders? What about the Leader of the Opposition in the Legislative Council of Western Australia, Mr Eric Ripper? His reward, after 18 years in politics going right through the whole period of the Brian Burke, Peter Dowding and Carmen Lawrence governments, was to become Leader of the Opposition in the Legislative Council of Western Australia. What about the Deputy Leader of the Opposition in the Legislative Assembly of Western Australia? He has been there since 1988, and his reward was that he got that deputy leadership. What about the former Labor leader of the Legislative Council, the Hon. John Halden? His reward was that he recently became secretary of the Australian Labor Party in WA, and he has been in parliament since 1986, as I understand it.

It is no good when you try to criticise people to win government. It is no good particularly when you criticise people using nefarious methods to bring them down, hoping somehow that will bring the government down. I have remained quiet on the criticism of the Hon. Doug Shave over this period. I lived through that period in opposition. I lived through that period of opposition in Western Australia. It was singularly the most sordid, most evil and most despicable era of any parliament in Australia. There is no question about that. Neither the Hon. Doug Shave nor the Court government has anything to be afraid of. This report has cleared them, but the people who do have something to be afraid of are the people who conjured and concocted these things up in order to try to win government. I think the press have a large part to play here. A lot of those old journalists have gone, but there are young people here who should be able to write about the truth for the betterment of Australia. (Time expired)

Hill, Ms Jennifer

Senator HOGG (Queensland) (7.06 p.m.)—I rise tonight to refer to a report that was handed down by the CJC in Queensland today. In so doing, I refer to a speech made in this chamber by Senator Brandis on 15 August, in which he said:

What is particularly disturbing in the case of Mr Peterson is the involvement of Jennifer Hill. Jennifer Hill, honourable senators should know, was recently endorsed by the Australian Labor Party as its candidate for the federal seat of Herbert in the next federal election. There is clear documentary evidence to suggest that Jennifer Hill has been involved in activities similar to those which now see Karen Ehrmann in prison.

Interestingly, when the statement was made by Senator Brandis, the member for Herbert, who is doing badly in the polls, I believe, was sitting in the back of this chamber watching Senator Brandis. In a statement I made on the same matter on 29 August, I described the statement by Senator Brandis that evening as being a ‘dirty, grubby, cheap, political stunt’. I went on to say in my statement that I thought Senator Brandis tried to unfairly link Ms Hill to Ms Ehrmann’s illegal activity. I also pointed out quite clearly that I did not in any way support the activity that Ms Ehrmann was involved in and that she had been duly dealt with by the law. But I was surprised by a person such as Senator
Brandis, with his legal background, putting forward such a proposition. So I come now to today's CJC report. I intend to go through that report, which I believe clearly exonerates Ms Hill and clearly shows the troubles that the member for Herbert must have, and knows he has, as a result of the polling in his electorate. Paragraph 52 of the CJC report, under the heading 'Jennifer Hill', states:

Ms Jennifer Hill is a councillor in the Townsville City Council, and is the endorsed ALP candidate for the Federal seat of Herbert in the next Federal election. The allegations concern Mr John Peterson, who lives in Townsville. The allegations as made by others do not correspond with Mr Peterson's version of events, at least as he provided to commission officers. According to the allegations of others:

Ms Hill forged Mr Peterson's signature on an application form to join the ALP.

Ms Hill forged his signature on a letter dated 2 June 1998 addressed to the then State Secretary of the ALP, requesting that Mr Peterson be excused from having to attend branch meetings due to medical problems.

Minutes of branch meetings falsely record Mr Peterson's presence.

So those were the allegations. Paragraph 53 of the CJC report states:

Mr Peterson has been interviewed by officers of the commission. According to what Mr Peterson told them:

Mr Peterson does not accuse Ms Hill of completing his membership application. He maintains that he did not sign the application but he does not know who did.

So clearly Mr Peterson does not point the finger at Ms Hill. The paragraph continues:

He says that he told Ms Hill of his interest in joining the ALP, and that he had told her that he had completed an application form previously but had not heard anything further as to membership.

He received the usual letter of acceptance to membership, which enclosed a copy of the application form as purportedly signed by him, and which also enclosed an ALP membership card.

In fact, he did sign the back of that card, as if intending to assume ALP membership.

Further he did attend at least two branch meetings of the branch in question, so that minutes of those meetings correctly record his attendance.

He did sign the letter of 2 June 1998 to the Secretary of the ALP, in which he sought to be excused from attending branch meetings. He says that some but not all of the letter was read to him by Ms Hill before he signed it. I do not understand him to say that he was unable to read it when it was presented for his signature, or that it was subsequently altered with or without his consent. This incident must be seen in the context of his having actually attended branch meetings within the next few months.

Paragraph 54 of the CJC report states:

So as it happened, he effectively assumed ALP membership: he signed his membership card and attended branch meetings. His grievance is that his signature was forged on the application for party membership. He concedes that the signature does not resemble his signature but he is adamant that it is not his. He does not accuse Ms Hill of signing the application form.

Paragraph 55 of the CJC report states:

Quite apart from the factual basis or otherwise for any suspicion of official misconduct, there is apparently no relevant connection with a unit of public administration or an appointment held therein. The alleged forgery is in relation to an internal ALP document. Insofar as the holder of a public office is identified, it is Councillor Hill. The House of Representatives is not a unit of public administration under the Act, so that Ms Hill's candidacy for that office is irrelevant. If Ms Hill did sign Mr Peterson's application form, she did not do so in purported discharge of her functions as a councillor, and I do not see the conduct as being official misconduct pursuant to s.32(1)(b). Nor would I see that conduct as having a relevant and sufficient connection with her work as a councillor to ground a reasonable suspicion of official misconduct by reference to s.32(1)(a). The conduct is of a different kind from that of, for example, Ehrmann, Foster or Kehoe. If Ms Hill did sign the application form, that was conduct to give effect to Mr Peterson's stated intention to become a member of the ALP, which intention corresponded with his subsequent conduct to act as a member. Importantly the conduct of which he complains did not affect the electoral roll.

I have read the totality of the section of the report referring to Ms Hill so that no-one can say that I selectively read from the report. The allegation that was made against her in this chamber by Senator Brandis was: 'There is clear documentary evidence to suggest that Jennifer Hill has been involved in activities similar to those which now see Karen Ehrmann in prison.' Obviously, from reading the CJC report, that is not correct at all. The alle-
gations that have been made are quite im-
proper and incorrect.

As I pointed out in my statement to this
chamber on 29 August, Ms Hill did not have
access to the same protection that Senator
Brandis now enjoys but, undoubtedly with
the way the polling was going in the seat of
Herbert, it would not be too long before she
would enjoy such protection, and then of
course I am sure she will defend herself ad-
mirably. I think it was quite improper to link
her conduct with that of Karen Ehrmann,
who undoubtedly was convicted by the courts
for fraud. I am the first person to stand up
and condemn anyone who participates in that
form of activity. Clearly, if there are other
charges floating around in the ether, then they
can be dealt with by the appropriate authori-
ties. I think it was quite wrong to target Jen-
nifer Hill in the way Senator Brandis did in
this chamber. I now believe it is an appropri-
ate time for Senator Brandis to correct the
public record.

Wool Industry

Senator WOODLEY (Queensland) (7.15
p.m.)—In the adjournment debate tonight, I
want to refer to a very long and tortuous de-
bate in the Australian rural community,
which has certainly been reflected upon
many times in the Senate. It is the debate
about what to do with the wool industry,
given the various problems that it has faced
over the last 10 years or so. Just to refresh the
memory of senators, I will go back about 10
years when there was a real crisis in the ar-
rangements which had been in place for
many years, which ensured a reserve price
scheme for wool. The reserve price scheme
meant that we were faced with the sale of a
very large wool stockpile. The Labor gov-
ernment at the time commissioned the Gar-
naut report and, to get rid of the stockpile, we
were faced with a fixed release schedule. Wool International was the body that would
sell the wool from the stockpile. That fixed
release schedule meant that there would be a
quarterly sale of a set amount of wool from
the stockpile.

During the last six years, leading up until
about 12 months ago, growers discovered
that, for a number of reasons, the price—par-
ticularly of fresh wool at auction—had been
dropping. That was partly due to the loss of
markets overseas, particularly in China and
Russia, but a case was made out—and this
argument went on for the whole six years—
that one of the reasons for the drop in price of
fresh wool at sale by auction was that there
was a discounting of the price for wool being
sold from the stockpile. This discounted price
of stockpile wool obviously had some effect
on the price which was being obtained for
fresh wool. That debate has gone away. We
know that the Democrats agreed with the
government in 1998, prior to the election,
that there should be a freeze on the sale of
wool from the stockpile. This was followed
by legislation. From that time, there have
been some ups and downs, but there has been
a gradual increase in the price of wool for
sale. The wool from the stockpile has not
been fully sold, but a good part of it has been
sold. Even more so, the stockpile that was in
growers’ hands has also been significantly
reduced.

This brings me to what I want to put on the
record today. It is in relation to some very
interesting goings-on between WoolStock,
the new body which has charge of selling
what is left of the stockpile, and a group
called the Australian Wool Group, which put
in place a company that has made an offer to
buy the whole stockpile and then process the
wool from the sheep’s back, right through the
pipeline, to the production of garments. I
have been very interested in this and have
followed this proposal from the Australian
Wool Group for the last 12 months or so. The
chairman of the group is Nick Greiner, the
former Premier of New South Wales. I be-
lieve that it is a very good offer. I think it is
well worth consideration by growers, because
it would give growers a total say in their
wool from the sheep’s back, right through the
pipeline, to the production of garments.

The Australian Wool Group have tried to
get WoolStock to consider seriously their
proposal, but they have been frustrated at
every point. In fact, I would say that they
have had an extraordinary response from
WoolStock to their offer. They have been
blocked, as I said, at every point, and totally
frustrated. And WoolStock have not even
been prepared to give growers—those who
are now the real shareholders in WoolStock—an opportunity to accept or reject the offer which is being made. Out of their frustration, 120 members of WoolStock requisitioned a meeting of the company and their proposal was that the directors should be replaced. This was a pretty radical move, I have to admit, but you can understand the frustration of the Australian Wool Group at trying to get any kind of fair treatment of their proposal.

This is where the whole issue gets very interesting, because WoolStock then requisitioned a report from Ord Minnett Corporate Finance Ltd into the AWG proposal. Ord Minnett produced a report. The introduction of the letter, which accompanied the report, said:

Ord Minnett has a financial interest in the successful sale of the entire stockpile under the sale process.

It has been quite frank and open that it has been asked by WoolStock to assess another offer, but it has admitted that it has an interest not in another offer but in the current system under which the wool is being sold. So it is involved. It is not independent but has a financial interest itself. It has admitted that.

Now we come to a couple of press releases from WoolStock itself. These press releases are urging the shareholders of WoolStock not to agree to the proposal put by the growers. This is what one says:

WoolStock’s independent financial adviser, Ord Minnett Corporate Finance Limited, has advised us not to accept the AWG offer.

Another press release states:

Following an intense review of bids received for the stockpile by independent advisers Ord Minnett, the WoolStock Board has not been able to recommend any of the offers received.

There is a lot more that ought to be said about this, but I want to just put on the record a number of questions about this issue. I guess these are questions to the government. If I were asking them in question time, I would say: is the minister aware that WoolStock Australia has been describing advice given to it by Ord Minnett as independent, despite the fact that Ord Minnett has a financial interest in the sale of the stockpile and in advising WoolStock on its float on the ASX and stands to reap millions in fees from its commercial relationship with WoolStock? Is the government aware that not even Ord Minnett describes its advice in this as independent? Is the government aware that this seriously misleading conduct has been referred to the ASIC? Will the government ensure that WoolStock publish all documents which are relevant, including the Ord Minnett letter of engagement and instructions—so far kept secret?

They are interesting questions. I believe, whether the government is able to answer them or not, they are certainly interesting questions for those wool growers who are interested in the future of their industry and in the offer of a company which, I believe, has made a very valid and very valuable offer. I would point out that, if we want to inspect the political affiliations of members of that company, Nick Greiner is the chairman of the company and Stephen Loosley, a former senator in this place, is one of the persons who is also representing that company. So it is not a political issue. The questions stand, and I believe they should be answered.

Queensland Labor Party: Racism

Senator BRANDIS (Queensland) (7.25 p.m.)—I wish to raise before the Senate tonight a matter of the utmost seriousness: the climate of racism which prevails within elements of the Australian Labor Party in Queensland. Nowhere is that climate of racism more evident than in recent attacks by Queensland Labor politicians upon the right of members of the Asian community to participate in the political process. A particularly tawdry example of this type of attack was seen yesterday in a speech to the Queensland parliament by an obscure Labor backbencher, one John Mickel, the member for Logan. No doubt Mr Mickel was acting on orders from above.

In his speech, Mr Mickel challenged and ridiculed the right of members of the Asian community to participate in the affairs of the
Liberal Party. He did so in a way which was plainly racist. And, in the best Orwellian tradition, he sought to camouflage his purposes by the political distortion of language. In Mr Mickel’s case, the particular cant expression was the phrase ‘ethnic branch stacking’. His attacks centred in particular upon the Centenary Branch of the Liberal Party.

Senator McKiernan—Madam President, I raise a point of order. My point of order goes to another senator reflecting on a member of another parliament. Clearly, Senator Brandis is repeating the error on this occasion. It is clearly against the standing orders to call a member of another parliament a racist.

Senator BRANDIS—What I am doing is asserting that a member of parliament holds a particular opinion. That is not a reflection upon him. If the opinion is thought by others to be a disreputable opinion, it is not a personal reflection upon the member.

The PRESIDENT—I understood that Senator Brandis said that he had spoken in a racist way, which is not quite the same thing. But I shall certainly listen carefully, Senator McKiernan.

Senator BRANDIS—Thank you, Madam President.

Senator Murphy—Just to clarify what you have said, Madam President: if I understood what Senator Brandis said, he felt that Mr Mickel had this opinion. That is a reflection, I would think, on that member. It is not for Senator Brandis to sit in judgment of another member in another parliament.

The PRESIDENT—That is correct, but it is not what I understood him to have said. But, as I said, I shall listen very carefully to the way the matter is expressed.

Senator BRANDIS—Two years ago the Centenary Branch of the Liberal Party elected as its branch development officer Mr Michael Johnson. He was elected in furtherance of a policy of that branch to reach out to the many Liberal voters in the large Chinese community in that area of Brisbane. Michael Johnson is a Chinese Australian and a leading member of the Chinese community. He is also a highly gifted and talented young man. He graduated in law from the University of Queensland and then did a master’s degree in international relations at Cambridge. Last year he was admitted as a barrister. Incidentally, while he was a student at Cambridge Michael befriended Ethan Lieberman, the son of the American vice-presidential candidate, Joseph Lieberman. He has since been an informal adviser to Senator Lieberman on South-East Asian and Pacific affairs. He plans to spend the next few weeks campaigning in America for the Gore-Lieberman ticket.

In any event, Michael Johnson as the branch development officer, and with the blessing of the Centenary Branch, made it his goal to recruit into the Liberal Party members of the Chinese community. He was very successful. In fact, he recruited more than 200. Not all of them were Chinese Australians, but many of them were. I can but admire Michael Johnson’s efforts. I am the branch development officer of my own branch, the Hawken Drive branch, and I have never been able to get the membership above 23!

The people recruited by Michael Johnson have taken an active part in branch and party affairs. Like all party members, they have done their share of chores in fundraising and as polling booth workers. They are respected and valued party members. The Centenary Branch’s initiative, for which Michael Johnson deserves most of the credit, is a significant reaching out by the Queensland Liberal Party to embrace the Asian community. It is to be applauded.

And what does the Labor Party say? In the Queensland parliament yesterday, Mr Mickel gave a speech in which he ridiculed the right of Asian people to participate in the political process. He said, for instance:

One hundred per cent of the eight delegates who gave their addresses as being in the state seat of Sunnybank are of Asian background.

So what? As anyone familiar with the demography of Brisbane well knows, the suburb of Sunnybank contains the largest population of Chinese people in the city. These people have chosen to join the Liberal Party. What is wrong with that? What is wrong with their being elected as delegates to the party’s convention? What is wrong with their en-
joying the same right to participate in the political process as every other citizen has?

Of course, we know what Mr Mickel was up to. He was trying to deflect attention from the fraud in the ALP exposed by Karen Erhmann. By contrast, there has not been a single substantiated allegation of fraud in respect of any Liberal Party membership—not one. All we get is an attempt to smear the involvement of Asian people in the political process by using the weasel words 'ethnic branch stacking'. It is quite clear that, for people like Mr Mickel, the ALP is not the party of Gough Whitlam; it is still the party of Arthur Calwell. If Mr Mickel had evidence of fraud, no doubt he would have come forward with it. But, in the absence of any evidence that these people are other than bona fide members and good citizens, Mr Mickel chose to do a Pauline Hanson: he chose to play the race card.

Senator McKiernan—Madam President, I raise a point of order. Again, what the senator has said is a reflection on a member of the Queensland parliament. The senator should be asked to withdraw and be told not to repeat it.

The PRESIDENT—I think that probably should be expressed differently, Senator Brandis, if I may ask you to do so.

Senator BRANDIS—Yes, Madam President. He chose to suggest that there was something wrong—

Senator McKiernan—Madam President, on the point of order: I did ask for a withdrawal and I do believe what he said should be withdrawn.

Senator BRANDIS—Madam President, I used the expression 'he chose to play the race card'. As any scrutiny of the speech to which I refer would reveal, it is a speech about race. That is what it is all about. I am not sure what I am being asked to withdraw.

The PRESIDENT—The point being made is imputing motives to somebody, and that is what I think is being challenged in asking you to withdraw that and express it differently.

Senator BRANDIS—I withdraw what I said. Mr Mickel chose to give—

Senator Lightfoot—Madam President, further to the point of order: this is the—

Senator McKiernan—Madam President has ruled on the point of order. Which point of order are you speaking to?

Senator Lightfoot—Madam President, have you ruled on the point of order?

The PRESIDENT—Order! Senator McKiernan.

Senator Lightfoot—Madam President, I drew your attention before you ruled on the point of order.

The PRESIDENT—I have ruled on the point of order.

Senator Lightfoot—Thank you, Madam President. Madam President, this must epitomise the greatest freedom of—

The PRESIDENT—What is your point of order, Senator?

Senator Lightfoot—I am getting to it, if I can have a preamble to it, please, Madam President. This must be the house that is the ultimate in freedom of speech. It is no reflection on that person to say he played the racist card.

The PRESIDENT—you are challenging my ruling, Senator.

Senator Lightfoot—No, you have not ruled, you said, Madam President.

The PRESIDENT—I have ruled on it, and the senator has withdrawn that comment. I invite you to continue with your speech, Senator Brandis.

Senator BRANDIS—the Queensland Liberal Party is proud of its long tradition of welcoming and empowering people of all ethnic backgrounds. We are proud that Australia's first Aboriginal member of parliament, the late Senator Neville Bonner, came from the Queensland Liberal Party. We are proud that, at the next state election, two of our candidates in good, winnable seats—Steven Huang in Mount Gravatt and David Lin in Stretton—are leaders of the Chinese community. We are proud that the Liberal Party was the first party in the Queensland parliament to be represented by an Italian-born Australian, a great and distin—
guished Liberal, Santo Santoro. We are proud that our state president, Mr Con Galtos, is a Greek-born Australian.

So let us have no more dishonest innuendo from people at the bottom of the political barrel. Let us have no more racist attacks on Australian citizens of Asian heritage. The Queensland branch of the ALP, disgraced as it has been by widespread—and admitted—membership and preselection fraud, should explain itself before the Criminal Justice Commission. It should explain itself before the Joint Standing Committee on Electoral Matters. But the one thing it should not do is engage in racism as a diversionary tactic. The many decent people of the Labor Party should bring people like John Mickel into line. They should remind him that there is no place for racism in Australian politics and that the participation by all social groups in the political process is an aspect of Australian life to be encouraged and celebrated.

Senates adjourned at 7.35 p.m.

**DOCUMENTS**

**Tabling**

The following government documents were tabled:


**Tabling**

The following documents were tabled by the Clerk:

- Cocos (Keeling) Islands Act—Ordinance No. 2 of 2000 (Tobacco Sellers Licensing Ordinance 2000).
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Health and Aged Care Portfolio: Agency Boards
(Question No. 2152)

Senator O’Brien asked the Minister representing the Minister for Health and Aged Care, upon notice, on 10 April 2000:

1. How many agencies within the Minister’s portfolio are administered by a board.
2. Are all members of the above boards appointed by the Governor-General on the advice of the Executive Council; if not, who is responsible for making board appointments.
3. In each case, does the Remuneration Tribunal have a role in the setting of fees, allowances, and other benefits for members of the boards; if not:
   a. under which section of the relevant legislation are such fees, allowances and benefits authorised; and
   b. how is the value of these fees, allowances and other benefits determined.
4. In each case, what is the nature and value of fees paid to board members.
5. What other benefits, such as mobile phones, home computers, and home phone/facsimile machines, are provided to board members by virtue of their membership of a government board.
6. What class of air travel, what standard of accommodation and what car allowances are paid to board members and, in each case, what is the value of these benefits and who determines that value.
7. Are board members entitled to, or do they receive, any spouse benefits; if so what is the nature and value of these benefits.
8. (a) on how many occasions since January 1998 have the above fees, allowances and other benefits been varied,
   b. what was the reason for each variation; and
   c. what was the quantum of each variation
9. If variations to fees, allowances and other payments to board members were not determined by the Remuneration Tribunal, who determined the quantum and timing of each increase.
10. Do board members qualify for, and are they paid superannuation benefits; if so are such payments additional to, and separate from, other allowances they receive.
11. Do board members receive any additional allowances if they are appointed to board sub-committees; if so are such additional benefits provided for in the relevant legislation.

Senator Herron—The Minister for Health and Aged Care has provided the following answer to the honourable senator’s question:

1. and 2. The information is available in the relevant legislation and/or Constitution governing the agency and in the agency’s Annual Report.
3. The information is available in the relevant legislation and/or Constitution governing the agency.
   a. The information is available under the section that deals with Remuneration.
   b. The Remuneration Tribunal determines the information.
4. The information is available in the Remuneration Tribunal determinations and in the agency’s Annual Report.
5. to 7. The benefits payable to part-time Board members are published in the Remuneration Tribunal determinations.
   8. (a) The variations are published in the Remuneration Tribunal determinations.
   b. The reasons for the variation are subject to the Remuneration Tribunal deliberations.
   c. The quantum of the variations can be obtained by comparing the Remuneration Tribunal determinations.
   9. The information is available in the legislation or Constitution governing the agency.
(10) See answer to question (5)

(11) The additional allowances payable to part-time Board members are published in the Remuneration Tribunal determinations and in the agency's Annual Report.

**Civil Aviation Safety Authority: Qantas Accidents**

**(Question No. 2228)**

Senator Brown asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 15 May 2000:

With reference to failures or accidents involving Qantas in the past 2 years:

1. (a) How many such accidents have been reported to the Civil Aviation Safety Authority (CASA); and
   
   (b) What did each involve.

2. In each case, what ministerial overview and/or action took place.

3. What involvement does the Government have in scrutinising the response of CASA to accidents or failures affecting Qantas and Ansett flights.

4. What changes, if any, has the Government made to CASA's procedures involving the Qantas and Ansett carriers.

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

1. (a) and (b) As a general rule, accidents will be reported to the Australian Transport Safety Bureau (ATSB), rather than the Civil Aviation Safety Authority (CASA). The ATSB does however advise CASA as soon as possible, in accordance with an MOU between the two agencies, of any accident or serious incident notified to the ATSB.

   In accordance with Sections 19BA and 19BC of the Air Navigation Act 1920, the ATSB’s Director of Air Safety Investigation must be notified of all accidents, serious incidents or incidents involving civil aircraft operations in Australia or Australian aircraft outside Australia. Aviation occurrences are required to be reported immediately for accidents and serious incidents and within 48 hours for other incidents.

   Under Section 19HA(3) of the Act, the ATSB is restricted from releasing information on individual operators. The release of such information could discourage the full reporting of occurrences and thereby have an adverse consequence on aviation safety. The ATSB has undertaken to provide more detailed information ‘in camera’ to the Senate Rural and Regional Affairs and Transport Committee.

2. and 3) The Government’s view is that CASA’s regulatory efforts should focus on protecting fare paying passengers. The Government’s policy on aviation safety reform “A Measured Approach to Aviation Safety Reform”, spells out the Government’s priorities in this area. The policy outlines the reforms that are intended to simplify air safety laws, decrease the number of accidents and incidents, and reduce the cost of air traffic services. An important element of the policy is the Government’s measured approach towards reforming CASA, Airservices Australia and the regulations that underpin air safety in Australia.

   In addition to CASA and Airservices, the ATSB is an independent investigative agency within the portfolio of the Minister for Transport and Regional Services. The Minister, quite appropriately, does not have any direct involvement in accident investigations.

   Occurrences advised to the ATSB with significant safety implications or that are likely to attract considerable interest are notified to the Executive of the Department of Transport and Regional Services and the Minister. The Minister also receives a copy of all ATSB’s investigation reports.

   The ATSB informs the relevant organisations of its safety recommendations. Responses by CASA and other parties to the safety recommendations are published by the ATSB in Quarterly Safety Deficiency Reports.

4) The Government has made no specific changes to CASA (or ATSB) procedures involving Qantas and Ansett.

   However, CASA itself has made some important changes within its organisation. In particular, CASA is currently in the process of introducing a new systemic audit system. This new approach to surveillance will affect all air operators. It takes a more comprehensive approach than previously and is
based on an analysis of risk, which enables CASA to direct its surveillance resources to where it is needed.

CASA has also undertaken a number of additional audits on some air operators to ensure they are continuing to meet safety and maintenance standards required by CASA. In addition, as a result of new entrants into the Australian market, CASA has also recruited 12 new staff to assist with the process.

The Government has supported CASA in its endeavours to enhance the surveillance of all Regular Public Transport (RPT) operators, including high capacity RPT operators.

**Airports: Rescue and Firefighting Services**

(Question No. 2281)

**Senator O’Brien** asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 30 May 2000:

With reference to page 121 of the Rural and Regional Affairs and Transport Estimates *Hansard* of 2 May 2000, the Director of the Civil Aviation Safety Authority, Mr Mick Toller, advised that once a yet to be determined level of activity is reached that requires the provision of rescue and firefighting services, the ultimate responsibility for supplying those services rests with the aerodrome operator:

Does the Airservices Australia Act currently require that Airservices Australia accept the ultimate responsibility for the provision of these services whether directly, or by way of a contract with another party; if so, how does this legislative requirement accord with Mr Toller’s advice to the estimates hearings of 2 May 2000.

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

No—the Air Services Act 1995 does not require that Airservices Australia accept the ultimate responsibility for the provision of rescue and firefighting services.

**Pharmaceutical Industry Working Group: Meetings**

(Question No. 2299)

**Senator George Campbell** asked the Minister for Industry, Science and Resources, upon notice, on 6 June 2000:

(1) (a) How many times has the Pharmaceutical Industry Working Group met since 7 June 1999; and (b) what has been produced or agreed to as a result of those meetings.

(2) (a) How many meetings have occurred between departmental staff and pharmaceutical industry representatives since 7 June 1999; and (b) what has been produced or agreed to as a result of those meetings.

(3) (a) At any of those meetings was the pharmaceutical industry consulted about price reductions and reductions in Pharmaceutical Industry Incentive Program grants as a result of the introduction of goods and services tax; if so, were their views taken into account; if not, why not.

(4) What plans are in place to meet the objectives of the working group, which was to ‘look at the long term policy environment for pharmaceutical industry’.

(5) (a) At what stage is the proposal to hold an inquiry into the issue of pharmaceutical pricing and its role in research and development and capital investment in Australia; and (b) are there other plans for inquiries into the pharmaceutical industry.

(6) (a) How is the working group going to move forward; and (b) will it continue to meet during 2000-01.

(7) What benefits has the pharmaceutical industry seen as a result of the working group.

(8) What benefits has the Government seen as a result of the working group.

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

(1) (a) The Pharmaceutical Industry Working Group (PIWG) has met twice since 7 June 1999.

(b) Key outcomes of the PIWG meetings include:

. The Productivity Commission will be tasked to undertake a study of the prices of new and innovative Australian pharmaceuticals relative to those offered in comparable overseas markets.
Industry and Government will proceed with a study of the Weighted Average Monthly Treatment Cost method for setting prices for medicines.

(2) (a) Staff from my Department have been in regular contact with representatives of the pharmaceutical industry.

(b) The purpose of these meetings has encompassed a wide range of matters.

(3) (a) Yes.

(4) The Productivity Commission study concerning the price relativities of pharmaceuticals in comparable markets; the Weighted Average Monthly Treatment Cost study; and the pricing, listing and investment review are being considered as a result of discussions at the PIWG meetings. These projects are all focussed at looking at the long-term policy environment for the pharmaceutical industry.

(5) (a) The proposed review of pharmaceutical pricing, listing and investment is still under consideration by the Government.

(b) There are no other plans for reviews into the pharmaceutical industry.

(6) (a) The working group will continue to function as a forum for interaction between the pharmaceutical industry and relevant Ministers.

(b) Yes.

(7) In a letter dated 2 June 2000 to me from the Chairman of the APMA, Mr Pat Clear, said “we regard the PIWG as a valuable forum in which government and industry can work together to create an environment which will encourage continued and further investment in Australia by the pharmaceutical industry, with resultant economic benefit for Australia”.

(8) The PIWG gives the Government an opportunity to have a dialogue with the industry about issues of concern to both parties. This has led to an increased level of awareness and understanding by the Government and industry.

**Helicopters: Civil Aviation Authority Requirements**

(Question No. 2366)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 16 June 2000:

(1) Does the Civil Aviation Authority require helicopters used for charter operations to maintain a one per cent climb gradient on one engine.

(2) Does the same requirement apply to helicopters used in police operations and emergency medical work; if not, why not.

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

The Civil Aviation Safety Authority (CASA) has provided the following advice:

(1) For night operations under visual flight rules (VFR) and for operations under instrument flight rules (IFR), CASA requires that multi-engine helicopters engaged in charter operations are capable of maintaining a one percent gradient of climb with one engine inoperative.

(2) This requirement does not apply to helicopters used in police operations and emergency medical work as both operations are classified as aerial work for which no performance standards are prescribed. Aerial work operations may be undertaken without restriction in single engine and multi-engine helicopters.

**Telstra Country Wide: Staff**

(Question No. 2390)

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

(1) Of the 8000 service staff expected to be employed by Telstra Country Wide, how many are existing Telstra employees.

(2) How many staff will be required to relocate from the metropolitan area to the 29 regional centres.

(3) How many of the 8000 staff will be located in Albury-Wodonga.
(4) What is the skills breakdown of the 8000 staff.
(5) How many staff will be appointed from the local area.
(6) (a) How many regional centres does Telstra currently operate, excluding call centres; and (b) how many staff are currently employed in these regional centres.
(7) How many regional centres did Telstra operate in 1985.
(8) Does Telstra intend to use Telstra Country Wide as a tenderer for the universal service obligation.
(9) Are the proposed authorised agents in small towns providing front office services included in the 29 regional centres and 8000 staff; if not: (a) how many such agents will there be; and (b) where will they be located.
(10) What is the timeframe for setting up these regional centres.
(11) What are the terms of reference of the Telstra Country Wide Advisory Board.
(12) What is the annual cost of facilitating the board.

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

Based on advice from Telstra.

(1) The majority of the 8000 staff assigned to Telstra Country Wide will be existing Telstra employees presently in regional and rural centres. However, Telstra does expect to undertake some recruiting activity, for example to staff Area Offices in regional areas.

(2) See answer to question (1). Telstra Country Wide is currently establishing its 29 Area Offices and consequently is unable to indicate how many staff may be relocating from metropolitan areas.

(3) See answer to question (1). Telstra currently has 145 staff working in the Albury-Wodonga region. Telstra expects approximately 80 national office and support functions will also be based in Albury-Wodonga.

(4) Telstra Country Wide’s assigned workforce will comprise the following skill groups:
   - Installation and repair
   - Workforce management
   - Construction
   - Provisioning
   - Sales
   - Information Technology
   - Administrative support
   - Finance
   - Employee Relations
   - Marketing
   . Management

(5) Telstra is currently establishing its area offices and consequently is unable at this stage to indicate how many staff may be appointed from the local area.

(6) Excluding call centres, Telstra currently has 26 service areas in rural and remote Australia employing some 2,860 field service staff.

(7) Telstra advises that, as a significantly different organisational structure was in place at that time, it is no longer able to source this information.

(8) Telstra Corporation will be tendering.

(9) No, the proposed authorised agencies are not part of the 29 Area Offices currently being established across the country. Decisions on the number and locations of authorised agencies are still under consideration.

(10) Area General Managers are expected to be appointed during August / September this year. Area Offices will then be established soon after.

(11) The Telstra Country Wide Advisory Board will provide advice on business strategy and improved service. Terms of reference are yet to be finalised.
(12) The annual cost of the Telstra Country Wide Advisory Board – including member fees, meeting costs, travel and support costs – is expected to be in the order of $400,000 per annum.

Department of the Prime Minister and Cabinet: Programs and Grants to the Bass Electorate

(Question No. 2401)

Senator O’Brien asked the Minister representing the Prime Minister, 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 Hill—The Prime Minister has provided the following answer to the honourable senator’s question:

I am advised by my department as follows:

Department of the Prime Minister and Cabinet (PMC)

(1) Nil
(2) Nil

Office of National Assessments (ONA)

(1) Nil
(2) Nil

Office of the Inspector-General of Intelligence and Security (OIGIS)

(1) Nil
(2) Nil

Office of the Commonwealth Ombudsman

(1) Nil
(2) Nil

Australian National Audit Office (ANAO)

(1) Nil
(2) Nil

Public Service and Merit Protection Commission (PSMPC)

(1) Nil
(2) Nil

Office of the Official Secretary to the Governor-General

(1) Nil
(2) Nil

Department of Transport and Regional Services: Programs and Grants to the Bass Electorate

(Question No. 2402)

Senator O’Brien asked the Minister representing the Minister of Transport and Regional Services, 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 Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

The Road Safety Black Spot Program

(1) The level of funding provided through the Federal Road Safety Black Spot program to the federal electorate of Bass in 1999-2000 was $4,000.

(2) The level of funding which may be appropriated under the Federal Road Safety Black Spot Program in 2000-01 to the federal electorate of Bass has not yet been determined.

Rural Communities Program

(1) Projects which included in their geographic scope the federal electorate of Bass received Rural Communities Program funding totalling $144,840 in financial year 1999-2000.

(2) In the financial year 2000-01, $95,180 has been allocated to Rural Plan and $73,400 allocated to Rural Communities Program projects which include in their geographic scope the federal electorate of Bass.

Rural Transaction Centres Program

(1) The Rural Transaction Centres (RTC) Program did not provide any funding to people living in

(2) $23,633,000 has been appropriated in 2000-01 for the RTC Program Australia wide. The Program is community driven and funds are allocated on receipt and assessment of applications.

Local Government Incentive Program

(1) $125,000 was provided in 1999-2000 under the Local Government Incentive Program to the Local Government Association of Tasmania to assist councils, including those in the Bass electorate, to prepare for the Goods and Services Tax.

(2) Approximately $4 million remains available under the Local Government Incentive Program for expenditure during 2000-01. These funds are available to assist councils throughout Australia.

Local Government Development Program

(1) Under the Local Government Development Program, the Structural and Organisational Reform Project - Dorset & Break O'Day Councils, worth $93,880, was approved in 1998/99. Total payment in respect of this project occurred in 1999/00. Dorset Council is in the electorate of Bass, while Break O'Day Council is in the neighbouring electorate of Lyons.

(2) The Local Government Development Program ceased at the end of 1998/99. However, payment of $30,000 is anticipated in 2000/01 in respect of the North Esk River Weir project in Launceston, which was approved in 1998/99 and worth $60,000.

Inveresk Railyards Redevelopment Project

(1) The final payment in 1999/2000 of $0.263m was made in respect of the Inveresk Railyards Redevelopment Project, a $7m project under the 'Rebuilding Regional Australia' initiative contained in the 1996/97 budget.


Local Government Financial Assistance Grants


Local Government Financial Assistance Grants to Local Government Authorities in the federal electorate of Bass in 1999-2000:

<table>
<thead>
<tr>
<th>Council Name</th>
<th>General Purpose funding ($)</th>
<th>Roads funding ($)</th>
<th>Total ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dorset*</td>
<td>$798,038</td>
<td>$1,080,111</td>
<td>$1,878,149</td>
</tr>
<tr>
<td>Flinders*</td>
<td>$367,860</td>
<td>$363,969</td>
<td>$731,829</td>
</tr>
<tr>
<td>George Town*</td>
<td>$554,860</td>
<td>$362,622</td>
<td>$917,482</td>
</tr>
</tbody>
</table>
* Estimated entitlement only. Final entitlement available approximately mid August 2000.

(p) Boundary falls in more than one federal electorate.

(1) The estimated entitlement of Local Government Financial Assistance Grants for Tasmania in 2000-01 is $44,043,472. The entitlement for each Council will be known approximately mid August 2000.

Regional Flood Mitigation Program

(1) The Regional Flood Mitigation Program (RFMP) funded three projects totalling $48,150 in the federal electorate of Bass.

<table>
<thead>
<tr>
<th>Council</th>
<th>Project Description</th>
<th>Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Launceston City Council</td>
<td>Steel sliding gates to replace earth and sandbag levee closures at two railway openings in the levee to hasten closure in the event of a flood and reduce closure time.</td>
<td>$33,000</td>
</tr>
<tr>
<td>Launceston City Council</td>
<td>Detailed design and stabilisation of a section of the Town Point levee at risk of collapsing following a flood peak.</td>
<td>$10,150</td>
</tr>
<tr>
<td>Launceston City Council</td>
<td>Concept designs for relocation and stabilisation of sections of the Scottsdale Levee and implementation of these designs.</td>
<td>$5,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$48,150</td>
</tr>
</tbody>
</table>

(2) Applications for the 2000-01 Regional Flood Mitigation Program are currently going through the assessment process. Announcements are expected in mid August.

Australian Land Transport Development Program

(1) Funding was provided in 1999/00 under the Australian Land Transport Development Program for various National Highway projects in the electorates of Bass, Lyons and Braddon. $4.45 million of this was for projects (eg improvements to night time delineation) which covered all the National Highway and cannot be accurately allocated to individual electorates. A small proportion of the National Highway is in Bass. Some of the $8.4m spent on National Highway maintenance would also have been spent in Bass.

(2) $1.9 million will be provided for similar projects during 2000/01.

Tasmanian Freight Equalisation Scheme

(1) The Department administers the Tasmanian Freight Equalisation Scheme (TFES) which provides financial assistance to offset the interstate transport cost disadvantage for shippers transporting eligible non-bulk goods across Bass Strait by sea. People living in the electorate of Bass are eligible for assistance on the same basis as any other electorate. The Department does not maintain statistics on the electorate of each recipient. However, on the basis that the Bass electorate falls within the state of Tasmania it is likely that, along with other Tasmanian electorates, its residents will benefit from the Scheme.

(2) An amount of $60.6m has been appropriated for TFES payments for 2000-2001.

Bass Strait Passenger Vehicle Equalisation Scheme

(1) The Department administers the Bass Strait Passenger Vehicle Equalisation Scheme (BSPVES) which provides a fare rebate to offset the cost of an eligible passenger travelling across Bass Strait by sea with an accompanied passenger vehicle. A passenger’s place of residence is not a factor in the determination of eligibility for the rebate, and accordingly, the Department does not maintain statistics on the place of residence of each eligible passenger. However, as the Bass electorate falls within the
state of Tasmania it is likely that, along with other Tasmanian electorates, its residents will benefit from the Scheme.

(2) An amount of around $15.5m has been appropriated for BSPVES rebates for 2000-2001.

Department of the Prime Minister and Cabinet: Programs and Grants to the Kalgoorlie Electorate

(Question No. 2419)

Senator O’Brien asked the Minister representing the Prime Minister, 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 Hill—The Prime Minister has provided the following answer to the honourable senator’s question:

I am advised by my department as follows:

Department of the Prime Minister and Cabinet (PMC)

(1) Australian Reconciliation Award for Business/Industry

(2) 1996-97 nil

1997-98 $5,000

1998-99 nil

1999-00 nil

(3) Nil

Office of National Assessments (ONA)

(1) Nil

(2) Nil

(3) Nil

Office of the Inspector-General of Intelligence and Security (OIGIS)

(1) Nil

(2) Nil

(3) Nil

Office of the Commonwealth Ombudsman

(1) Nil

(2) Nil

(3) Nil

Australian National Audit Office (ANAO)

(1) Nil

(2) Nil

(3) Nil

Public Service and Merit Protection Commission (PSMPC)

(1) Nil

(2) Nil

(3) Nil

Office of the Official Secretary to the Governor-General

(1) Nil
Department of the Prime Minister and Cabinet: Programs and Grants to the Eden-Monaro Electorate
(Question No. 2437)

Senator O’Brien asked the Minister representing the Prime Minister, 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 2000-2001 financial year.

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

I am advised by my department as follows:

Department of the Prime Minister and Cabinet (PMC)

(1) Nil
(2) Nil
(3) Nil

Office of National Assessments (ONA)

(1) Nil
(2) Nil
(3) Nil

Office of the Inspector-General of Intelligence and Security (OIGIS)

(1) Nil
(2) Nil
(3) Nil

Office of the Commonwealth Ombudsman

(1) Nil
(2) Nil
(3) Nil

Australian National Audit Office (ANAO)

(1) Nil
(2) Nil
(3) Nil

Public Service and Merit Protection Commission (PSMPC)

(1) Nil
(2) Nil
(3) Nil

Office of the Official Secretary to the Governor-General

(1) Nil
(2) Nil
(3) Nil
Aboriginal and Torres Strait Islander Commission: Programs and Grants to the Eden-Monaro Electorate

(Question No. 2454)

Senator O’Brien asked the Minister for Aboriginal and Torres Strait Islander Affairs, 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 2000-2001 financial year.

Senator Herron—The Aboriginal and Torres Strait Islander Commission has provided the following information in response to the honourable senator’s question:

Although outside the time frame of the honourable Senator’s question, 1995/96 funding to the Eden Keeping place is culturally relevant and of high significance to the Aboriginal community at Eden.

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Organization</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996/97</td>
<td>Twofold Aboriginal Corporation, Eden</td>
<td>Administration costs under Community and Youth Support Program</td>
</tr>
<tr>
<td></td>
<td>Sapphire Housing Aboriginal Council</td>
<td>develop a community plan.</td>
</tr>
<tr>
<td>1997/98</td>
<td>Biggah Enterprises Aboriginal Corporation, Bega</td>
<td>Women’s Issues funding purchase a Community Centre.</td>
</tr>
<tr>
<td></td>
<td>$10,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$100,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Coast Train Enterprises Inc.</td>
<td>Preventative program for Young Aboriginals at risk.</td>
</tr>
<tr>
<td></td>
<td>$2,000</td>
<td>operates a work cell at Eden with 40 participants.</td>
</tr>
<tr>
<td></td>
<td>$10,000</td>
<td>operates a cell in Eden, 40 participants.</td>
</tr>
<tr>
<td></td>
<td>$10,000</td>
<td></td>
</tr>
<tr>
<td>1999/00</td>
<td>Wallaga Lake CDEP</td>
<td>operate a work cell in Eden, 40 participants.</td>
</tr>
<tr>
<td>2000/01</td>
<td>Wallaga Lake CDEP</td>
<td>the work cell in Eden, 40 participants.</td>
</tr>
</tbody>
</table>

Department of the Prime Minister and Cabinet: Programs and Grants to the Gippsland Electorate

(Question No. 2456)

Senator O’Brien asked the Minister representing the Prime Minister, 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 Hill—The Prime Minister has provided the following answer to the honourable senator’s question:

I am advised by my department as follows:

Department of the Prime Minister and Cabinet (PMC)
(1) Nil
(2) Nil

Office of National Assessments (ONA)
(1) Nil
(2) Nil

Office of the Inspector-General of Intelligence and Security (OIGIS)
(1) Nil
(2) Nil

Office of the Commonwealth Ombudsman
(1) Nil
(2) Nil

Australian National Audit Office (ANAO)
(1) Nil
(2) Nil

Public Service and Merit Protection Commission (PSMPC)
(1) Nil
(2) Nil

Office of the Official Secretary to the Governor-General
(1) Nil
(2) Nil

Aged Care Providers: Validation of Resident Classifications
(Question No. 2477)

Senator Chris Evans asked the Minister representing the Minister for Aged Care, upon notice, on 27 June 2000:

With reference to applications by residential aged care providers to the Administrative Appeals Tribunal over departmental validations of resident classifications, have any of the applications been settled between the parties outside the Tribunal; if so: (a) who was the aged care provider involved in each settlement; (b) what were the terms of each settlement; (c) what was the cost to the Commonwealth of each settlement; (d) did the Commonwealth pay the costs of any applicants; and (e) how much was paid in each case.

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:

No applications have been finalised outside the Tribunal, this includes those subject to mediation settlement.

Korean Peninsular Energy Development Organisation: Funding
(Question No. 2480)

Senator Brown asked the Minister representing the Minister for Foreign Affairs, upon notice, on 27 June 2000:

What has the $13.2 million given to the Korean Peninsular Energy Development Organization during the 1997-98 to 1999-2000 financial years been spent on.
Senator Hill—The Minister for Foreign Affairs has provided the following answer to the honourable senator’s question:

Since 1994/95, Australia has contributed a total of $15.9 million to the Korean Peninsular Energy Development Organization (KEDO). Of that amount $5 million was contributed in the years 1997/98 to 1999/2000. These funds have been used to purchase heavy fuel oil for electricity generation and heating in the Democratic People’s Republic of Korea.

Department of Family and Community Services: Salaries
(Question No. 2566)

Senator Faulkner asked the Minister for Family and Community Services, upon notice, on 6 July 2000:

As a dollar amount and as a percentage of the department’s total outlay on salaries, what was the cost of: (a) staff training; (b) consultants; and (c) performance pay, in the 1999-2000 financial year.

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

(a) (b) (c) refer to table below.

<table>
<thead>
<tr>
<th>Department of Family and Community Services</th>
<th>Child Support Agency</th>
<th>CRS Australia</th>
<th>Centrelink</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Training</td>
<td>$1.44m (1.8%)</td>
<td>$1.06m (0.9%)</td>
<td>$2.3m (3.1%)</td>
</tr>
<tr>
<td>Consultants</td>
<td>$14.34m (18.2%)</td>
<td>$2.75m (2.4%)</td>
<td>$0.91m (1.2%)</td>
</tr>
<tr>
<td>Performance Pay</td>
<td>$0.14m (0.2%)</td>
<td>$2.30m (2.0%)</td>
<td>$1.61m (2.2%)</td>
</tr>
</tbody>
</table>

* Figures for Centrelink on the cost of Consultants for the 1999/2000 financial year being $9,356,530. This represents the amount paid to consultants during the financial year expressed as a percentage of Centrelink’s outlay on salaries as advised by People Management Team being $977,129,000.

Department of Finance and Administration: Salaries
(Question No. 2578)

Senator Faulkner asked the Minister representing the Minister for Finance and Administration, upon notice, on 6 July 2000:

As a dollar amount and as a percentage of the department’s total outlay on salaries, what was the cost of: (a) staff training; (b) consultants; and (c) performance pay, in the 1996-97, 1997-98 and 1998-99 financial years.

Senator Ellison—The Minister for Finance and Administration has supplied the following answer to the honourable senator’s question:

During the 1996-97 financial year there was no Department of Finance and Administration. As the former Departments of Finance and Administrative Services both used systems that are now non-existent, I cannot supply the information for that financial year.

<table>
<thead>
<tr>
<th></th>
<th>1997-98</th>
<th>%</th>
<th>1998-99</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>5,918,703</td>
<td>3.30</td>
<td>3,161,596</td>
<td>2.82</td>
</tr>
<tr>
<td>(b)</td>
<td>15,658,222</td>
<td>8.72</td>
<td>14,347,286</td>
<td>12.78</td>
</tr>
<tr>
<td>(c)</td>
<td>3,888,490</td>
<td>2.2</td>
<td>3,943,238</td>
<td>3.5</td>
</tr>
</tbody>
</table>

Eurobodalla Disability Action Inc.: Proposed Funding
(Question No. 2579)

Senator Allison asked the Minister representing the Minister for Community Services, upon notice, on 6 July 2000:
Does the Federal Government propose to fund the Eurobodalla Disability Action Inc. for advocacy, training, supervision and support of volunteers; if not, what advocacy service will be available to those with disabilities in the Far South Coast of New South Wales.

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

The Minister for Community Services, the Hon Larry Anthony, recently gave in principle agreement for a limited amount of funding to assist small community based groups undertake local advocacy. The funding will assist the groups with training, set-up costs and, in some cases, recurrent costs. Processes are currently being developed to allow groups such as Eurobodalla Disability Action Inc. to support people with disabilities in regional New South Wales, under the National Disability Advocacy Program. Their proposal will be considered within this process.

Amongst the 19 disability advocacy services currently funded in NSW, there are 7 services that operate on a statewide basis, including the far south coast area. These services are:

- Institute for Family Advocacy and Leadership Development
- Intellectual Disability Rights Service
- Multicultural Disability Advocacy Service
- Disability Complaints Service
- Australian Quadriplegic Association (AQA) Advocacy Service
- Brain Injury Association, Self Advocacy Skills Development & Training Program
- Disability Services Aboriginal Corporation.

International Maritime Organisation and the International Civil Aviation Organisation: Search and Rescue Joint Committee

(Question No. 2582)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 19 July 2000:

(1) Do the International Maritime Organisation and the International Civil Aviation Organisation operate a joint committee of leading search and rescue experts to facilitate the harmonisation of their search and rescue systems.

(2) Is Australia represented on that committee; if so, by whom, and what search and rescue expertise does that person have.

(3) Where and when did the meeting take place in 2000.


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

(1) Yes. The committee is known as the ICAO/IMO Joint Working Group on Harmonisation of Aeronautical and Maritime Search and Rescue (JWG).

(2) Australia is represented on that committee. Australia’s representation is through the Australian Maritime Safety Authority (AMSA) rather than by any specific individual. Mr John Young of AMSA represents AMSA on the JWG and has recently been elected Vice-Chairman. Mr Young is the Operations Manager of the Australian Search and Rescue Centre and is therefore well placed to advise the JWG on a broad range of issues relevant to both maritime and aviation search and rescue. He has a background in joint (ship-air) maritime operations.

(3) The meeting was hosted by Norway in April 2000.

(4) The cost of Australia’s participation was approximately $10,300.

Centenary of Federation Celebrations, United Kingdom: Minister for Transport and Regional Services Staff

(Question No. 2597)

Senator Faulkner asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 25 July 2000:
In relation to the Centenary of Federation celebrations held in the United Kingdom in early July 2000:

(1) (a) Did the department pay for any members of the Minister’s personal staff to accompany the Minister on this visit; (b) if so, which staff members; and (c) what is the total cost to the department.

(2) (a) Did any officers from the department, or from any agency in the portfolio, accompany the Minister on this visit; (b) if so, which officers; and (c) what is the total cost to the department.

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

(1) (a), (b) and (c) No. Travel for members of the Minister’s personal staff was paid for by the Department of Finance and Administration.

(2) (a), (b) and (c) No officers from the Department or any agency in the Portfolio travelled with the Minister.

Stone, Mr Shane: Correspondence with the Australian Ambassador to the United Nations

(Question No. 2623)

Senator Brown asked the Minister representing the Minister for Foreign Affairs, upon notice, on 27 July 2000:

(1) Are any staff in the department aware of correspondence between Mr Stone and the Ambassador to the United Nations.

(2) Is the minister or any of his staff aware of any such letter or letters.

(3) Can the Minister state that no letter has been received by the government or the Australian Mission to the United Nations from Mr Stone relating to East Timor; if not, why not.

Senator Hill—The Minister for Foreign Affairs has provided the following answer to the senator’s question:

(1) The staff in the Department are not aware of any correspondence between Mr Shane Stone and the Ambassador to the United Nations in relation to any business matter in East Timor.

(2) Neither the Minister nor any of his staff are aware of any such correspondence.

(3) One letter has been received by the Office of the Prime Minister from Mr Stone relating to East Timor. Mr Stone sent, by facsimile, a copy of a letter from one of his constituents dated 6 September 1999 to the Office of the Prime Minister on 13 September 1999. This letter related to the conflict in the Indonesian province of Ambon and referred to the conflict in East Timor. A search of the records of the Department of Foreign Affairs and Trade, including the Australian Mission to the United Nations, AusAID and AusTrade has revealed no other correspondence from Mr Stone relating to East Timor.